



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 sixth Annual Report and covers the periods of July 1, 2018 through June 30, 2019.

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, the 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 significant infrastructure needs.

Measure I funds were dedicated to neighborhood street improvements to help modernize La Mirada's infrastructure. Spending was focused on repairing streets, storm drains, and other infrastructure upgrades 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 the neighborhood street improvements. The fifth and final phase, is currently under construction, and will be partially funded through Measure I with other transportation funding sources paying the balance.

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 Hal Malkin, Vice Chairman Lee Olsen, and Boardmembers Philip Massey, David Morfin, and Scott Watkins.

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.

During this reporting period, meetings were held December 12, 2018; March 7, 2019; June 6, 2019; and September 5, 2019.

Neighborhood Infrastructure Projects

The City continues its robust neighborhood infrastructure improvements throughout La Mirada. Providing a safe and attractive community through infrastructure improvements remains a top priority for City officials. Many of the streets in La Mirada were constructed over 50 years ago, and while they have received preventive maintenance, most streets needed major upgrades.

Voter-approved Measure I funds have allowed for neighborhood street improvements to be completed over the past five years. Phases 1 through 4 of the neighborhood street improvements have been completed. Phase 5 began this spring and is expected to be completed by early 2020. The remaining Measure I funds will partially pay for Phase 5.

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 City publications 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 2017-18. 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 its March meeting.

Moss, Levy and Hartzheim, LLP concluded in its Fiscal Year 2017-18 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, 2018.” 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 2018-19 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 \$29.27 million in Measure I payments from the CDTFA have been received by the City since April 1, 2013.

Expenditures

During the reporting period, \$481,659 was spent on Phase 4 and the design for Phase 5. Of the \$481,659, \$278,312 (57.78%) was for construction; \$200,710 (41.67%) was for professional and engineering services; \$1,518 (0.32%) was for preparing plans and specifications; and \$1,119 (0.23%) was for public notices.

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.

Capital Improvement Projects - Expenditures by Revenue Source (FY July to June)					
Source	FY 2018-19	FY 2017-18	FY 2016-17	FY 2015-16	FY 2014-15
General Fund – Measure I	\$481,659	\$10,496,325	\$3,203,750	\$4,858,014	\$4,488,877
General Fund	3,089,103	635,996	1,890,100	1,611,712	1,890,392
CDBG	402,991				1,264,989
Gas Tax	1,541,932	278,087	563,024	26,766	512,509
Local Transportation-TDA III	33,517	32,334	32,818	31,343	32,298
Prop C	139,835	1,761,037	578,504	143,343	194,775
Agency Bond Proceeds	72,617	11,746		3,155,343	998,420
Federal HSIP		5,969	74,079	188,835	
Measure R	255,023	1,452,199	374,876	1,558,613	317,481
Measure M		113,015			
Park Grant				300,000	175,998
County – Library Project	442,457	181,772	3,119,009	827,787	
Buena Park Co-op		(218,554)	367,000	8,835	
County Thru Highway Grant			450,000		
County Parks and Rec-Theatre	400,000				
Surface Transportation Program (Local)		146,831	190,746		
Suburban Water	2,041	49,836			
Sequel Payment	20,985				
Equipment Replacement	234,000				
Total	\$7,116,160	\$14,946,593	\$10,843,906	\$12,710,591	\$9,875,739

PHASE 1

Phase 1 was the first of the City's neighborhood street repair projects that used 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 all 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. The project was completed in spring 2016.

PHASE 3

Phase 3 included all public 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

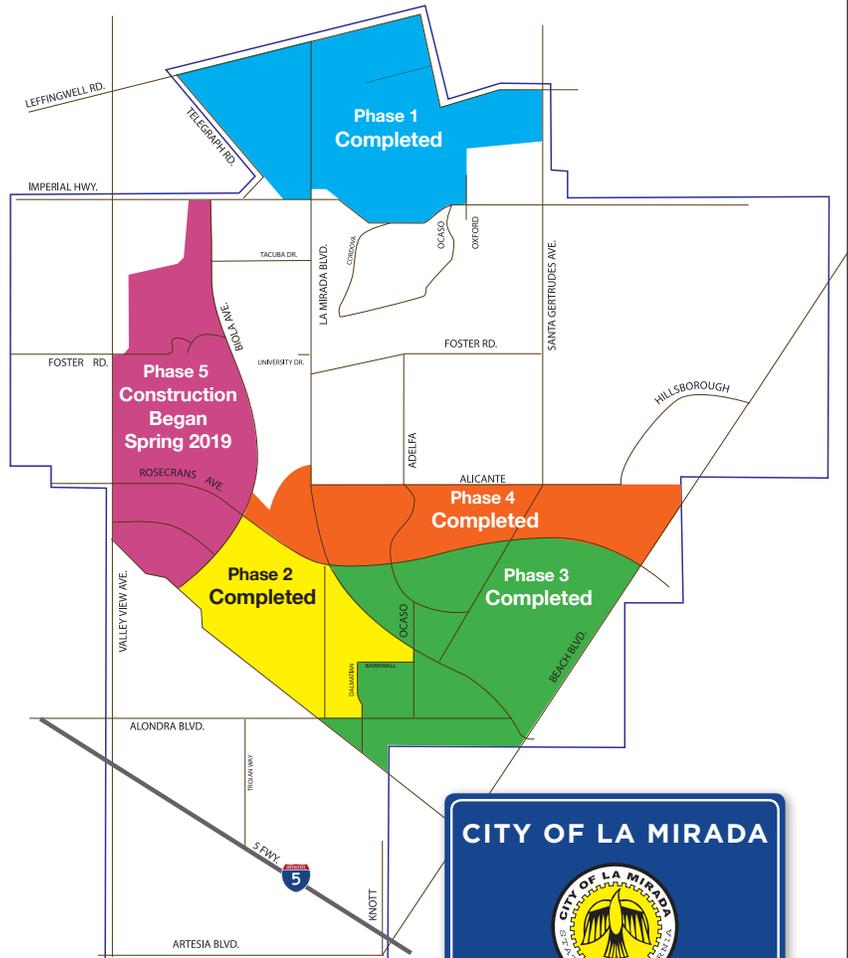
Phase 4 included all public residential streets bounded by Rosecrans Avenue, Biola Avenue, Roma Drive, Whiterock Drive, Alicante Road and the east City limit.

Phase 4 expenditures totaled \$5.8 million. This phase was officially completed in summer 2019, though most of the work was finished in 2018.



CITY OF LA MIRADA

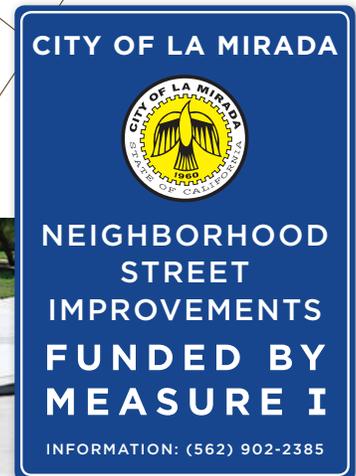
MEASURE I NEIGHBORHOOD IMPROVEMENTS



New ADA access ramps



New asphalt and improvements to curb and gutter



PHASE 5

Construction on Phase 5 began in spring 2019. Phase 5 includes pavement rehabilitation; replacement of damaged curb, gutter and sidewalk; upgrades to existing and placement of new handicap curb access ramps; removal and replacement of slotted cross gutters; and slurry seal of recently repaved streets within the project area. Storm drain improvements within the frontage road of Valley View Avenue and on Foster Road are also included with the neighborhood improvements.

Phase 5 includes 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 \$10 million. The higher amount compared to previous phases, is due to extensive storm drain work connected to this project. Phase 5 will also cover the largest area of work compared to the previous phases of Measure I improvements. While the voter-approved Measure I sales tax expired last year and will only partially fund this phase, other available funding sources will be used to complete these neighborhood infrastructure improvements.

Phase 5 progress



Summary

The Measure I Citizens' Oversight Board has verified that the Measure I funds used during the July 1, 2018 through June 30, 2019 reporting period have been used to complete neighborhood infrastructure improvement projects in La Mirada. During this reporting period, funds have been spent for Phase 4 and the design for Phase 5 of neighborhood infrastructure improvements.

The Citizens' Oversight Board understands the passage of Measure I represents a trusted investment by La Mirada residents into the City's infrastructure. The City believes Measure I funds are being used as intended for the betterment of the La Mirada community. During the review period, City staff has worked cooperatively with 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.

¹ This Measure I Annual Report for the period of July 2018 through June 2019 of the Measure I Citizens' Oversight Board was approved on September 5, 2019, and presented to the City Council at the September 10, 2019 Study Session meeting.