

Exhibit A

Transportation Expenditure Plan

Revenue Estimates and Distribution. Allocation of revenue authorized by Ordinance No. 26-1 is established within this Expenditure Plan. Funds shall be allocated by percentage of the actual revenue received. An estimate of revenues and allocation among categories for the first 30 years is \$7.5 billion. The estimated revenue is based upon 2026 value of money and is not binding or controlling.

Return to Source. After deduction of required CDTFA fees, funds dedicated for the Interregional Mobility Expenditure Plan and authorized administrative costs, revenues generated from each specified Subarea within San Bernardino County will be expended on projects of direct benefit to that Subarea. Revenues will be accounted for separately for each Subarea and then allocated to specified project categories. Decisions on how revenues for certain project categories are expended within the Subareas will be made by the Authority Board of Directors, based upon recommendation of local representatives.

Subarea Identification. The San Bernardino Valley Subarea will include the cities of Chino, Chino Hills, Colton, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland and Yucaipa and unincorporated areas in the east and west portions of the San Bernardino valley urbanized area. The Mountain/Desert area will include the following subareas: (1) The North Desert Subarea, which includes the City of Barstow and surrounding unincorporated areas; (2) The Colorado River Subarea, which includes the City of Needles and the surrounding unincorporated areas of the East Desert; (3) The Morongo Basin Subarea, which includes the City of Twentynine Palms, Town of Yucca Valley, and surrounding unincorporated areas; (4) The Mountain Subarea, which includes the City of Big Bear Lake and surrounding unincorporated areas of the San Bernardino Mountains; and (5) the Victor Valley Subarea, which includes the Cities of Adelanto, Hesperia, and Victorville; the Town of Apple Valley; and surrounding unincorporated areas including Wrightwood.

Contribution from New Development. No revenue generated from the tax shall be used to replace the fair share contributions required from new development as further described in Section 8 of the Ordinance.

Requirement for Annual Financial and Compliance Audits of Measure Funds. The San Bernardino County Transportation Authority shall undergo a biennial financial audit, and each local jurisdiction receiving an allocation of Measure revenue authorized in this Expenditure Plan shall undergo an annual financial audit, with all audits to be performed in accordance with generally accepted auditing standards and government auditing standards issued by the Comptroller General of the United States. Compliance audits also shall be conducted to ensure that each agency is expending funds in accordance with the provisions and guidelines established for Measure revenue including compliance with Maintenance of Effort provisions

The Interregional Mobility Expenditure Plan. Upon initial collection of revenue, 3% of the revenue generated across all San Bernardino County subareas will be reserved in advance of other allocations specified in this plan, in an account for the Interregional Mobility Expenditure Plan. The Interregional Mobility Expenditure Plan will provide resources for the planning and implementation of projects and programs that provide critical infrastructure to communities impacted by regional motorist, tourism, interregional travel, and goods movement. This program will help plan and deliver critical infrastructure improvements, such as enhancements in the Cajon Pass and other key corridors, that address congestion,

enhance mobility, improve safety, and strengthen resilience. It will also support evacuation planning, bolster emergency response capabilities, improve primary evacuation routes, and fund transit-related evacuation needs. In addition, the program will be available to address unexpected infrastructure damage resulting from natural or human-caused disasters, ensuring rapid recovery and the restoration of essential interregional mobility.

San Bernardino Valley Subarea Expenditure Plan. In that area described as the San Bernardino Valley Subarea, and referred to herein as the Valley Subarea, project categories shall be established as specified below. The San Bernardino Valley Subarea Expenditure Plan is illustrated in Figure A.

- A. State and Federal Transportation Funds.** A proportional share of projected state and federal transportation funds shall be reserved for use solely within the Valley Subarea.
- B. Local Mobility 25%.** Local priorities that focus on local roadway, bikeway, and sidewalk construction, repair, and maintenance for improved localized movement. Includes pass through for local priorities such as: local street widening & rehabilitation, potholes, grade separations, sidewalks, bike lanes, streetlights, and quiet zones. Allocations to local jurisdictions shall be on a per capita basis using the most recent State Department of Finance population estimates for January 1, with the County's portion based upon unincorporated population in the Valley Subarea. Estimates of unincorporated population within the Valley Subarea shall be determined by the County Planning Department, reconciled with the State Department of Finance population estimate for January 1 of each year.

Upon initial collection of revenue, each local jurisdiction shall reserve 5% of allocated revenue in a special account to be expended on active transportation projects. Eligible active transportation projects may include, at the discretion of the local jurisdiction, bicycle and pedestrian projects and costs for associated studies or plans. If, after at least ten years of revenue collection, the local jurisdiction's governing body makes a finding that the reserve for active transportation projects is no longer necessary, and the Authority Board of Directors subsequently approves the finding, then all Local Mobility funds allocated to the local jurisdiction may be used for any eligible purpose.

Local Mobility projects are defined as local street and road construction, repair, and maintenance and other eligible local transportation priorities. Except as set forth herein, Local Mobility funds can be used flexibly for any eligible transportation purpose determined to be a local priority, including local streets, major highways, state highway improvements, transit, and other improvements/programs to maximize use of transportation facilities. Expenditure of Local Mobility funds shall be based upon a Five-Year Plan adopted annually by the governing body of each local jurisdiction after being made available for public review and comment. Local Mobility funds shall be disbursed to local jurisdictions upon receipt of the annually adopted Five-Year Plan. The locally adopted Five-Year Plan shall be consistent with local, regional, and state transportation plans.

- C. Regional Mobility 50%.** Regional priorities that focus on goods movement, transit, managed lanes, congestion management, and emerging transportation technologies to enhance regional movement and include: highway improvements, bus and passenger rail (capital and rehabilitation), corridors, interchanges, environmental mitigation, traffic management systems (freeway service patrol and air quality strategies), quiet zones, planning and project development, and emerging transportation technology.

Regional Mobility projects are defined as congestion relief and safety improvements to corridors that connect communities, serve major destinations, and provide freeway access. Decisions on how Regional Mobility funds are expended will be made by the Authority Board of Directors, based upon recommendation of local jurisdiction representatives. Funding priorities shall be given to improving roadway safety, relieving congestion, and street improvements at rail crossings and shall take into

account equitable geographic distribution over the life of the program. Eligible projects also include, but are not limited to, signal synchronization, systems to improve traffic flow, commuter assistance programs, freeway service patrol, and projects that contribute to environmental enhancement associated with transportation facilities.

- D. Operations 25%.** Resourcing the operational costs for providing mobility services via rail, transit, senior and specialized services, first/last mile connections, ridesharing, and safety support functions. Decisions on how Operations funds are expended will be made by the Authority Board of Directors, based upon recommendations of local jurisdiction representatives. Funding priorities shall be given to maintaining core services across all modes of mobility.

Mountain/Desert Expenditure Plan. In that area described as the Mountain/Desert area, the following Expenditure Plan requirements shall apply. The Mountain/Desert Subarea Expenditure Plan is illustrated in Figure B.

- A. State and Federal Transportation Funds.** A proportional share of projected state and federal transportation funds shall be reserved for use solely within the Mountain/Desert Subareas.
- B. Local Mobility 70%.** Local priorities that focus on local roadway, bikeway, and sidewalk construction, repair, and maintenance for improved localized movement. Includes pass through for local priorities such as: local street widening & rehabilitation, potholes, grade separations, sidewalks, bike lanes, and streetlights. Allocations to local jurisdictions shall be based upon population (50 percent) and tax generation (50 percent). Population calculations shall be based upon the most current State Department of Finance estimates for January 1 of each year. Estimates of unincorporated population within each Subarea shall be determined by the County Planning Department, reconciled with the State Department of Finance population estimate. Tax generation calculations shall be based upon CDTFA data.

Upon initial collection of revenue, each local jurisdiction shall reserve 5% of allocated revenue in a special account to be expended on active transportation projects. Eligible active transportation projects may include, at the discretion of the local jurisdiction, but are not limited to, bicycle and pedestrian projects and costs for associated studies or plans. If, after at least ten years of revenue collection, the local jurisdiction's governing body makes a finding that the reserve for active transportation projects is no longer necessary, and the Authority Board of Directors subsequently approves the finding, then all Local Mobility funds allocated to the jurisdiction may be used for any eligible purpose.

Local Mobility projects are defined as local street and road construction, repair, and maintenance and other eligible local transportation priorities. Except as set forth herein, Local Mobility funds can be used flexibly for any eligible transportation purpose determined to be a local priority, including local roads, major streets, state highway improvements, transit, including but not limited to, fare subsidies and service enhancements for seniors and persons with disabilities, and other improvements/programs to maximize use of transportation facilities. Expenditure of Local Mobility funds shall be based upon a Five-Year Plan adopted annually by the governing body of each local jurisdiction after being made available for public review and comment. Local Mobility funds shall be disbursed to local jurisdictions upon receipt of the annually adopted Five-Year Plan. The locally adopted Five-Year Plans shall be consistent with other local, regional, and state transportation plans.

- C. Regional Mobility 20%.** Regional priorities that focus on goods movement, transit, managed lanes, congestion management, and emerging transportation technologies to enhance regional movement and include: highway improvements, bus and passenger rail (capital and rehabilitation), corridors, interchanges, environmental mitigation, traffic management systems (freeway service patrol and air quality strategies), planning and project development, and emerging transportation technology.

Revenue collected within each Subarea shall be reserved in a special account to be expended on Regional Mobility projects of benefit to the Subarea. Regional Mobility projects are defined as major streets and highways serving as primary routes of travel within the Subarea, which may include State highways and freeways, where appropriate. Regional Mobility Projects funds can be used to leverage state and federal funds for transportation projects and to perform advance planning/project reports. Expenditure of Regional Mobility funds shall be approved by the Authority Board of Directors, based upon a recommendation of Subarea representatives and the Mountain/Desert Policy Committee. If, after five years of revenue collection and every five years thereafter, the local representatives and the Mountain/Desert Policy Committee make a finding that Regional Mobility funds are not required for improvements of benefit to the Subarea, then revenue in the Regional Mobility category may be returned to local jurisdictions within the Subarea. Such return shall be allocated and expended based upon the formula and requirements established in the Local Mobility category.

- D. Operations 10%.** Resourcing the operational costs for providing mobility services via rail, transit, senior and specialized services, first/last mile connections, ridesharing, and safety support functions. Decisions on how Operations funds are expended will be made by the Authority Board of Directors, based upon recommendation of Subarea representatives and the Mountain/Desert Policy Committee and/or Transit Committee. Funding priorities shall be given to maintaining core services across all modes of mobility services.

The Authority Board of Directors, based upon recommendation of Subarea representatives and the Mountain/Desert Policy Committee, may provide additional funding beyond 10% upon a finding that such increase is required to address unmet transit needs of the Subarea. All increases above the 10% initial revenue collected for the Operations category shall come from the Local Mobility category of the Subarea.

- E. Mountain/Desert Policy Committee.** The Mountain/Desert Policy Committee of the Authority shall remain in effect and provide oversight of the implementation of the Mountain/Desert Expenditure Plan.

**Measure “I”
Transportation Expenditure Plan**

**FIGURE A
San Bernardino Valley Subarea Expenditure Plan**

Local Mobility 25%

Local priorities that focus on local roadway, bikeway, and sidewalk construction, repair and maintenance for improved localized movement. Includes pass through for local priorities.

- Local Street Widening & Rehabilitation
- Potholes
- Grade Separations
- Sidewalks
- Bike Lanes
- Streetlights
- Quiet Zones

Regional Mobility 50%

Regional priorities that focus on goods movement, transit, managed lanes, congestion management, and emerging transportation technologies to enhance regional movement.

- Highway Improvements
 - Managed Lanes
- Bus and Passenger Rail
 - Capital and Rehabilitation
- Corridors
 - Roadway, Transit, ATP
- Interchanges
- Environmental Mitigation
- Traffic Management Systems
 - Freeway Service Patrol
 - Air Quality Strategies
- Planning and Project Development
- Emerging Transportation Technology
- Quiet Zones

Operations 25%

Resourcing the operational costs for providing mobility services via transit, senior and specialized services, first/last mile connections, and safety support functions.

- Transit Operations
 - Bus, Rail, Innovative Technology
 - Student, Senior and Disabled Transit
- Traveler Emergency Network
- Vanpool/Ride Share
- First/Last Mile

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FIGURE B
Mountain Desert Expenditure Plan

Local Mobility 70%

Local priorities that focus on local roadway, bikeway, and sidewalk construction, repair and maintenance for improved localized movement. Includes pass through for local priorities.

- Local Street Widening & Rehabilitation
- Potholes
- Grade Separations
- Sidewalks
- Bike Lanes
- Streetlights
- Quiet Zones

Regional Mobility 20%

Regional priorities that focus on goods movement, transit, managed lanes, congestion management, and emerging transportation technologies to enhance regional movement.

- Highway Improvements
 - Managed Lanes
- Bus and Passenger Rail
 - Capital and Rehabilitation
- Corridors
 - Roadway, Transit, ATP
- Interchanges
- Environmental Mitigation
- Traffic Management Systems
 - Freeway Service Patrol
 - Air Quality Strategies
- Planning and Project Development
- Emerging Transportation Technology
- Quiet Zones

Operations 10%

Resourcing the operational costs for providing mobility services via transit, senior and specialized services, first/last mile connections, and safety support functions.

- Transit Operations
 - Bus, Rail, Innovative Technology
 - Student, Senior and Disabled Transit
- Traveler Emergency Network
- Vanpool/Ride Share
- First/Last Mile

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Exhibit “B”

Independent Taxpayer Oversight Committee (ITOC)

ITOC Goal and Function. Voter approval of this Measure shall result in the continuation of the existing Independent Taxpayer and Oversight Committee (ITOC) as follows:

The ITOC shall provide citizen review to ensure that all Measure funds are spent by the San Bernardino County Transportation Authority (hereby referred to as the Authority) in accordance with provisions of the Expenditure Plan and Ordinance No. 26-1, Measure I and the Measure I Expenditure Plan.

Audit Requirement. A bi-annual fiscal and compliance audit shall be performed in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States. The audit shall review the basic financial statements of the Authority as defined by the Governmental Accounting Standards Board and the financial and compliance audits of the member jurisdictions.

Role of Financial and Compliance Audit and the ITOC. The ITOC shall review the annual audits of the Authority; report findings based on the audits to the Authority; and recommend any additional audits for consideration that the ITOC believes may improve the financial operation and integrity of program implementation.

The Authority shall hold a publicly noticed meeting, which may or may not be included on the agenda of a regularly scheduled Authority Board of Directors meeting, with the participation of the ITOC to consider the findings and recommendations of the audits.

Membership and Selection Process. The Authority shall have an open process to select five committee members, which shall include solicitation of trade and other organizations to suggest potential nominees to the committee. The committee members shall possess one of the following credentials:

- Professional in the field of municipal audit, finance and/or budgeting with a minimum of five years in a relevant and senior decision-making position in the public or private sector.
- Licensed civil engineer or trained transportation planner with at least five years of demonstrated experience in the fields of transportation and/or urban design in government and/or the private sector. No member shall be a recipient or sub-recipient of Measure funding.
- Three public members who possess knowledge and skills that will be helpful to the work of the ITOC.

The Chair and the Executive Director of the Authority shall serve as ex-officio members of the ITOC.

Terms and Conditions for Committee. Committee members shall serve staggered four-year terms. In no case shall any voting committee member serve more than twelve years on the ITOC.

- Committee members shall serve without compensation, except they shall be reimbursed for authorized travel and other expenses directly related to the work of the ITOC.
- Committee members cannot be a current local elected official in the County or a full-time staff member of any city/town, the County government, local transit operator, or state transportation agency.
- Non-voting ex-officio committee members shall serve only as long as they remain incumbents in their respective positions and shall be automatically replaced by their successors in those positions.
- If vacancies on the ITOC occur, for any reason, Authority staff will collaborate with Authority Board members to find an appropriate replacement, within 90 days of the vacancy or as soon thereafter as possible, to fill the remainder of the term.
- When more than one application is received for a vacancy, the General Policy Committee will make a recommendation to the Authority Board of Directors to appoint an applicant to the ITOC.
- When only one application is received, the Board President will recommend to the Board the applicant's appointment to the ITOC.

ITOC Operation Protocols.

- The ITOC shall continue as long as Measure revenues are collected.
- Authority Board of Directors and staff shall fully cooperate with and provide necessary support to ensure the ITOC successfully carries out its duties and obligations.

Conflict of Interest. ITOC voting members shall have no legal action pending against the Authority and are prohibited from acting in any commercial activity directly or indirectly involving the Authority, such as being a consultant during their tenure on the ITOC. ITOC voting members shall not have direct commercial interest or employment with any public or private entity that receives the transportation tax funds authorized by the voters in this Ordinance.

Exhibit C (Ballot Question)

Measure "I" Local Transportation Improvement Program

San Bernardino County Road Repair/Traffic Relief Extension

Without raising tax rates, shall an ordinance to fund repairing potholes; keeping local roads in good condition; completing freeway/highway projects to improve traffic flow/safety, reduce traffic bottlenecks;

upgrading aging bridges/overpasses; creating local jobs; keeping student/senior/disabled/veteran transit fares low be adopted, extending the ½¢ voter-approved transportation sales tax, providing approximately \$250,000,000 annually until ended by voters, requiring audits, oversight, spending disclosure, local control?

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