



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 third Annual Report and includes findings for the period of July 2015 through June 2016.

Measure I

La Mirada voters approved Measure I, a one percent transactions and use tax, in November 2012. The five-year tax went into effect on April 1, 2013. This tax will sunset on March 31, 2018.

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, ongoing "takes" of local revenues by the State, the elimination of redevelopment agencies in California, and significant unmet infrastructure needs.

Measure I spending is focused on repairing streets, storm drains and other infrastructure as recommended by the Citizens' Task Force and budgeted by the City Council. Additionally, Measure I requires annual independent audits and citizens' oversight of how revenues are spent.

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 David Morfin; Vice Chairman Philip Massey; Boardmember Hal Malkin; Boardmember Lee Olsen; and Boardmember Scott Watkins.¹

The Citizens' Oversight Board meets quarterly. Meetings are held at La Mirada City Hall, and are open to the public. Meeting agendas and minutes are posted and available on the City's website. During this reporting period, meetings were held on September 3, 2015; December 3, 2015; March 10, 2016; and June 8, 2016.

Annual Independent Audit

The City's annual financial audit was conducted by an independent accounting firm, Lance, Soll, Lunghard (LSL), LLP. As part of the financial audit for Fiscal Year 2014-15, the auditors reviewed Measure I funds and included results in their year-end reports.

The separate year-end reports included the Independent Auditors' Report on Compliance with Applicable Requirements and on Internal Control over Compliance and Report on Measure I Revenues and Expenditures. The Fiscal Year 2014-15 report was provided to the City Council in November 2015 and was reviewed by the Citizens' Oversight Board at its December 3, 2015 meeting.

LSL, LLP concluded in its Fiscal Year 2014-15 report that "the City complied, in all material respects, with the requirements referred to above that are applicable to the Measure I funds for the year ended June 30, 2015." The report also indicated that the audit did not identify any deficiency in the internal control over compliance that is considered to be material weakness.

The independent audit review of Measure I funds for Fiscal Year 2015-16 will be conducted later this year and the results will be included in next year's Annual Report.

¹ Scott Watkins was appointed to the Board on May 24, 2016. Juan Noble served on the Board from June 9, 2015 to May 17, 2016. Changhai Ahn served on the Board from April 23, 2013 to June 5, 2015.

Revenues and Expenditures

Revenues

Measure I funds are collected by businesses and remitted to the State Board of Equalization (BOE) similar to other sales taxes. The BOE then sends these funds to the City. A total of \$17,518,239 in Measure I payments from the BOE has been received by the City since April 1, 2013. A total of \$5,743,911 was received by the City from July 2015 through June 2016.

Expenditures

During the reporting period, \$44,547 was spent on Phase 1, \$4,490,350 was spent on Phase 2, \$187,632 was spent on Phase 3, \$104,844 was spent on planning, and \$5,588 was spent on storm drain work connected to the City's neighborhood street rehabilitation projects.

The chart below identifies all expenditures on capital improvement projects by revenue source. The City has completed more than \$34.2-million of improvements with \$9.5-million funded by Measure I over the past four years.

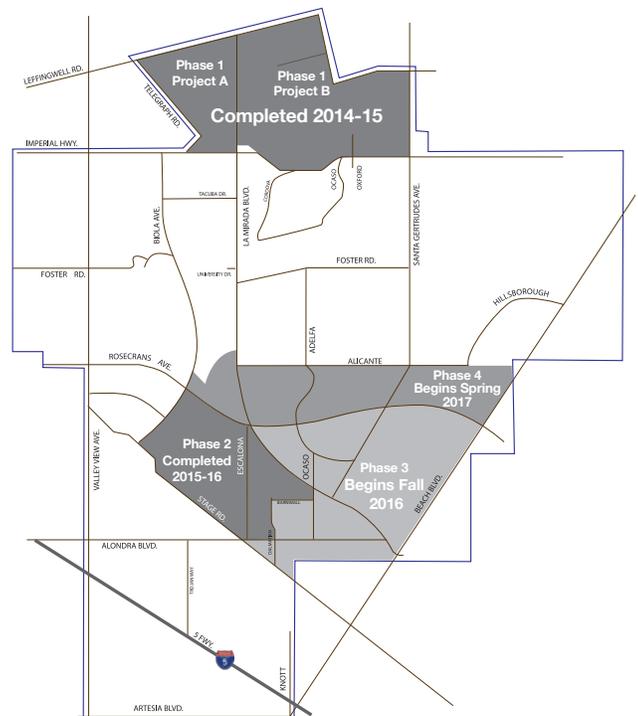
Capital Improvement Projects - Expenditures by Revenue Source (FY July to June)				
Source	FY 2015-16	FY 2014-15	FY 2013-2014	FY 2012-2013
General Fund – Measure I	\$4,832,961	\$4,569,036	\$147,800	
General Fund	1,597,812	1,791,215	2,381,044	2,490,707
General Fund – Grade Separation Reimbursable				1,590,220
CDBG		1,264,989	650,122	
General Fund-County Metro (I-5)			2,766,354	28,420
Gas Tax	26,766	512,509		354,846
Local Transportation – TDA III	31,343	32,298		35,595
Prop C	143,343	194,775	1,073,674	497,443
Agency Bond Proceeds	3,155,343	896,763		94,272
Department of Energy			189,999	
Federal HSIP	177,547			
Measure R	1,515,164			
Prop A	300,000			
County - Library Project	847,899			
Buena Park Coop	8,835			
Total	\$12,637,013	\$9,261,585	\$7,208,993	\$5,091,503

Infrastructure Projects

The Public Works Department continues to meet the objectives of the City's robust Capital Improvement Projects program. Measure I capital improvements focus on neighborhood streets, and are completed in phases.

The scope of work for these projects includes removal and replacement of damaged curb, gutter (including slotted cross gutters) and sidewalk; reconstruction of street pavement with sub-grade failure; surface grind and overlay of all street pavement; and rehabilitation of storm drains. Handicap curb access ramps are added where appropriate and existing ramps are sometimes removed and replaced to meet current ADA access requirements. Some areas also include slurry seal of recently repaved streets within the project area.

As construction approaches for capital improvement projects, City staff makes efforts to notify affected residents and businesses 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. Additionally, information is made available in the City newsletter and on the City's website.



PHASE 1

Phase 1 was the first of the City's neighborhood street repair projects that used Measure I funding. Phase 1 included two project areas, Project Area A and Project Area B.

Project Area A included all neighborhood streets bounded by Leffingwell Road to the north, La Mirada Boulevard to the east, Imperial Highway to the south, and Telegraph Road to the west.

Project Area B included neighborhood streets bounded by Leffingwell Road to the north, La Mirada Boulevard to the west, Imperial Highway to the south, and Stamy Road from Leffingwell Road to Lemon Drive and Santa Gertrudes Avenue from Lemon Drive to Imperial Highway to the east.

Phase I expenditures totaled \$4.89-million.



PHASE 2

Phase 2 included 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 was completed in early 2016. The total expenditures for neighborhood street improvements in Phase 2 was approximately \$4.49-million.



PHASE 3

The engineering and design work for Phase 3 of the City's neighborhood street rehabilitation projects is nearing completion. The project is expected to begin construction in fall 2016.

Phase 3 will include 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. Stage Road, Alondra Boulevard, La Mirada Boulevard, Rosecrans Avenue, and Santa Gertrudes Avenue are not part of this project.

Phase 3 Estimated Project Schedule:



PHASE 4

The design work for Phase 4 of the City's neighborhood street rehabilitation projects is 60 percent complete. The project is expected to begin construction in spring 2017.

Phase 4 is proposed to include all residential streets bounded by Rosecrans Avenue, Biola Avenue, Roma Drive, Whiterock Drive, Alicante Road and the east City limit. Rosecrans Avenue, Biola Avenue, La Mirada Boulevard, Adelfa Drive, Alicante Road, Santa Gertrudes Avenue and Beach Boulevard are not part of this project.

Phase 4 Estimated Project Schedule:



Summary

The Measure I Citizens' Oversight Board has verified that the Measure I funds used during the July 2015 through June 2016 reporting period have been for neighborhood infrastructure improvement projects in La Mirada. To date, the funds have been spent on engineering and design work for Phases 1, 2, 3, and 4, and construction for Phases 1 and 2.

The Citizens' Oversight Board understands the passage of Measure I represents a trusted investment by La Mirada residents into the community'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.²



² This Measure I Annual Report for the period of July 2015 through June 2016 of the Measure I Citizens' Oversight Board was approved on September 8, 2016, and presented to the City Council at the September 13, 2016 Study Session meeting.