



THE CITY OF MODESTO IS
MAKING

Progress



MODESTO RECEIVES AN "A+"

The City of Modesto received an "A+" rating from Standard & Pools, the world's foremost provider of independent ratings, for the City's issuance of water revenue bonds. Standard & Poor's cited the City's large capital improvement plan as a challenge, but said the City had "solid management that will be able to navigate the future capital and changing water needs of the City."

To receive an "A+" rating when you have been in the market for less than a decade, as is the case for the City, is outstanding and would not have occurred without the hard work and professionalism of the Finance and Public Works staffs who prepared and participated in the submittals, presentations and tours for the rating agency.

2006 ANNUAL REPORT

The City's 2006 Annual Report is produced by the City Manager's Office. Once again it has been a year for *"Making Progress."*

The Annual Report highlights some of the accomplishments made by the City of Modesto in 2006, and serves as a progress report to the community.



CITY of MODESTO

The Annual Report is printed on 30% recycled paper.

E-GOVERNMENT

Modesto residents can now pay their utility bills online, via the Internet. Go to www.modestogov.com/webutility to access this new feature. Residents can also upgrade business licenses and access a business license online. These additions to the city's Internet site help make life a little easier for City residents.

DOWNTOWN SIGNAGE

During 2006, new wayfinding signage emerged in the downtown area. These signs point you in the direction of Tenth Street Place, the Gallo Center for the Arts, the Courthouse, the McHenry Mansion, parking garages, etc. The wayfinding signage is intended to direct tourists, new residents and even existing residents to the features in the downtown.

This signage was conceived, designed and paid for by the Modesto Redevelopment Agency. The Citizens Redevelopment Advisory Commission selected the design and recommended key locations to include on the signage.





CHIEF MIGUEL HONORED

Fire Chief Jim Miguel was appointed to the California Fire Chiefs Association Board of Directors. The "Cal Chiefs" organization provides statewide leadership in the areas of fire services and life safety. Chief Miguel's appointment recognizes his leadership in and contributions to the fire service.



MODESTO FIREFIGHTERS HONORED

On Wednesday, October 11, the Mountain Valley E.M.S. Board of Directors recognized MFD Paramedic/Engineers John Korgan and Josh Hauselmann during a ceremony held at Tulloch Lake Marina Resort. Korgan was selected as the 2006 Paramedic of the Year, and Hauselmann was awarded E.M.S. Instructor of the Year. Both Korgan and Hauselmann were nominated by their peers from the five county region.

OFFICER OF THE YEAR



On June 8, 2006, the Stanislaus Civitan Club recognized Detective Paul Kirchoff as Officer of the Year during their annual recognition ceremony.

NATIONAL NIGHT OUT

Modesto's 2006 National Night Out was recognized as #1 nationally for cities in our population category! Modesto placed 2nd in the nation in 2005. Congratulations to all those who participated.

PUBLIC SAFETY

CITIZENS EMERGENCY RESPONSE TEAM (CERT)

In the four years the Modesto Fire Department has been offering CERT, 250 citizens have graduated from the program. The purpose of CERT is to prepare citizens to care for their families and assist neighbors during a disaster. Students receive training in disaster preparedness, fire safety, disaster medical operations, light search and rescue, disaster psychology and terrorism. During the final class, students participate in a disaster simulation exercise. With the expansion of the program, CERT graduates are contacted to participate in additional training opportunities and to participate in community events as CERT representatives.



EQUESTRIAN TEAM SCORES BIG!

Modesto Police Department's Equestrian Unit recently competed in the Fresno County Trail Trials. A three-way tie for first place forced a tiebreaker, which was a timed event. Modesto rose to the occasion as Officer Steve Silva placed first, Officer Gary Martinez placed second, and Sgt. Tim Helton placed third. Congratulations Modesto Police Department Equestrian Unit!

NEW ADDITIONS TO MODESTO FIRE

During 2006, 12 new firefighters were added to the City's fire department. The year also brought the addition of Truck 11 to the north-west area of the city. This truck is critical to fire suppression and rescue services in the north area of Modesto and the north Highway 99 corridor.

FIRE INVESTIGATION SERVICES

The Modesto Fire Department was awarded a contract by the Stanislaus Regional Fire Authority to provide fire investigation services to all of Stanislaus County. This five-year contract, valued at nearly \$500,000 annually, funds three new fire investigators, all related equipment and a portion of the Fire Investigation Division administrative staff. This provides 24-hour-a-day fire investigation coverage to all of Stanislaus County, including the City of Modesto.

Making Progress



COMMUNITY

AIR SERVICE TO LOS ANGELES FROM MODESTO



The Modesto City-County Airport secured a \$550,000 grant to enhance additional commercial flight service to and from Modesto. In June 2006, four daily flights from Modesto to Los Angeles were added as well as an additional flight from Modesto to San Francisco. This service reduces traffic congestion and improves air quality by decreasing the commute to the Bay Area and Sacramento. For more information on flights, visit www.modairport.com or call (209) 577-5319.

SOLID WASTE – NATIONAL NEWS

In June 2006, BioCycle magazine featured an article on a commercial food recycling pilot program the City of Modesto was implementing with the assistance of a \$50,000 EPA grant and the backing of the California Restaurant Association. Approximately 30 of the city’s estimated 1,000 restaurants have expressed interest in the program. This partnership with the restaurant community shows that the business community is committed to improving the quality of life for residents in Modesto. The City hopes to gradually see the participation of all local restaurants as well as expanding it to include hospitals, schools and other institutions producing large amounts of food waste.

9TH STREET BRIDGE PROJECT RECEIVES TWO AWARDS

The 9th Street Bridge Project is the recipient of two awards recognizing the project’s planning, design and construction. The Consulting Engineers and Land Surveyors of California recognized the project’s design and aesthetics in the community, and the American Society of Civil Engineers recognized the project’s accomplishments in structural engineering. The project was designed by Dokken Engineering of Rancho Cordova.

EXPANDED MADDUX YOUTH CENTER

In June 2006, the remodeled and greatly expanded Maddux Youth Center reopened with community-based programming including a state-of-the-



art computer lab, reading room, gym, fitness room, Police Activities League boxing ring and a community room. Maddux Youth Center is located at 615 Sierra Drive. For programming information, call (209) 341-2950.

PLAYGROUND EQUIPMENT UPGRADES

The Parks, Recreation and Neighborhoods Department staff worked with contractors to replace and upgrade sixteen park playgrounds throughout the City of Modesto in 2006. Sherwood, Chrysler, Whitmore, Sonoma, Standiford, Sylvan, Catherine Everett, Muncy, Downey, Garrison, Rose Ave., Woodrow and Roosevelt Parks were replaced thanks to State bonds. Chrysler 99, Mark Twain and John Muir park were upgraded thanks to Park Partners.

To learn more about Park Partners, call (209) 571-5141.



MODESTO AREA EXPRESS (MAX) SERVICE

Customers are highly satisfied with the MAX bus service, according to a survey conducted in October 2006. For overall performance, 408 people responded and rated MAX at 47% for “very good” and at 40% for “good.” Three out of four riders gave an excellent or good rating to the system map, bus safety, comfortable ride and driver courtesy.



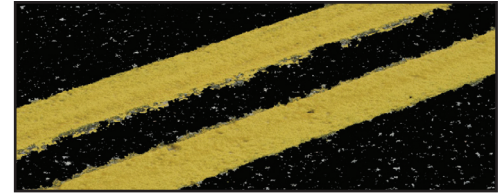


PUBLIC WORKS

CONSTRUCTION AND REPAIR OF ROADS - A TREMENDOUS AMOUNT COMPLETED

Throughout 2006 over 71-lane-miles of roadway were either repaved, repaired or added to our roadway system. Increasing the construction and repair of roads is of high priority to the City and here are the improvements made last year alone:

- Over 11-lane-miles of roadway were repaved including:
 - Oakdale Road between Sylvan Avenue and Hashem Drive
 - Pelandale Avenue between Bluebird and Gagos Drives
 - Dale Road at the Snyder Avenue intersection
 - and Prescott Road between Rumble Road and Kit Lane



Additionally, a significant amount of road improvements were completed as a result of development. The Dale Road and Pelandale Avenue intersection was enlarged to improve traffic flows, and Pelandale Avenue between Sisk and Dale Roads now boasts three lanes in each direction. Another significant project was the widening of Floyd Avenue from 2-to-4 lanes between Roselle Avenue and Oakdale Road.

DEVELOPMENT

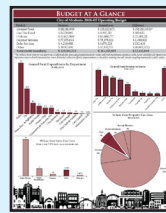
MAJOR EMPLOYERS MOVE TO MODESTO

Two major employers have moved into the Modesto community as a result of a collaborative effort between the City, the Alliance and the Beard Industrial Tract. Being a State Enterprise Zone is paying dividends as employers receive tax breaks on needed buildings, equipment upgrades and a portion of employee costs.

One such company is Plastipak who leased 180,000 square-feet with an option on 20 acres in the Beard District. The facility is a plastic blow and injection molding manufacturing operation. This is the first plant for the company in California and in the West. The company is headquartered in Wisconsin and will begin with 75 employees, growing to 150-200 in the first three years.

Fastenal purchased a 300,000 square foot facility also in the Beard District. The company relocated from Fresno. The distribution center and fabrication operation will generate over 100 jobs.

EXCELLENCE IN BUDGETING



Modesto's 2006/2007 "A Citizen's Guide to the Adopted Budget" received the California State Municipal Finance Officer's "Excellence in Budgeting Award." For 2005/2006, the Guide received the Meritorious Award.

View this document in it's entirety at www.modestogov.com/fin.

IT DEPARTMENT RECEIVES AWARD

The City of Modesto's Information Technology Department received an Award of Excellence from the Municipal Information Systems Association of California (MISAC).

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TECHNOLOGY

The annual award is based on an independent, in-depth evaluation of the department against industry standards. Only 13 cities in California were recognized with this award.

Making Progress