

Annual Report of the Measure P Citizens Oversight Committee Fiscal Year 2018-19

Measure P Background

In November 2016, Chula Vista voters approved Measure P: a temporary, ten-year, half-cent sales tax to fund high priority infrastructure needs. Collection of the sales tax began April 1, 2017. The sales tax is projected to raise \$178 million, which will be used to upgrade police, fire, paramedic and 9-1-1 equipment, vehicles and facilities; fund streets and sidewalks; replace storm drains to prevent sinkholes; improve parks; repair recreation facilities; and repair or replace other city infrastructure.

Citizens Oversight Committee

The ballot measure also established a Measure P Citizens Oversight Committee (COC). The Measure P Citizens Oversight Committee (COC) is composed of 16 members. The purpose of the COC is to review and report on all Measure P expenditure plans, financial reports, and audits. Eleven of the COC members serve as “Designated Members.” Designated Members were nominated by local organizations and individuals such as the Chula Vista Chamber of Commerce, Chula Vista Youth Sports Council, Chula Vista Growth Management Oversight Commission, and the Chula Vista Police and Fire Chiefs. The remaining five members are “At-Large Members” selected from a pool of applicants who applied directly to the City. Five “At-Large Members,” included at least one resident from each of the four City Council districts and one nominated by the Mayor.

The board is composed of 16 members appointed to a four-year term.

Member	Appointment Criteria	Term Expiring
Greg Martinez	District 1 Rep.	6/30/21
Christopher Redo (Chair)	District 2 Rep.	6/30/21
Jason Hurtado-Prater	District 3 Rep.	6/30/21
Christopher Sheridan	District 4 Rep.	6/30/21
Mona Freels	At-Large Rep.	6/30/21
Zulema Maldonado	Designated Rep. ¹	6/30/21
Silvestre Vigilante	Designated Rep. ²	6/30/21
Lileana Robles	Designated Rep. ³	6/30/21
David Garcias	Designated Rep. ⁴	6/30/21
Todd Voorhees	Designated Rep. ⁵	6/30/21
Michael Lengyel	Designated Rep. ⁶	6/30/21
Hector Fernandez	Designated Rep. ⁷	6/30/21
Oscar Romo	Designated Rep. ⁸	6/30/21
Robert Ziomek	Designated Rep. ⁹	6/30/21
Donald Hunter	Designated Rep. ¹⁰	6/30/21
Leon Firsh (Vice Chair)	Designated Rep. ¹¹	6/30/21

Nominating Authorities are as follows:

- 1 - Chula Vista Chamber of Commerce
- 2 - Chula Vista Sports Council
- 3 - Alliance of Californians for Community Empowerment, San Diego Branch
- 4 - San Diego and Imperial Counties Labor Union
- 5 - San Diego County Taxpayers Association
- 6 - Growth Management Oversight Commission
- 7 - Parks and Recreation Commission
- 8 - Sustainability Commission
- 9 - Chula Vista Fire Chief
- 10 - Chula Vista Police Chief
- 11 - Chula Vista Director of Public Works

The specific duties of the COC are as follows:

1. Review and comment on each year's Finance Department Report (as defined in CVMC section 3.33.160.A); Measure P Spending Plan (as defined in CVMC section 3.33.160.B); and the Annual Independent Auditor's Report (as defined in CVMC section 3.33.160.C).
2. Prepare an Annual Report regarding the Finance Department Report for presentation to the City Council at a public meeting.
3. Work with City staff to identify and apply "best practices" for tracking and reporting on Measure P revenues and expenditures relative to other City revenues and expenditures.

Summary of fiscal year 2019 Independent Auditors' Report on Compliance Revenues and Expenditures

Major expenditures in the following categories incurred in fiscal year 2019:

Category	FY 2019 Expenditures	Major Items
Fire Services	3,610,687	Fire Vehicles, Fire Equipment, Facility Repairs
Police Services	1,615,789	Police Vehicles, Communication System, Facility Repairs
Infrastructure	14,751,374	Streets, Other Public Infrastructure, Sports Fields and Courts, Non-Safety Vehicles, Public Facilities, Traffic Signal Systems, Park Infrastructure, Citywide Network Replacement, Citywide Telecommunications
Staff Time	716,531	City Staff-Time
Debt Service	8,120,250	Bond Debt Service
Administrative Expenses	12,243	Audit, Bond Administration Fees, Banking Fees, Cost of Issuance
Total Expenditures	\$ 28,826,874	

Audited Statement of Revenues, Expenditures and Changes in Fund Balance
June 30, 2019

Revenues:

Local sales and use tax	20,016,492
Use of money and property	1,711,588
Miscellaneous	152,440

Total Revenues	\$ 21,880,520
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Expenditures:

Contracted Services	7,450
Equipment and shared infrastructure costs	504,863
Capital outlay	19,712,435
Debt service:	
Principal retirement	5,741,612
Interest and fiscal charges	2,860,514

Total Expenditures	\$ 28,826,874
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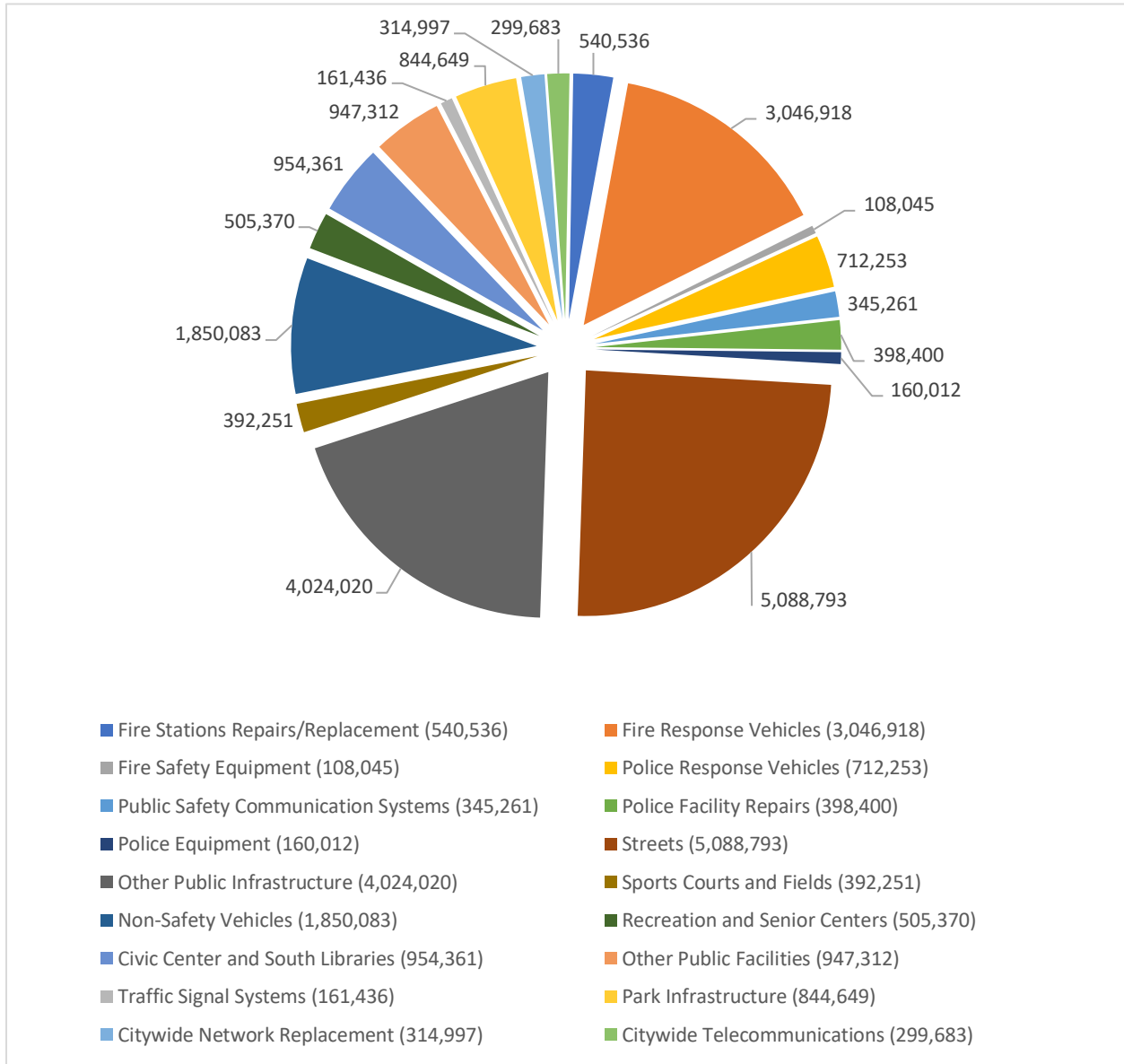
Excess (Deficiency) of Revenues Over (under) Expenditures	(6,946,354)
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Net Change in Fund Balance	(6,946,354)
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Fund Balance at Beginning of Year	69,075,056
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Fund Balance as of June 30, 2019	\$ 62,128,702
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**Plan Expenditures by Replacement Category
(\$20,694,382)**



Major Projects (Fiscal Year 2018/2019) by Cost Category

Fire Stations Repairs/Replacements (GGV0230):

Current activities include development of the Design/Build RFP for fire stations 5 and 9. The scope, size, and features of the proposed Fire Stations 5 and 9 were analyzed by City staff, including staff from the Fire Department. The locations of the new stations will be extensively researched, and computer software technology called ADAM (Apparatus Deployment Analysis Module) will be utilized to determine the optimum sites that provide the most reduction in response times. The Fire Department’s present and future functional needs, technical constraints and feasibility, and budget were considered in developing the project design criteria.

In March 2019, Council approved a Design Build Agreement with EC Constructors, Inc. for design of Fire Stations 5 and 9. *Estimated Completion: Spring of 2021.*

Street Pavement Phases I & II (STL0427 & STL0430):

Pavement rehabilitation projects on various streets based on recommendations from City's Pavement Management System for streets with pavement condition index (PCI). The PCI score was utilized to identify failed (PCI 0-25) and failing (PCI 25-34) street segments that could be addressed using Measure P funding.

Project STL0427 was awarded in January 2018, which was the first phase of the pavement rehabilitation project and included street segments with PCI scores ranging from 0 to 15. The second phase, STL0430, includes street segments with PCI scores up to 34. The second phase was awarded by Council in April 2019. *Estimated Completion: Summer of 2020.*

Other Infrastructure - CMP Rehabilitation Outside ROW Phases I & II (DRN0209, DRN0210, & DRN0211):

Rehabilitation of failed Corrugated Metal Pipe (CMP) and other storm drain related repairs outside the right of way. Project DRN0210 cleaned, videotaped and evaluated approximately 28,500 lineal feet of CMP.

Project DRN0209 began construction in March 2018 and was completed in March 2019. Twenty-eight CMP locations were repaired (3,419 linear feet of CMP) for a total project cost of \$1.26 million.

Project DRN0211 will repair 136 CMP locations (approximately 19,000 linear feet of CMP) for an estimated total project cost of \$6.7 million. Contract Bids were opened in May 2019 and construction is expected to be completed by December 2019.

Other Infrastructure - Sidewalk Replacement Citywide (STL0428 & STL0443):

This project will replace damaged sidewalk at various locations throughout the City based on recommendations from the Pedestrian Connectivity Plan. The first project (STL0428) to replace sidewalks was awarded in June 2019 and is currently under construction. This second project (STL0443) anticipated to be awarded in late summer of 2019 will repair roughly 6,200 locations exhibiting moderate-to-small heave displacements. These repairs will be accomplished through a multi-year contract with a qualified on-call concrete slicing contractor. *Estimated Completion: Summer of 2022.*

Traffic Signal System-Fiber Network (TRF0408):

Traffic signal replacements and improvements for 13 locations including: expansion of City fiber optics, wireless and/or twisted pair communications, expansion of Adaptive Signal System, and installation of traffic monitoring devices. Project is anticipated to start design in summer of 2020.

Max Field/Loma Verde Accessibility Study (PRK0333):

City Council approved the creation of PRK0333 in September 2018. The City issued a Request for Proposals and entered into an agreement with Hunsaker and Associates for the development of the Max Field/Rienstra Park Accessibility Study in March 2019. The scope of work included an evaluation of ADA access throughout Max Field (Rienstra Park), parking lot layout design to increase ADA Accessible and overall number of stalls, an analysis for the drainage facility that negatively impacts some of the ball fields and reestablishing the pedestrian connectivity to the adjacent Loma Verde Center. Stakeholder meetings and community outreach will be performed as part of the Accessibility Study effort. Estimated completion of the Max Field/Rienstra Park Accessibility Study is summer of 2020.

Citywide LED Lighting Upgrade Project (GGV0232, GGV0233, GGV0234, PRK0326): \$931,126

Phase I of this project was completed in April 2019 at a total cost of \$931,126. This project resulted in the installation of approximately 16,200 indoor LED lamps, 345 outdoor LED lights, and 435 LED emergency lighting fixtures.

Civic Center Bathroom Remodel (GGV0231): \$275,588

The total project cost is \$275,588. This project was completed in June 2018. This project involved the complete remodel of the Women's and Men's restrooms at the Civic Center Library, which are located at the east entrance to the Library. These restrooms upgrades resulted in ADA compliance and increased water efficiency.

Exterior Wood Surface Refinishing Project (GGV0234): \$297,797

As part of this project, the exterior wood surfaces (doors, eaves, benches, and trellises) at the Civic Center Complex and Veteran's Recreation Center were refinished and repainted. This project was completed September 2018 at a total project cost of \$297,797.

Harborside Park Resilient Surface Playground Replacement (PRK0326): \$85,212

Total project cost \$85,212. This project removed wood chips and replaced them with playground poured rubber surfacing providing fall protection and a safe playground. This project was completed in November 2018.

Pathway Resurfacing (PRK0326): \$436,350

This project addressed pathway and walkway repairs and ADA access at three City parks – Discovery, Greg Rogers, and Voyager Park. The total project cost is \$436,350. This project was completed in December 2018.

Resurfacing of Courts Citywide (PRK0327): \$175,125

This project was awarded October 2017 and completed in December 2018. The project resulted in the resurfacing of basketball and tennis courts at 22 locations at a total project cost of \$175,125.

Irrigation and Controller Changeover Citywide Sports Fields (PRK0327): \$185,227

Chula Vista Community, Discovery, Rohr Field 17 and 18 and Terra Nova. Total project cost \$185,227 (including FY2017).

Roof Replacement at Civic Center Library and Major Repairs at Civic Center Complex (GGV0231 & GGV0234): \$865,050

This project replaced the roof at the Civic Center Library and addressed major roof repairs at the Civic Center Complex (Buildings A, B, and C). This project was completed in April 2019 at a total cost of \$865,050.

Drinking Fountain Replacement at Various City Parks (PRK0326): \$254,891

This project replaced 31 drinking fountains at 21 City parks with a standard drinking fountain model that features 3 basins which accommodate ADA and pet hydration. This project was completed in May 2019 at a total project cost of \$254,891.

Reconstruction of Basketball Courts at Rohr Park (PRK0327): \$335,536

This project resulted in the installation of new full-size basketball courts at Rohr Park. A new seating area, an ADA accessible picnic table, and a new drinking fountain were also added as part of this project. This project was completed in April 2019 at a total project cost of \$335,536.

Renovations at South Library (GGV0231): \$92,381

Replaced 2 failed HVAC units and a new roof installation over the Literacy Wing. The new HVAC units have improved energy efficiency and reliability. The new roof has a long-term performance guarantee. Total project cost is \$92,831. This project was completed in November 2018.

Renovations at Norman Park Senior Center (GGV0233):

As of the end of fiscal year 2019, two (2) major projects were in the design phase. The first project was the remodel of the kitchen and restrooms located on the ground floor. This project was completed in fiscal year 2020; this project included the redesign of both the bathroom and kitchen area and addressed ADA access to both locations. This project also improved the path of travel from the parking lot to the building. The second project includes major repairs to the exterior 2nd floor balcony deck and roof systems with the objective of eliminating water leaks in the building and securing a long-term performance guarantee. This project is slated to be completed in Summer 2020.

Animal Care Facility (GGV0234):

The Animal Control (AC) Officers and Animal Care Facility (ACF) Dispatch currently work in a trailer at the ACF. Work on the replacement of the existing trailer began in fiscal year 2019 but was completed in fiscal year 2020. The trailer at the ACF was replaced with a new trailer that provides for improved amenities, energy savings, and improved workflow for the AC Officers and ACF Dispatch.

Non-Safety Vehicles:

Measure P allowed for the purchase of vehicles that were beyond their recommended replacement date. The replacement of these vehicles improves reliability, reduces maintenance and fuel costs and in some cases allowed for the transition to electric vehicles which supports the City's sustainability goals. An additional eleven electric vehicles were purchased in fiscal year 2019; 7 were assigned to Fire and 4 were assigned to Engineering. The vehicles listed below represent only those not assigned to Safety. In fiscal year 2019 approximately \$1.0 million has been spent on public services vehicles. Major purchases include:

- One Bobcat Loader (Parks Division)
- One Roadline stencil truck
- One street sweeper
- Four Chevy Bolts (electric vehicles)

Conclusion

The Citizens Oversight Committee notes that this Annual Report refers only to the period from July 1, 2018 to June 30, 2019. This report presents the second full year of collections and expenditures for the Measure P funds. During this period the Committee took additional steps to improve the format, content, and scope of reports on expenditures, work schedule, and public information efforts required to provide citizens with transparency on the finances associated with the implementation of Measure P.

In April 2017, City staff provided a status report to the Committee on the pending Measure P bond issuance. The intent of the bond issuance was to advance the funds necessary to initiate projects listed by the City as critical red assets (those in imminent stages of failure) in the City's Asset Management Plan.

On July 27, 2017, City staff reported to the Committee that the bond issuance had been successful, generating \$70,000,000 in net bond proceeds to be used for Measure P projects. Accordingly, all budgets for the Measure P Spending Plan were prepared in compliance with the ordinance, including the net bond proceeds.

The Citizens Oversight Committee has reviewed the Independent Auditor's Report on Compliance with Applicable Requirement prepared by the audit firm of Lance, Soll and Lunghard (LSL), the Measure P Spending Plan, and various expenditure and revenue reports prepared by the City staff. In its report dated June 30, 2019, the auditor "did not identify any deficiencies in internal control over compliance...". Further, it was the auditor's opinion that "the City complied, in all material respects, with the requirements..." of the 2016 Measure P Sales Tax Fund.

We would like to acknowledge City staff for their dedication and support to the COC. They have been responsive as we work to ensure transparency in the reporting of Measure P Funds.

Attachment A – Copy of the FY19 Audited Report

Attachment B – Fiscal Year 2018-19 Expenditure Report (For Informational Purposes Only)