

Annual Report of the Measure P Citizens Oversight Committee

Fiscal Year 2020-21

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 \$219 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 (Vice Chair)	District 1 Rep.	6/30/21
Christopher Redo	District 2 Rep.	6/30/21
Saad Ilyas	District 3 Rep.	6/30/21
Christopher Sheridan	District 4 Rep.	6/30/21
Mona Freels	At-Large Rep.	6/30/21
Vacant	Designated Rep. ¹	6/30/21
Silvestre Vigilante	Designated Rep. ²	6/30/21
Silvia Saldivar	Designated Rep. ³	6/30/21
David Garcias (Chair)	Designated Rep. ⁴	6/30/21
Todd Voorhees	Designated Rep. ⁵	6/30/21
Michael Lengyel	Designated Rep. ⁶	6/30/21
Nicole Enriquez	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	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 2021 Independent Auditors' Report on Compliance Revenues and Expenditures

Major expenditures in the following categories incurred in fiscal year 2021:

Category	FY 2021 Expenditures	Major Items
Fire Services	14,453,267	Fire Vehicles, Fire Equipment, Facility Repairs
Police Services	2,441,413	Police Vehicles, Communication System, Facility Repairs
Infrastructure	7,437,311	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	625,817	City Staff-Time
Debt Service	8,128,500	Bond Debt Service
Administrative Expenses	28,116	Audit, Bond Administration Fees, Banking Fees, Cost of Issuance
Total Expenditures	\$ 33,114,425	

Audited Statement of Revenues, Expenditures and Changes in Fund Balance
June 30, 2021

Revenues:

Local sales and use tax	23,629,265
Use of money and property	285,712
Miscellaneous	3,038

Total Revenues	<u>\$</u>	<u>23,918,015</u>
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Expenditures:

Contracted Services	22,364
Equipment and shared infrastructure costs	428,958
Capital outlay	23,636,983
Debt service:	
Principal retirement	763,233
Interest and fiscal charges	134,388

Total Expenditures	<u>\$</u>	<u>24,985,926</u>
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Excess (Deficiency) of Revenues	
Over (under) Expenditures	<u>(1,067,911)</u>

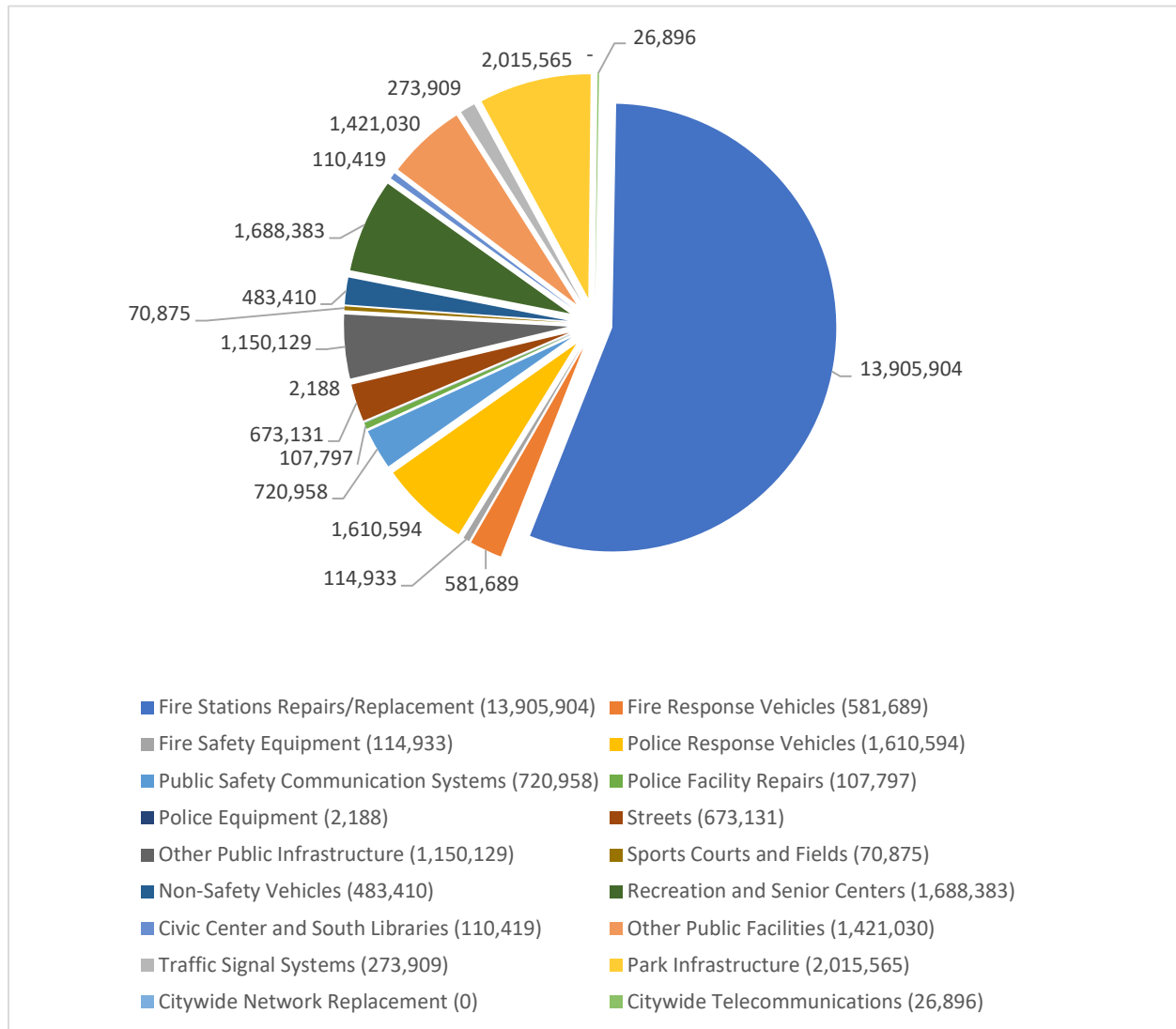
Other Financing Sources (Uses):

Transfers Out – Municipal Financing Authority Fund	(8,128,500)
Total Other Financing Sources (Uses)	<u>\$ (8,128,500)</u>

Net Change in Fund Balance	(9,196,411)
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Fund Balance at Beginning of Year	<u>42,571,683</u>
Fund Balance as of June 30, 2021	<u>\$ 33,375,272</u>

**Plan Expenditures by Replacement Category
(\$24,957,809)**



Major Projects (Fiscal Year 2020/2021) by Cost Category

Fire Stations Repairs/Replacements (GGV0230):

The Fire Department's present and future functional needs, technical constraints and feasibility, and budget were considered in developing the project's design criteria. New Fire Stations 5 and 3 (previously 9) are located at 341 Orange Avenue and 100 Moss Avenue, respectively. In March 2019, Council approved a Design Build Agreement with EC Constructors, Inc. for design of Fire Stations 5 and 3 (previously 9). In February of 2020, Council awarded the Construction Phase. Construction for Fire Station 5 began March 2020 and was completed and began operating in March 2021. Construction for Fire Station 3 (previously 9) began April of 2020 and was completed and began operating in April of 2021. Old Fire Station 3 (previously 9) and 5 have been

demolished. *The contract will remain open until the end of the 1-year landscape maintenance period which expires in April of 2022.*

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

Pavement rehabilitation projects on various residential streets based on recommendations from City's Pavement Management System for streets with poor pavement condition index (PCI) ratings. 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 of 2018, which was the first phase of the pavement rehabilitation project and included street segments with PCI ratings between 0 to 15. Construction was completed on the first phase in October of 2018. The second phase, STL0430, includes street segments with PCI ratings up to 34. The second phase was awarded by Council in April of 2019 and completed in August of 2020. Approximately 121,451 feet (23 miles) of pavement was rehabilitated as part of this project.

Lauderbach Park:

This project will replace the natural grass on the sports field with synthetic turf and replace the deteriorated basketball court. The replacement of the sports field includes a new walking path, new sports lighting, and striping for both soccer and softball. A new picnic area will be constructed replacing the old picnic areas. The new basketball court will also include striping for a pickleball court. This project will also rehabilitate the failed walkway access to the park for the senior housing to the south.

\$1,000,000 of this Project is funded by the State of California Grant for California Youth Soccer and Recreation Development Program and an additional \$820,000 will come from Measure P. *Construction is expected to start in February of 2022 and completed in September of 2022.*

Other Infrastructure - CMP Rehabilitation Outside ROW Phases I & II (DRN0209, DRN0210, DRN0211 & DRN0216):

Rehabilitation of failed Corrugated Metal Pipe (CMP) and other storm drain related repairs outside the right of way.

Project DRN0209 began construction in March 2018 and repaired 28 CMP locations (3,864 linear feet of CMP) for a project cost of approximately \$991,944. Construction was completed in December of 2018.

Project DRN0210 cleaned, videotaped, and evaluated approximately 28,500 lineal feet of CMP.

Project DRN0211 repaired 134 CMP locations of approximately 18,908 linear feet of storm drainpipe. A total of 14,955 linear feet of CMP was repaired in FY19/20. Total project cost of \$7,195,911.

Project DRN0216 is dedicated to addressing future emergency CMP failures. By having a funded CIP project readily available, emergency failures can be addressed directly by this project; eliminating the need to coordinate with other storm drain CIP projects for change orders to complete construction based on funding availability. This project allowed for the emergency repair of the sinkhole adjacent to the property at 604 Melrose Avenue, replacing 184 linear feet of CMP in December of 2020 for a total of \$264,253.

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

This project repaired and replaced 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 completed construction in December of 2019. Approximately 100 sidewalk locations were repaired. The second project (STL0443) was awarded in August of 2019 and began repair of roughly 6,200 locations exhibiting moderate-to-small heave displacements in March of 2020 and is anticipated to be completed in February of 2022.

Traffic Signal System-Fiber Network (TRF0408):

Traffic signal replacements and improvements for 11 locations including: the expansion of City fiber optics, wireless and/or twisted pair communications, expansion of Adaptive Signal System, and installation of traffic monitoring devices. *Construction began in February of 2021 and is expected to be completed in May of 2022.*

Max Field/Loma Verde Accessibility Study (PRK0333):

Consultant has completed review of the sports complex area and determined where a new pedestrian crossing point across the Palm Road drainage basin should be provided to re-establish pedestrian connectivity between the Loma Verde Recreation Center and Max Field Sports Complex since the wooden stairway was removed. Consultant has also completed several parking lot alternatives and an A.D.A. accessibility review of the sports complex site including a geotechnical analysis of the failed retaining wall along the southerly edge of the site. *The Accessibility Study was completed in September of 2020.*

Renovation of Fire Station 1 (GGV0252):

Existing City of Chula Vista Fire Station No. 1 requires renovations to meet the evolving duties of the Fire Department, accommodate modern equipment, renovate and repair aging aspects of the building, and accommodate firefighter personnel needs. The existing ladder truck housed at Fire Station No. 1 will be replaced in the next year with a larger apparatus that will not fit within the existing apparatus bay making alterations to the existing apparatus bay necessary. The fire station age and condition require replacement or rehabilitation of various areas as part of this Project. The station dorm rooms and bathrooms require upgrades to meet modern firefighter personnel needs. In May of 2021, Council approved a Design Build Agreement with EC Constructors, Inc. for design of the Fire Station 1 renovations. The design phase is anticipated to be completed in June of 2022 at which point a resolution to award the Construction Phase contract will be brought to Council. *Construction for Fire Station 1 renovations is expected to begin in June of 2022 and be completed in February of 2023.*

Loma Verde Recreation Center (GGV0247):

In April 2020, the City approved a Design Build Agreement with EC Constructors, Inc. for design of Segments 1 and 2 of the Loma Verde Recreation Center. In August 2021, Council awarded the contract for the Construction Phase of Segments 1 and 2 which includes the demolition and re-construction of approximately 20,000 square feet of the Center and will feature a new multi-purpose gymnasium, dance rooms, crafts room, fitness room, game room, hard courts, restrooms, changing rooms, staff offices, lifeguard staff room, and break room. Construction of Segments 1 and 2 is expected to be completed in December of 2022, but these segments may not be opened for use until the completion of Segment 3.

Segment 3 is part of the project, but funding for this project is from the American Rescue Plan Act (ARPA). The segment 3 design started in June of 2021 and is expected to be completed mid-2022 and construction will immediately follow. The Segment 3 portion of the project replaces the balance of the existing building to create space for new pool mechanical equipment, wet and dry storage, new competition pool, new therapy pool, new pool deck and a classroom space. Depending on funding availability, the facility may also include a new splashpad, replacement playground, replacement solar water heater, and new sports lighting. The City does not currently have adequate funding to construct the current scope of Segment 3.

Sidewalk and Pavement Improvements at City Parks (PRK0326):

The design of this project began in March 2020 and the project was awarded August 18, 2020. The project includes the installation of sidewalk and pavement improvements at four (4) City park locations: Eucalyptus Park, Los Niños Park, Rohr Park and Terra Nova Park. ADA compliant bleachers were also installed at Eucalyptus Park. *Project completed May 2021.*

Winding Walk Park/Veterans Park Lighting (PRK0326):

The design of this project began in September 2019 and the project was awarded in May 2020. The project will replace failing pedestrian walkway and parking lot lighting at Winding Walk Park and Veterans Park and Recreation Center. *Project completed July 2021.*

Norman Park Senior Center Batten Seam Metal Roof (GGV0233)

Installation of new batten seam metal roof panels including new flashing trim and underlayment on the West Wing of the Norman Park Senior Center. *The project was completed December 5, 2020.*

Women's Club Window Replacement & Exterior Painting (GGV0233):

This project was awarded on June 24, 2020, for the installation of new windows and screens, associated stuccos and lath and plaster repairs, and exterior painting. *Project completed January 2021.*

Projects in Progress

Rohr Park Restroom Replacement (PRK0328):

The project replaces an existing restroom building at Rohr Park with a new restroom building. The restroom building has two community restrooms, one for men and one for women, with a third room housing utility/mechanical and a fourth room for storage.

Electrical Switchgear Upgrades (GGV0234, PRK0326)

Installation of a new electrical switchgear package at 2 locations: Project GGV0234 at 1301 Oleander Facility (formerly the Boys and Girls Club of South County) and Project PRK0326 at Eucalyptus Park Tennis Courts and Baseball Field.

Public Works Boiler/Chiller (GGV0234):

The Public Works facility boiler/chiller replacement project includes replacing existing single air-cooled chiller, single boiler, four (4) hydronic chilled water pumps and two (2) hydronic heating hot water pumps.

Upcoming Projects

Chula Vista Civic Center Library – Children's Library and Restroom Upgrades (GGV0231)

Upgrades of four restrooms to include removal and replacement of existing finishes, fixtures, and accessories in compliance with accessibility guidelines and City standards: new carpeting and repainting of the Children's Library and entry foyer, as well as the removal of no longer needed bookshelves and furniture

Civic Center Library ADA and Parking Improvements (GGV0231)

Installation of concrete pedestrian ramps in compliance with accessibility guidelines. Slurry seal and restripe entire Civic Center Library parking lot. Install pipe gates at both Civic Center Library parking lot entries.

Non-Safety Vehicles:

Measure P has allowed for the replacement of vehicles that were beyond their recommended replacement date. The vehicles/equipment listed below represent only those not assigned to Safety. In fiscal year 2021 approximately \$440,000 was spent on public services vehicles and equipment. Purchases include the following:

- (1) Ford F-150 XL 4WD
- (1) Case 590SN Backhoe
- (1) Telescopic Aerial Bucket Truck
- (1) Ford F-450 with Royal Stake Bed Dump Body
- (1) Ford F-250 with Irrigation Utility Body

It is important to note that several vehicles and pieces of equipment have been ordered through Measure P funding. However due to unanticipated production interruptions and supply shortages at the manufacturers, delivery of the ordered vehicles/equipment has been delayed. At the end of fiscal year 2021, there were purchase orders open in the amount of \$1.8 million for vehicles/equipment not assigned to Safety.

Conclusion

The Citizens Oversight Committee notes that this Annual Report refers only to the period from July 1, 2020 to June 30, 2021. This report presents the fourth 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, 2021, the auditor's opinion was that "the City complied, in all material respects, with the types of compliance that could have a direct and material effect on 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 FY21 Audited Report

Attachment B – Fiscal Year 2020-21 Expenditure Report (For Informational Purposes Only)