



**CITY OF SAND CITY
MONTEREY COUNTY, CALIFORNIA**

**ANNUAL PROGRAM COMPLIANCE REPORT
FISCAL YEAR 2018/2019**

Prepared: December 26, 2019

ANNUAL PROGRAM COMPLIANCE REPORT

The Annual Program Compliance Report should, at a minimum, describe the efforts of the local jurisdiction to comply with the policies of Measure X over the reporting period. The report should include a narrative of how the jurisdiction spent Measure X funds on local projects including the project title; brief description; discussion of the project benefits; and before and after pictures. A balance sheet should also be included with the report detailing the receipt and expenditure of Measure X funds, as shown in the example below.

Note: updated from previous fiscal year reporting.

During Fiscal Year 2018/2019 (FY 18/19), the City of Sand City (the City) continued to bank annual revenues from Measure X towards a future street reconstruction project. As reported previously, in 2017 the City was awarded a State Water Resources Control Board (SWRCB) Proposition 1 Technical Assistance grant to fund the conceptual design of a “green street/complete street” project involving the reconstruction of Contra Costa Street and Catalina Street. The project became known as the “West End Stormwater Improvement Project” (the WESI Project). The WESI Project is a retrofit of the aforementioned streets to integrate Low Impact Development (LID) strategies to address flood control, water quality, and meet community objectives. The project proposes to install the following LID features: (1) bioretention facilities, (2) permeable pavement in parking/sidewalk areas, (3) new catch basins, (4) a series of horizontal infiltration chambers, and (5) new storm drain routing and abandonment of existing storm drains in various locations. The City is currently pursuing a Proposition 1 Integrated Regional Water Management (IRWM) grant to fund the design and construction of Catalina Street. Therefore, the City will be banking Measure X funds towards the future design and construction of the Contra Costa Street portion of the project.

CITY OF SAND CITY – FY 18/19 BALANCE SHEET EXAMPLE

REVENUES	
Carryover from Previous Year	\$26,017.28 (FY 17-18)
Measure X Revenues	\$29,540.37
Earning on Interest	\$0.00
TOTAL REVENUES:	\$55,557.65
EXPENDITURES	
(Listing of Program Expenditures)	\$0.00 (revenues banked)
TOTAL EXPENDITURES:	\$0.00
FUND BALANCE, END OF PERIOD:	\$55,557.65

As attachments to the Annual Program Compliance Report, the jurisdiction should include the following additional reports:

- ATTACHMENT 1: Independent Audit of Financial Statements for Measure X Funds, Prior Fiscal Year
- ATTACHMENT 2: Five-Year Capital Improvement Program
- ATTACHMENT 3: Pavement Management Program Report
- ATTACHMENT 4: Maintenance of Effort Report

ATTACHMENT 1

INDEPENDENT AUDIT OF FINANCIAL STATEMENTS

Note: The City of Sand City did not expend Measure X funds during Fiscal Year 18/19. As a result, the City's annual audit will not reflect or include any Measure X spending and a separate audit was not conducted on Measure X funds. However, the City has attached the following letter entitled, "Independent Accountant's Report", dated December 5, 2019 prepared by Hayashi Wayland. This letter confirms the City's compliance with TAMC ordinance 2016-01 and the Measure X Funding Agreement.



HAYASHI | WAYLAND

INDEPENDENT ACCOUNTANT'S REPORT

City Council City of Sand City
1 Pendergrass Way
Sand City, California 93955

We have examined the City of Sand City's compliance with the requirements in Transportation Agency for Monterey County (TAMC) Ordinance No. 2016-01 Transportation Safety and Investment Plan and in the Measure X Master Programs Funding Agreement between TAMC and the City of Sand City during the year ended June 30, 2019. Management of the City of Sand City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City of Sand City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City of Sand City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City of Sand City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including as assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the City of Sand City's compliance with specified requirements.

In our opinion, the City of Sand City complied, in all material respects, with TAMC Ordinance No. 2016-01 Transportation Safety Investment Plan and with the Measure X Master Programs Funding Agreement for the period ended June 30, 2019.

This report is intended solely for the information and use of the City Council and management of the City of Sand City, California, management of the Transportation Agency for Monterey County and for filing with the appropriate regulatory agencies and is not intended to be, and should not be, used by anyone other than the specified parties.

December 5, 2019

Hayashi Wayland, LLP



CITY OF NAME
TRANSPORTATION SAFETY AND INVESTMENT PLAN ACCOUNT FUND
BALANCE SHEET
JUNE 30, 2019

ASSETS

Cash and investments	\$	55,558
Accounts receivable		
Interest receivable		
		<hr/>
Total assets		<hr/> <u>55,558</u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable
Accrued payroll and benefits
Due to TAMC
Due to other funds

Total Liabilities

-

Fund Balance:

Restricted

55,558

Total Fund Balance

55,558

Total Liabilities and Fund Balance

\$ 55,558

The notes to basic financial statements are an integral part of this statement.

ATTACHMENT 2

FIVE YEAR CAPITAL IMPROVEMENT PROGRAM

**CITY OF SAND CITY
MEASURE X FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
FOR FISCAL YEARS 2019/20 – 2023/24**

YEAR 1 – FY 19/20

Project	Description & Phase	Total Cost	Measure X	PCI
West End Stormwater Improvement Project	Description: retrofit of a minor collector street to integrate Low Impact Development (LID) strategies to address flood control, water quality, and meet community objectives. The project proposes to install the following LID features: (1) bioretention facilities, (2) permeable pavement in parking/sidewalk areas, (3) new catch basins, (4) a series of horizontal infiltration chambers, and (5) new storm drain routing and abandonment of existing storm drains in various locations. Phase: 30% design, City anticipates grant award in summer 2020.	\$1,804,725 (Contra Costa St. only, estimate based on 30% design)	\$0.00 (assumes City will “bank” funds for use during the construction phase)	60-65
Totals:		\$1,804,725	\$0.00	

YEAR 2 – FY 20/21

Project	Description & Phase	Total Cost	Measure X	PCI
West End Stormwater Improvement Project	Description: retrofit of a minor collector street to integrate Low Impact Development (LID) strategies to address flood control, water quality, and meet community objectives. The project proposes to install the following LID features: (1) bioretention facilities, (2) permeable pavement in parking/sidewalk areas, (3) new	\$1,804,725 (Contra Costa St. only, estimate based on 30% design)	\$0.00 (assumes City will “bank” funds for use during the construction phase)	60-65

	catch basins, (4) a series of horizontal infiltration chambers, and (5) new storm drain routing and abandonment of existing storm drains in various locations Phase: 60%-100% design, take project to bid, begin construction.			
Totals:		\$1,804,725	\$0.00	

YEAR 3 – FY 21/22

Project	Description & Phase	Total Cost	Measure X	PCI
West End Stormwater Improvement Project	Description: retrofit of a minor collector street to integrate Low Impact Development (LID) strategies to address flood control, water quality, and meet community objectives. The project proposes to install the following LID features: (1) bioretention facilities, (2) permeable pavement in parking/sidewalk areas, (3) new catch basins, (4) a series of horizontal infiltration chambers, and (5) new storm drain routing and abandonment of existing storm drains in various locations Phase: construction and project closeout.	\$1,804,725 (Contra Costa St. only, estimate based on 30% design)	\$139,557.65 (based on City's forecasted estimate of Measure X revenues to be received. Estimated at \$28,000 per fiscal year)	100
Totals:		\$1,804,725	\$0.00	

YEAR 4 – FY 22/23

Project	Description & Phase	Total Cost	Measure X	PCI
West End Stormwater Improvement Project	Description: To be determined. Phase:		\$0.00 (revenues to be banked)	
Totals:				

YEAR 5 – FY 23/24

Project	Description & Phase	Total Cost	Measure X	PCI
West End Stormwater	Description: To be determined. Phase:		\$0.00 (revenues to be banked)	

Improvement Project				
Totals:				

DEFINITIONS OF REQUESTED INFORMATION:

1. Project: The title of the project to receive Measure X funding.
2. Description & Phase: A general description of the project and the phase (e.g. Environmental; Design; Right-of-Way; or Construction) that will be funded in the given year.
3. Total Cost: The total cost of the project.
4. Measure X: The amount of Measure X funding that will be expended on the project.
5. PCI: The Pavement Condition Index for the roadway, from the local jurisdiction's Pavement Management Program.

ATTACHMENT 3

PAVEMENT MANAGEMENT PROGRAM REPORT

PAVEMENT MANAGEMENT PROGRAM REQUIREMENTS

The approved ordinance for the Transportation Safety & Investment Plan (Measure X) outlines the requirements for the use of local road maintenance, pothole repair and safety funds. It includes a requirement for each jurisdiction to have a pavement management program. "Each city and the County of Monterey shall develop, or participate in the development of by TAMC, a pavement management program. They shall submit regular reports on the conditions of their streets, to ensure timely repairs and keep the public informed. Development of the pavement management program by TAMC is eligible to be funded out of this program prior to distribution of funds to the cities and the County."

SYSTEM REQUIREMENTS: In order to receive Measure X funds, the cities and the County shall utilize a pavement management program (PMP) and submit regular reports on the conditions of their streets, to ensure timely repairs and keep the public informed. The pavement management program should utilize an approved software-based tool for analyzing pavement conditions and reports findings on rehabilitation/maintenance strategies based on funding levels. The pavement management program used by the jurisdiction must contain, at a minimum, the following features:

- Store the inventory all roadways within a jurisdiction (in a compatible database with other jurisdictions).
- Assess the condition of the roadways (based on seven distresses and three severity levels).
- Provide the current Pavement Condition Index (PCI) for the roadways (as per ASTM D6433)
- Identify all pavement sections needing maintenance, rehabilitation, or replacement.
- Calculate budget needs for maintenance, rehabilitation or replacement of deficient pavement sections (for the current year and the next three years at various overall condition levels).
- Develop maintenance strategies for the most cost effective level of maintenance or repair appropriate at the time of the inspection.
- Generate pavement management program reports (in various formats).

All jurisdictions must implement and maintain an approved Pavement Management Program ("StreetSaver" or equivalent). The "StreetSaver" Pavement Management Program developed by Metropolitan Transportation Commission (MTC) is the most utilized program in the Bay Area and would be an excellent program for this region as well. The use of the "StreetSaver" Pavement Management Program is recommended (but not required) since it would allow good compatibility between local jurisdictions and also provide regional benefits. Jurisdictions may elect to use an alternative pavement management program provided it meets the above listed minimum requirements and receives written approval from TAMC.

The Agency will assist with the development of an overall pavement management implementation plan for this region with the participation and coordination of all the cities and the county. The Agency recommends the development of a regional system to benefit from a coordinated system. The regional system would be developed collaboratively between local jurisdictions. In order to have a regional database, it is recommended that all agencies utilize a

common pavement management program. This would allow compilation of information on a regional basis. It would also create opportunities for interagency coordination and to guide regional transportation investments and planning.

UPDATE REQUIREMENTS: The jurisdictions must complete the following updates:

- Review and update the pavement information for all roads every two years.
- Pavement conditions must be re-inspected every three years for arterials and collectors.
- Pavement conditions must be re-inspected every six years for residential streets and local/rural roads, unless otherwise approved by TAMC. Pavement condition surveys may be done by either automated or manual inspections, and may be done either individually or in conjunction with another agency. A percentage of the network can be scheduled each year so that the entire network is updated on a regular cycle.

REPORT REQUIREMENTS: All jurisdictions shall submit an annual Pavement Management Program Report Letter to TAMC no later than December 31 of each year the Measure X tax is in effect using the approved report letter format. It shall include all the highlighted information and shall be on local agency letterhead (see attached template).

All jurisdictions shall also participate in the biennial pavement needs survey conducted for the California Statewide Local Streets and Roads Needs Assessment and provide the requested roadway data for their jurisdiction.



Date: December 26, 2019

To: Todd Muck
Deputy Executive Director
Transportation Agency for Monterey County
55-B Plaza Circle
Salinas, CA 93901

Re: Pavement Management Program Annual Report Letter

The City of Sand City (the City) confirms that it has a Pavement Management Program (PMP) that conforms to the criteria established by the Transportation Agency for Monterey County (TAMC) and included in the Measure X Agreement with the Local Agency. An approved PMP must be in place to be eligible for Measure X funds.

The PMP utilizes a software system developed by:

Metropolitan Transportation Commission StreetSaver, version 9.0.0
 Other _____

The system was updated by NCE and contains, at a minimum, the following elements:

- Inventory of all existing pavements under the local agency jurisdiction:

Centerline miles:	<u>5.02</u>
Total lane miles (or equivalent units):	<u>10.04</u>
The last update of the inventory was completed on:	<u>8/26/18</u>

- Average 2018 Pavement Condition Index (PCI) 59
- Identification of sections of roadways brought up to acceptable PCI levels for the current year:

Not applicable for the current fiscal year reporting period because the City continued to bank Measure X revenues for use on a future project as described in this report. As reported previously, the City's last street reconstruction project was the Hickory Street Improvement Project (FY 17/18), however this project was entirely funded by the City's general fund and not by Measure X funds.

- Amount spent to rehabilitate or replace deficient sections for the current year: \$0.00

Note: The City is currently working to continue its PMP and to prioritize street sections to rehabilitate or replace in the coming and future fiscal years.

You may direct any questions regarding this letter to Mr. Leon Gomez, contract City Engineer with Harris & Associates, at (831) 272-4909 (direct) or via email at: Leon.Gomez@We.Are.Harris.com.

Sincerely,

Leon D. Gomez, P.E.
City Engineer
Harris & Associates

City Hall
1 Pendergrass Way
Sand City, CA
93955

Administration
(831) 394-3054

Planning
(831) 394-6700

FAX
(831) 394-3054

Police
(831) 394-1451

FAX
(831) 394-1038

Incorporated
May 31, 1960

ATTACHMENT 4

MAINTENANCE OF EFFORT REPORT

**CITY OF SAND CITY
THREE-YEAR MAINTENANCE OF EFFORT REPORT
FOR FISCAL YEARS 2015/16 – 2017/18**

Year 1

Fund Source	Amount	Year
Total Expended on Transportation	\$398,323	FY 2015/16

Year 2

Fund Source	Amount	Year
Total Expended on Transportation	\$497,886	FY 2016/17

Year 3

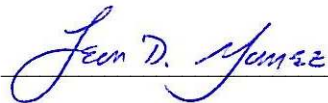
Fund Source	Amount	Year
Total Expended on Transportation	\$0	FY 2017/18

Note: values include street rehabilitation and/or reconstruction including design, construction, and maintenance costs.

Three-Year Average of Transportation Expenditures:

\$ 298,736

I, the undersigned, certify that the above information is true and correct to the best of my knowledge.



Leon D. Gomez, P.E.
City Engineer
Harris & Associates

City of Sand City
Annual Street Report - Schedule 1b
Revenues - City and Local Revenues and Total Revenues

Fiscal Year: 2018

	Section 99234, Public Utilities Code	Section 99400a, Public Utilities Code	County Road Fund Contributions	All Other Sources Non-Discretionary	All Other Sources Discretionary			
City and Local Revenues								
R01. Bond, Certificate of Participation, or other Debt Proceeds used for Street Purposes								
R02. Special Street Assessment Levies (Excluding Levies Under Improvement Act of 1911 or Similar Acts)								
R03. General Fund Money Used for Street Purposes					632,217			
R04. Fines and Forfeitures Money Used for Street Purposes					1,264			
R05. Developer/Impact Fees								
R06. County Road Fund Contribution								
R07. Successor Agency								
R08. Sales Tax Override (Local Measures)								
R09. Net Investment Gain or Loss From City and Local Sources								
R10. Section 99234, Public Utilities Code – Allocation/Interest/Other								
R11. Section 99400a, Public Utilities Code – Allocation/Interest/Other								
R12. Other City and Local Revenues – Other (Specify)				116,407				
R12a. Specify City and Local Revenue	Amount							
TAMC				116,407				
R13. Total City and Local Revenues	\$0	\$0	\$0	\$116,407	\$633,481			
	Special Gas Tax Street Improvement Fund	Traffic Congestion Relief Fund Loan Repayment	Road Maintenance and Rehabilitation Account (SB 1)	Section 99234, Public Utilities Code	Section 99400a, Public Utilities Code	County Road Fund Contributions	All Other Sources Non- Discretionary	All Other Sources Discretionary
R14. Grand Total Revenues	\$12,995	\$436	\$1,436	\$0	\$0	\$0	\$116,407	\$633,481