

B. Initial and Annual Submittal of Measure X Spending Plan. If Measure 'X' is approved by the voters, within 30 days after such approval the City Manager shall bring forth for City Council consideration and action, in its discretion, proposed budget amendments and financing options to accelerate large-scale projects- for fiscal year 2016-17 that would fund and implement the City Council Intended Infrastructure, Facilities and Equipment Expenditure Plan that was approved by the City Council concurrent with this Ordinance, using Measure X fund revenues. For each subsequent year, prior to City Council consideration of the City's annual budget, City staff will prepare and present to the COC for its review a spending plan for Measure 'X' Fund revenues. Such plan (the "Measure 'X' Spending Plan") shall be consistent with the City Council Intended Infrastructure, Facilities and Equipment Expenditure Plan, include specific proposals for near term expenditures, a plan for expenditures throughout the 10-year term of the tax, and finance options for larger-scale projects that may require the pledge of Measure 'X' revenues. After review by the COC, the Measure 'X' Spending Plan shall be incorporated into the City Manager's proposed budget, and then presented to the City Council for its consideration and action, in its discretion, as part of the City's annual budget process. The City Council must consider for approval the expenditure of projected Measure 'X' Fund revenues as separate line item category in each year's budget.

C. Annual, Independent Audit. Beginning with the fiscal year that ends June 30, 2017, the City's independent auditors shall, as part of their annual audit of the City's financial statements, review the collection and expenditure of revenue from the Measure 'X' tax. Along with the City's Finance Department report provided in subsection A., above, the auditors' review of such revenues ("Auditor Report") shall be presented each year to the COC at a public meeting for its review for compliance with the terms of this Ordinance and to disclose whether or not it has been expended in accordance with the City Council approved Measure X Spending Plan. The results of the COC review shall then be transmitted through the City Manager's Office to the City Council for its consideration at a public meeting.

D. Citizens' Oversight Committee. Prior to the Operative Date, the City shall create and convene a Citizens' Oversight Committee ("COC"). The function of the COC shall be to review and report on City compliance with the terms of this Ordinance and the spending guidelines contained in the City Council Intended Infrastructure, Facilities and Equipment Expenditure Plan and each Measure X Spending Plan presented and approved by the City Council thereafter. Specific COC responsibilities shall include: (1) public review and comment on each year's Finance Department Report, Measure 'X' Spending Plan and Auditor Report (as provided in subsections A-C, above); (2) preparation of an annual report regarding same for presentation to the City Council at a public meeting; and (3) working with City staff to identify and apply "best practices" for tracking and reporting on Measure 'X' revenues and expenditures relative to other City revenues and expenditures. ~~The COC shall be comprised of City residents, and owners of City businesses, with a range of expertise, including accounting, finance and engineering.~~ Current elected City officials and employees are disqualified from membership. COC members shall be appointed by the City Council in accordance with existing City policies and will include individuals with a range of expertise, including accounting, finance and engineering. The COC shall operate in accordance with the Ralph M. Brown Act, which includes requirements that meetings be noticed in advance and held in public. The COC shall be created

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
CHULA VISTA APPROVING ITS INTENDED  
INFRASTRUCTURE, FACILITIES AND EQUIPMENT  
EXPENDITURE PLAN

WHEREAS, to help identify the needs and priorities of the Chula Vista community and to evaluate the state of the City's infrastructure, the City formed the Asset Management Program Advisory Committee ("AMPAC") in March 2014;

WHEREAS, working with AMPAC, City staff proceeded to develop a draft Asset Management Program identifying critical infrastructure, facilities and equipment in need of upgrade, replacement, maintenance and/or repair ("AMPAC Program");

WHEREAS, the City currently has insufficient revenues to implement the AMPAC Program;

WHEREAS, in order to generate funding for the AMPAC Program, subject to availability for other City purposes, City staff is proposing placing for placement on the November 2016 ballot a local one-half cent general sales tax measure ("Funding Measure") to be in effect for 10 years generating an estimated \$16 million per year ("Sales Tax Funding");

WHEREAS, as a formal expression of how City would intend to expend the Sales Tax Funding, subject to City Council discretion, City staff has prepared the Infrastructure, Facilities and Equipment Expenditure Plan ("Intended Expenditure Plan"); ~~and~~

WHEREAS, the Intended Expenditure Plan, attached hereto as Exhibit A, is consistent with and implementing of the terms of the AMPAC Program, and also includes the intention for debt financing of approximately \$50 million upfront in order to expedite the most critically needed repairs or replacements of citywide infrastructure; and

WHEREAS, the Intended Expenditure Plan is being presented to the City Council for its consideration concurrent with City Council consideration of the Funding Measure for the November 2016 ballot as an expression of current City Council intent and to guide City staff budget proposals for Sales Tax Funding ~~to~~ for this City Council's, and future City Councils' consideration in their discretion.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chula Vista, that it does hereby approve the Intended Infrastructure, Facilities and Equipment Expenditure Plan in the form presented and attached hereto as Exhibit A, with such minor modifications as to form as may be required or approved by the City Attorney.

Presented by

Approved as to form by

3-12

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Maria Kachadorian  
Deputy City Manager

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Glen R. Googins  
City Attorney