



# MEASURE I ANNUAL REPORT

*Each year, the Measure I Citizens' Oversight Board issues an Annual Report to the community with its findings regarding the use of Measure I funds. This report is the Citizens' Oversight Board's fifth Annual Report and covers the periods of July 1, 2017 through June 30, 2018.*

## Measure I

La Mirada voters approved Measure I, a one percent transactions and use tax, in November 2012. The five-year tax, approved by 66.63 percent of voters, became effective on April 1, 2013.

The measure was placed on the ballot after a 29-member Citizens' Task Force on City Finances and Operations recommended the action due to the cumulative impacts of the national recession, elimination of redevelopment agencies in California, and loss of local revenues due to ongoing "takes" by the State, which left the City with very limited resources to provide basic services and address infrastructure needs.

Measure I funds are dedicated to neighborhood street improvements to help modernize La Mirada's infrastructure. Spending is focused on repairing streets, storm drains, and other infrastructure as recommended by the Citizens' Task Force and budgeted by the City Council.

Measure I officially expired on March 31, 2018. It generated more than \$29 million over the five year term, exceeding original estimates ranging from \$20 - \$25 million. The funds generated by this measure fully funded four phases of neighborhood street improvements. A fifth and final phase will begin construction in the fall.

## Citizens' Oversight Board

On January 22, 2013, the La Mirada City Council adopted Resolution No. 13-05 establishing the Measure I Citizens' Oversight Board. The role of the Citizens' Oversight Board is to review and report on the revenues and expenditures of Measure I funds; review financial audits and reports; monitor the City's progress on the planning, engineering, and construction of infrastructure projects; and issue an annual report.

The Citizens' Oversight Board is comprised of five La Mirada residents. Each was nominated by a member of the City Council, and appointed to a term ending in the month of June following the end of the term of their nominating Councilmember. The Citizens' Oversight Board includes Chairman Scott Watkins, Vice Chairman Hal Malkin, and Boardmembers Philip Massey, David Morfin, and Lee Olsen.

The Citizens' Oversight Board meets quarterly at La Mirada City Hall. Meetings are open to the public, and agendas and minutes are posted and available on the City's website at [cityoflamirada.org](http://cityoflamirada.org). During this reporting period, meetings were held September 7, 2017, December 7, 2017, March 29, 2018, and June 7, 2018.

## Neighborhood Infrastructure Projects

Providing an attractive community through infrastructure improvements remains a top priority for the City. Many of the streets in La Mirada were constructed over 50 years ago, and while they have received preventive maintenance, most were in need of major repairs.

Voter-approved Measure I funds have allowed for neighborhood street improvements to be completed over the past four years. Phases 1 through 4 of the neighborhood street improvement projects have been completed, and Phase 5 will begin construction during this winter. Phase 5 will be the final neighborhood capital improvement project to be funded with the revenue generated by Measure I.

As construction continues, affected residents and businesses will be notified in advance of the work. To identify projects funded by Measure I, signs are posted in the area where a Measure I project is in progress. Information is also included in the City newsletter and on the City's website.

## Annual Independent Audit

The City’s annual financial audit was conducted by an independent accounting firm, Moss, Levy and Hartzheim, LLP for Fiscal Year 2016-17. As part of the financial audit, the auditors reviewed Measure I funds and included results in their year-end report.

The year-end report included the Independent Auditors’ Report on Compliance with Applicable Requirements and on Internal Control over Compliance; and Report on Measure I Revenues and Expenditures. This report was provided to the City Council and reviewed by the Citizens’ Oversight Board at their December meetings.

Moss, Levy and Hartzheim, LLP concluded in its Fiscal Year 2016-17 report that “the City complied, in all material respects, with the types of compliance requirements referred to above that are applicable to the Measure I Fund for the year ended June 30, 2017.” The report also indicated that the audit did not identify any deficiencies in the internal control over compliance that is considered to be material weakness. The independent audit review of Measure I funds for Fiscal Year 2017-18 will be conducted later this year and the results will be included in next year’s Annual Report.

## Revenues and Expenditures

### Revenues

Measure I funds are collected by businesses and remitted to the California Department of Tax and Fee Administration (CDTFA) similar to other sales taxes. The CDTFA then sends these funds to the City. A total of \$29,082,061 in Measure I payments from the CDTFA have been received by the City since April 1, 2013. A total of \$5,178,916 was received by the City from July 1, 2017 through June 30, 2018.

### Expenditures

During the reporting period, \$10,446,441 was spent on Phases 3, 4, and 5.

The chart below identifies all expenditures on capital improvement projects by revenue source. About \$23 million in improvements has been funded by Measure I over the past five years.

<b>Capital Improvement Projects - Expenditures by Revenue Source (FY July to June)</b>					
<b>Source</b>	<b>FY 2017-18</b>	<b>FY 2016-17</b>	<b>FY 2015-16</b>	<b>FY 2014-15</b>	<b>FY 2013-14</b>
General Fund – Measure I	\$10,446,441	\$3,203,750	\$4,858,014	\$4,488,877	\$147,800
General Fund	620,739	1,890,100	1,611,712	1,890,392	2,352,258
CDBG				1,264,989	650,122
General Fund-County Metro (I-5)					2,790,748
Gas Tax	278,087	563,024	26,766	512,509	
Local Transportation-TDA III	32,334	32,818	31,343	32,298	39,655
Prop C	1,761,037	578,504	143,343	194,775	1,072,175
Agency Bond Proceeds	11,746		3,155,343	998,420	
Department of Energy					189,999
Federal HSIP	5,969	74,079	188,835		
Measure R	1,517,129	374,876	1,558,613	317,481	
Measure M	113,015				
Park Grant			300,000	175,998	
County – Library Project	181,772	3,119,009	827,787		
Buena Park Co-op	(218,554)	367,000	8,835		
County Thru Highway Grant		450,000			
Surface Transportation Program (Local)	81,900	190,746			
Suburban Water	49,836				
<b>Total</b>	<b>\$14,881,452</b>	<b>\$10,843,956</b>	<b>\$12,710,591</b>	<b>\$9,875,739</b>	<b>\$7,242,757</b>

## PHASE 1

Phase 1 was the first of the City's neighborhood street repair projects completed with Measure I funding. Phase 1 included all public residential streets in La Mirada north of Imperial Highway.

Phase 1 expenditures totaled \$4.89 million, which included \$512,000 of Gas Tax funds. The project was completed in summer 2015.

## PHASE 2

Phase 2 included public residential streets in the area bounded by Alondra Boulevard, Stage Road, Biola Avenue, Rosecrans Avenue, La Mirada Boulevard, Ocaso Avenue, Barnwall Street, and Dalmatian Avenue.

Phase 2 expenditures totaled \$4.67 million and the project was completed in spring 2016.

## PHASE 3

Phase 3 included residential streets in the area bounded by Stage Road, Alondra Boulevard, Dalmatian Avenue, Barnwall Street, Ocaso Avenue, La Mirada Boulevard, Rosecrans Avenue, and the east City limit.

Phase 3 expenditures totaled \$7.46 million and was completed in early 2018. The higher amount of expenditures in Phase 3 compared to Phases 1 and 2 is due to extensive storm drain work along Lofthill Drive and other neighborhood streets.

## PHASE 4

Phase 4 included residential streets bounded by Rosecrans Avenue, Biola Avenue, Roma Drive, Whiterock Drive, Alicante Road, and the east City limit.

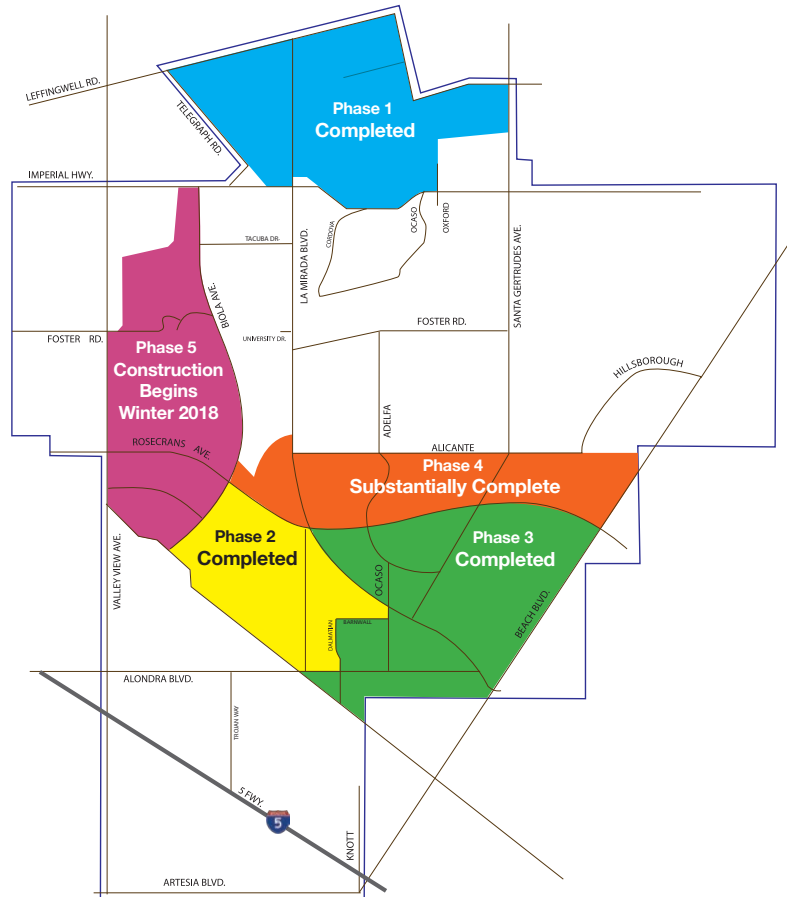
This project included pavement rehabilitation, replacement of damaged curb, gutter, sidewalk and driveway aprons, upgrades to existing and placement of new handicap curb access ramps, storm drain enhancements, and removal and replacement of existing slotted cross gutters.

Current Phase 4 expenditures have totaled \$5.56 million with additional invoices forthcoming. This phase was substantially completed this past summer.



# CITY OF LA MIRADA

## MEASURE I NEIGHBORHOOD IMPROVEMENTS



## PHASE 5

Construction of Phase 5 is expected to begin by winter. Phase 5 includes pavement rehabilitation, replacement of damaged curb, gutter and sidewalk, upgrades to existing and placement of new handicap curb access ramps, and slurry seal of recently repaved streets within the project area, as well as storm drain improvements within the frontage road of Valley View Avenue and Foster Road, among other neighborhood improvements.

Phase 5 will include all residential streets bounded by Imperial Highway, Biola Avenue, Stage Road, Valley View Avenue, and Milan Creek. Imperial Highway, Rosecrans Avenue, Stage Road, Valley View Avenue, and Biola Avenue are not part of this project.

Phase 5 expenditures are estimated to total approximately \$8 million. The higher amount compared to previous phases is due to the extensive storm drain work connected to this project. Phase 5 will also cover the largest area of work compared to previous phases of Measure I improvements. Other available funding, including SB1, gas tax, and Measures M and R, may be used to help complete Phase 5 and future street improvements.

### Phase 5 Project Schedule:



### Summary

The Measure I Citizens' Oversight Board has verified that the Measure I funds used during the July 1, 2017 through June 30, 2018 reporting period have been used to complete neighborhood infrastructure improvement projects in La Mirada. During this reporting period, funds have been spent on engineering and design work for Phase 5, and completion of Phases 3 and 4.

The Citizens' Oversight Board understands the passage of Measure I represents a trusted investment by La Mirada residents into the City's infrastructure. We believe Measure I funds are being used as intended for the betterment of the La Mirada community. During the review period, City staff has been cooperative and helpful to the Citizens' Oversight Board in its oversight efforts.

The City of La Mirada and the Measure I Citizens' Oversight Board are looking forward to the continued completion of neighborhood street improvements in the upcoming year.



Project photos

<sup>1</sup> This Measure I Annual Report for the period of July 2017 through June 2018 of the Measure I Citizens' Oversight Board was approved on September 5, 2018, and presented to the City Council at the September 11, 2018 Study Session meeting.