SPECIAL MEETING AGENDA
CITIZEN OVERSIGHT COMMITTEE
GROVER BEACH CITY HALL - COUNCIL CHAMBERS
154 SOUTH EIGHTH STREET, GROVER BEACH, CALIFORNIA
WEDNESDAY, NOVEMBER 20, 2019 AT 1:30 PM

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in a City meeting, please contact the City Clerk's Office (805-473-4567) at least 48 hours prior to the meeting to ensure that reasonable arrangements can be made to provide accessibility to the meeting.

CALL TO ORDER

FLAG SALUTE

ROLL CALL Committee Members Anne Holden, Paula Tripp, and Terry Wingate.

PUBLIC COMMUNICATIONS
Any member of the public may address the Citizen Oversight Committee for a period not to exceed three minutes total on any item listed on this agenda. The Citizen Oversight Committee will listen to all communications; however, in compliance with the Brown Act, the Committee cannot act on items not on the agenda.

CONSENT
The following routine items listed below are scheduled for consideration as a group. Recommendations for each item are noted in parenthesis. Members of the audience may speak on any item(s) listed on the Consent Agenda.

None

REGULAR BUSINESS
1. Overview and Introductions - City Manager Matthew Bronson.

2. Review of Measure K-14 Projects to Date - Public Works Director/City Engineer Greg Ray.

   The Committee will conduct an annual review of expenditures for street rehabilitation projects funded through Measure K-14 bond proceeds.

   The Committee will conduct an annual review of expenditures and revenues generated from the Transactions and Use Tax from the prior fiscal year as required by Grover Beach Municipal Code Section 101514.
   **Recommended Action:** Review the information and provide direction to staff for the preparation of a report to the City Council.
5. **Annual Report to City Council** - Administrative Services Director Deanne Purcell.
   
   **Recommended Action:** Review and provide comments to staff regarding the draft Annual Report to the City Council.

**ADJOURNMENT**

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Note: This agenda was prepared and posted pursuant to Government Code Section 54956. Please refer to the agenda posted at City Hall for any revisions or call the City Clerk's Office at (805) 473-4567 for more information.

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This agenda is available on the City website at www.groverbeach.org. Any staff reports are materials provided to the Committee regarding this agenda are available at the Customer Service Counter in the Administrative Services Department, 154 South 8th Street, Grover Beach, CA during regular business hours.
TO: Measure K-14 Citizen Oversight Committee  DATE: November 20, 2019

FROM: Matthew Bronson, City Manager

PREPARED BY: Greg Ray, Public Works Director/City Engineer
Erin Wiggin, CIP Manager

SUBJECT: Review of Measure K-14 Projects to Date

RECOMMENDATION
Receive update and provide comments on Measure K-funded street projects completed to date.

BACKGROUND

The City is now in the fifth year of the multi-year Local Street Rehabilitation project funded by Measure K-14 which provides up to $48 million in bond funds for repair of residential streets over the next 25 years. The first seven Measure K-14 funded projects are complete and have provided comprehensive maintenance and repair of approximately 175 City blocks which represents about 45% of all local City streets. Measure K funds have also been expended on localized repairs in severely damaged sections of streets throughout the city. Attachment 1 is a map showing street rehabilitation work that has been completed or is currently in design or construction using Measure K-14 bond funds.

Since the last Citizen Oversight Committee meeting, the City has completed 2295-8 (17 blocks) and 2295-6 (Newport Avenue) is underway.

Construction on CIP 2295-9 (S. 16th Street) will start next month. Once complete, nearly 15 miles of local streets will be repaired.

PUBLIC NOTIFICATION
The agenda was posted in accordance with the Brown Act.

ATTACHMENTS
1. Attachment 1 Measure K-14 Projects Completed to Date Map
City of Grover Beach
Measure K-14 Street Rehabilitation & Repair Program
COMPLETED & CURRENT PROJECTS

Completed Projects
Street Rehabilitation

Current Projects
(under construction or design)
City of Grover Beach

Citizen Oversight Committee

Measures X-06 Transactions and Use Tax

& K-14 Street Bonds

DRAFT Report to City Council

As of June 30, 2019
A Message from the Citizen Oversight Committee

The Citizen Oversight Committee is pleased to forward its 2019 report on X-06 Transactions and Use Tax revenue and the progress of the $48 Million Measure K-14 Street Bond Program. The committee’s job is to carry out the principal duties of ensuring that revenues from these measures have been expended for the purposes set forth in the ballot language, reporting progress annually to the public, and providing a compliance statement.

The funding provided by Measure X-06 Transactions and Use Tax is used to support general city services including police, fire, public works, parks and recreation and general city administration. The committee’s task is to review the annual summary of revenues generated from the supplemental sales tax and budgeted expenditures for the upcoming fiscal year. The committee reviewed this information, which disclosed no issues or concerns.

The City has issued $28 million of the $48 million in approved bonds. The funding provided by Measure K-14 is a community investment in improving local streets in Grover Beach. The improvements are essential to improve drivability, maintain emergency response times, enhance safety for pedestrians, bicyclists, drivers, and promote economic growth in the City.

The committee reviewed the FY 2018-19 independent auditors report related to revenues for both measures which disclosed no instances of non-compliance. The committee wishes to report that, to the best of its knowledge, the City is in full compliance with the parameters of Measure X-06 in generating general revenues to support general city services and Measure K-14 which states that “The object and specific single purpose of issuing the Bonds is the acquisition, construction and improvement of street improvements throughout the City” (the “Street Improvements”), and the proceeds of the Bonds may only be applied to that purpose.

A Message from the City Manager

Thank you for your interest in the report of the Citizen Oversight Committee for City Revenue Measures. This is the first report of the newly constituted oversight committee tasked by the City Council with reviewing revenues and expenditures for both Measure X-06 and Measure K-14. Measure X-06 is a transactions and use tax approved by voters that established a half-cent sales tax as a general revenue to fund City services and projects. Measure K-14 was authorization approved by voters to issue up to $48 million in general obligation bond funding to repair local streets and roads. The City has diligently funded important City services through annual revenue from Measure X-06 and has successfully completed seven street rehabilitation projects as of June 30, 2019 with repair of 175 blocks representing approximately 46% of local City Streets. This report provides the taxpayers a summary of how these voter-approved revenues are being spent consistent with the parameters of each measure.
In 2006, voters approved Measure X-06, a transactions and use tax at the rate of one-half percent (0.5%) to be administered by the State Board of Equalization as a general revenue to support City services and projects.

Prior to the consolidated oversight committee, the Council appointed a citizen committee to review an annual report to verify revenues generated from the Measure X-06 Transaction and Use Tax and submit to the City Council.
# Measure K-14 Status Report

## Revenues

### History of Issuance

<table>
<thead>
<tr>
<th>Date of Bond Sale</th>
<th>Amount</th>
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<tr>
<td>March 2015 Bond Sale</td>
<td>$ 5,000,000</td>
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<tr>
<td>April 2016 Bond Sale</td>
<td>$ 8,000,000</td>
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<tr>
<td>December 2017 Bond Sale</td>
<td>$15,000,000</td>
</tr>
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</table>

| Interest                         | $86,045   |

**Total Revenues** $28,086,045

## Capital Expenditures

**Prior Capital Expenditures** $10,886,873

**FY 2018-19 Expenditures:**

<table>
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<td>#2295-7</td>
<td>$1,280,558</td>
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<tr>
<td>#2295-8</td>
<td>$732,452</td>
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</table>

**Total Capital Expenditures** $4,455,517

## Non Capital Expenditures

**Prior Non-Capital Expend.** $821,991

**FY 2018-19** 280,534

**Total Non-Capital Expend.** $1,102,525

**Total Expenditures** $16,444,915

**Fund Balance June 30, 2019** (After Accruals) $11,641,130

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**Summary**

Through funds provided by the Measure K-14 Street Bond, the City of Grover Beach has completed seven street projects, one (outlined below) that is nearing completion and is expected to begin the ninth project before the end of 2019. These projects, outlined in the attached map, provided maintenance and repair of 201 blocks or approximately 15 miles of roadway, representing about 46% of all local streets.

Project 2295-6 (Newport Avenue) was approved for construction in April 2019. This project will provide maintenance and repair of 14 city blocks. This project is one of the more complex projects given the length of the street, the interest in narrowing a street with a 100-foot public right of way and the need to address significant grade differences between the north and south sides of the street. The project is expected to be completed in early 2020.