

AGENDA

MEASURE C OVERSIGHT COMMITTEE MEETING

MAY 25, 2016

7PM

LARKSPUR CITY COUNCIL CHAMBERS

- 1) INTRODUCTIONS
- 2) UPDATE: USE OF MEASURE C FUND TO DATE
- 3) PAVEMENT PROGRAM REVIEW
- 4) RECOMMENDATIONS FOR FISCAL YEAR 2016-17
- 5) RECOMMENDATIONS FOR EXCESS RESERVE IN MEASURE C FUND
- 6) NEXT MEETING
- 7) ADJOURNMENT



CITY ADMINISTRATION
MEMORANDUM

May 24, 2016

TO: Measure C Oversight Committee

FROM: Dan Schwarz, City Manager

SUBJECT: Financial Summary: Measure C Fund (April 1, 2014 to April 30, 2016)

Measure C, *the Larkspur Street Repair and Essential City Services Measure*, passed in November 2013 and became effective on April 1, 2014. Below is a summary of revenue and use of monies generated by Measure C from April 1, 2014 to April 30, 2016. The City has collected \$607,238 more than it has scheduled for use.

Revenue¹

FY2013-14 (3 months)	\$142,881
FY2014-15	\$1,142,650
FY2015-16 (through 4/30)	\$1,121,707
TOTAL	\$2,407,238

Use of Measure C Fund

FY2014-15: Local Streets Program	\$855,000
FY2014-15: Create Vegetation Mgmt Account ²	\$45,000
FY2015-16: Local Streets Program ³	\$855,000
FY2015-16: Repairs at Greenbrae Fire Station ⁴	\$45,000
TOTAL	\$1,800,000

NOTE: The City budgeted for Measure C revenues of \$900,000 in both Fiscal Year 2014-15 and Fiscal Year 2015-16. For Fiscal Year 2016-17, staff is proposing that the budget increase to \$1,000,000

¹ Revenue posts to City approximately two months after it is paid at the register.

² Amount spent to date is \$25,270. Some monies used to remove trees in public right-of-way. Some monies used for code enforcement, primarily relating to canopy management in hillside areas.

³ Work began April 2016 and may carry into beginning of FY16-17.

⁴ Work postponed to date uncertain. Money should either be held in a restricted account for future work at fire station or redirected toward emergency repair work at City Hall relating to health and safety.



CITY ADMINISTRATION

MEMORANDUM

May 24, 2016

TO: Measure C Oversight Committee

FROM: Dan Schwarz, City Manager

SUBJECT: Local Street Report Summary: Measure C Fund Component

Measure C, *the Larkspur Street Repair and Essential City Services Measure*, passed in November 2013 and became effective on April 1, 2014. The City launched a new *Local Street Maintenance and Rehabilitation* program in Fiscal Year 2014-15 to revitalize collector and neighborhood roads. In Fiscal Year 2014-15 and again in Fiscal Year 2015-16, \$855,000 was budgeted from the Measure C Fund to this program.

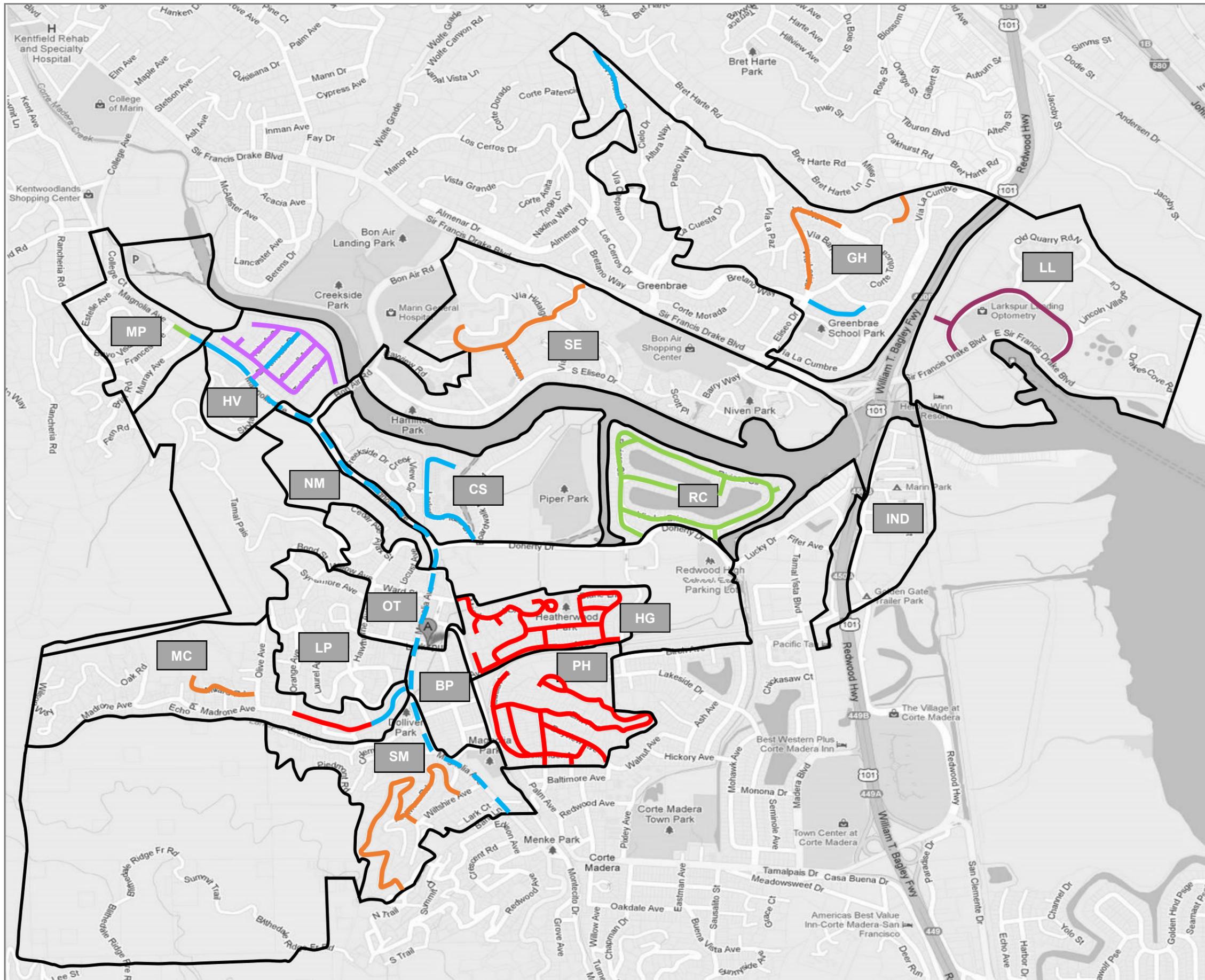
Fiscal Year 2014-15: The total amount spent was \$ 2,352,964. The City was able to pool several sources for the launch of the program. The two main sources were Measure C monies and Refuse Vehicle Impact Fees (VIF), which had been accumulating since the inception of that fee in 2012. (The City currently charges \$389,000 annually to the waste hauler.)

Fiscal Year 2015-16: The total amount anticipated to be spent is \$1,190,905. Measure C will provide 72% of the monies for this year's program.

The attached map depicts the streets that have been or are scheduled to be addressed through this program.

City of Larkspur

Multi-year Pavement Management Plan



- FY 13/14
- FY 14/15
- FY 15/16
- FY 16/17
- FY 17/18
- FY 18/19





CITY ADMINISTRATION
MEMORANDUM

May 24, 2016

TO: Measure C Oversight Committee

FROM: Dan Schwarz, City Manager

SUBJECT: Recommendations for Use of Measure C Monies in Fiscal Year 2016-17

One of the responsibilities of the Measure C Oversight Committee is to make recommendations to the City Council about the budgeted use of Measure C monies in the coming fiscal year. It is the Committee's practice to consider the recommendations of staff and then determine the Committee's recommendations. Since its inception, Measure C has generated more revenues than were budgeted. For Fiscal Year 2016-17, staff is proposing that the City Council consider the use of anticipated revenues, as well as the excess revenues from prior years.

FY2016-17 Anticipated Revenues

Measure C is a general tax, meaning the revenues are unrestricted. To qualify as a general tax, Measure C monies must be used for more than one purpose. By policy, the City Council has stated that at least 80% of budgeted revenues should be programmed for the *Local Streets Maintenance and Rehabilitation* program. It is then an important role of the Committee to discuss the use of the remaining 20%. In each of the first two full years of Measure C, the Committee recommended that 95% of the anticipated revenues be directed to roads, with 5% being directed to other uses. In FY2014-15, \$45,000 was used to create an account for Vegetation Management (including code enforcement). In FY2015-16, \$45,000 was set aside for repairs to the Greenbrae Fire Station. (This work has been postponed to a date uncertain.)

For FY2016-17, staff proposes budgeting \$1,000,000 in Measure C expenditures. Staff has identified a pressing need for the City to replace one of its fire trucks and has negotiated (and the Council has approved) a lease-to-own agreement for the truck that will commence with its delivery in FY2016-17. The lease is for seven years, with annual payments of \$97,954. Staff recommends that this lease be assigned to Measure C for at least FY2016-17, but in all likelihood for subsequent years until the lease is paid (assuming Measure C is renewed by the voters). The remaining 90.2% of Measure C (\$902,046) should be directed to local roads.

Use of Excess Revenues

Staff projects the Measure C Fund will have approximately \$600,000 remaining after reconciliation of revenues generated through June 30, 2016 and expenditures authorized through that date. Staff recommends that the City budget \$450,000 (75%) of this balance be transferred from the Measure C Fund to the General Fund for infrastructure investment.

FY2015-16: During the current fiscal year, the City initiated a project at City Hall to address deferred maintenance issues. Through this project, the City's team identified the need for emergency repairs to the City Hall front and side entrances and porch, as well as to the Children's Room in the Library. These repairs were essential and necessary to protect the health and safety of patrons of City Hall and the Library. These repairs were not part of the project budget. These unanticipated repairs are expected to cost in the neighborhood of \$200,000. It is proposed that \$200,000 be transferred from the Measure C Fund to the General Fund and assigned to the City Hall project.

FY2016-17: There is a growing need for the City to fund storm water drain rehabilitation and improvements – to protect residential neighborhoods from flood waters and to comply with ever-increasing regulatory requirements. Staff has identified two storm drains in the Greenbrae Hills for re-engineering and repair in FY2016-17, and recommends directing \$250,000 from the Measure C Fund to the General Fund to assist with these capital projects.

Staff's current projections suggest that even with the release of \$450,000, the Measure C Fund will have a cash balance (which can serve as a reserve) on June 30, 2017 of approximately \$500,000.