

Measure D Recipient Agency: **City of Scotts Valley**

Measure D Annual Report Cover Sheet

Fiscal Year **2020/21**

Dear Measure D Taxpayer Oversight Committee: The City of Scotts Valley (*Recipient Agency*) is pleased to present the following information demonstrating compliance with the voter-approved Measure D Ordinance, Strategic Implementation Plan (SIP), agreements and guidelines. Collectively they make up the Measure D annual report for recipient agencies.

Measure D Financial Information	
FY20/21 Formula Allocations	\$ 333,329
Unspent Prior Year Allocations	\$ 116,167
Interest earned on Unspent Prior Allocations	\$ -
Total Measure D Funding Available in FY20/21	\$ 449,496
Total Measure D Funds Spent in FY20/21	\$ 526,490
Total Measure D Rollover to FY21/22	(\$ 76,994)
Maintenance of Effort	
FY20/21 LOCAL funds spent on transportation projects, operations, and/or services (<i>exclude grants and formula state & fed funds - HUTA, TDA, SB1, STA, etc.</i>)	\$ 847,129
Maintenance of Effort Baseline (<i>average amount of <u>local</u> funds spent on transportation projects in 3-5 fiscal years prior to 2017</i>)	\$ 365,967
Measure D Compliance Documents	
Document	Attached (check)
1. FY20/21 Annual Report Cover Sheet (<i>this document</i>)	X
2. FY20/21 Audited Financials for Measure D funds (<i>see "Measure D Audit Guidance" for additional information</i>)	Est completion mid Jan.
3. FY20/21 Expenditure Report Spreadsheet: Shows what Measure D formula funds (direct allocations) were spent on. <i>*Report use of regional funds (Trail, Highway Corridors, Hwy 9, Rail) separate from formula funds.</i>	X
a. If applicable –Grouped projects supplemental information: For any grouped projects (e.g. citywide roadway repairs), include a supplemental list of specific locations (road names, project limits, and length or routes/areas served), work done at each (e.g. environmental, design, construction), and schedule for completing construction at each.	n/a
4. Map: Attach or provide web link to map(s) of projects funded with Measure D funds in FY20/21 (for projects with specific locations). URL: http://scottsvalley.org/279/Plans-Projects	Hyperlink provided
5. FY20/21 Performance Measures Report (<i>Measure D Guidelines Attachment B</i>)	X

6. Maintenance of Effort Compliance Spreadsheet: List of local funds spent on transportation projects through FY20/21 as compared to the 3-5 years prior to FY16/17.	X
a. If FY20/21 Local funds expended were lower than Baseline amount, explain why:	n/a
7. Indirect cost allocation plan: Does your agency have an indirect cost allocation plan (ICAP)? (If "no," Measure D cannot be used for indirect costs) a. Date of most recent ICAP: June 20,2018	Yes
8. 5-Year Program of Projects (5-Year Plan): List showing planned use Measure D formula funds in the next 5 years.	X
a. Evidence that the 5-year program of projects was approved through a public process. Include information on process used to select projects and develop 5-year plan. This may be in the form of public hearing notices, staff reports, and other means that agencies may have solicited input on their 5-year program of projects. Public process must include at least one public hearing and approval by recipient's governing board.	X
b. Date of 5-Year Plan Public Hearing soliciting input on 5-Year Plan (<i>per Article III.A.4.</i>)	Date: June 2, 2021
c. Date annual 5-year Plan approved by Governing Board	Date: June 2, 2021
9. Complete Streets Compliance (Cities/County only): Attach copy or provide link to board adopted Complete Streets policy that is compliant with the California Complete Streets Act of 2008 (AB1358), including any amendments. <i>Per Measure D Agreement: Agencies are required to have a complete streets policy by April 1, 2018.</i> Scotts Valley Active Transportation Plan, Adopted March 17, 2021 URL: http://scottsvally.org/DocumentCenter/View/2800/SV-Active-Transportation-Plan	Hyperlink provided
10. Annual Report Narrative (may be included in Management & Admin section of audit)	
a. Fund Balances, Carryover Projects, and Description of planned, longer-term and future uses of Measure D revenues, if known. Describe how agency is tracking Measure D funds not yet expended and include explanation of why not all funds were spent, reasons for large carryover balances, and planned future use of carryover funds. This could include a list of projects anticipated to use Measure D funds in the future, such as priority future projects, projects that will be implemented in a future year or over several years, larger projects that an agency is saving funds for, etc.)	X - See attached Annual Report Narrative for #10a-c
b. Future Liabilities: Describe possible liabilities, including information on how future costs for projects not yet completed are anticipated to be funded.	X

c. Compliance with Applicable Laws: Confirm projects were implemented in compliance with applicable laws, regulations, requirements, standards of practice, guidelines, etc. which are applicable to publicly funded transportation projects are met and adhered to, including requirements of the California Environmental Quality Act (CEQA), state design and procurement requirements, etc.	X
Public Outreach/Notification of Use of Measure D Funds	
11. Public Outreach/Process: Describe outreach conducted during the reporting year to inform Santa Cruz County taxpayers as to how your agency is using or plans to use Measure D funds. <i>(per Article III.A.3.)</i> . Agenda for Public Hearing June 2, 2021 http://scottsvally.org/AgendaCenter/ViewFile/Agenda/06022021-591	Report out of activities at RTC ITAC Meetings, Public Hearing was conducted on June 2, 2021 on future Measure D projects
12. Sample(s) of public outreach on Measure D-funded projects 7/1/19-6/30/20	X
a. Website with Measure D information (attach PDF): Web address: http://scottsvally.org/279/Plans-Projects <i>(per Article III.A.7.)</i>	X
b. News Article: <i>Include a copy of or weblink to at least one news article or press release about Measure D-funded projects in the past fiscal year. News release should inform public that project is funded by Measure D. (per Article III.A.8.)</i>	X
c. Signage: Did you display the Measure D logo on signs at construction sites, on vehicles, and/or public education materials/websites? Attach photos if available. See "Measure D: Sign Specifications" for additional signage guidance. <i>(per Article III.A.6.)</i>	X
13. Photos: Attach before/after and construction photos if available of projects/work done in FY20/21.	X
14. Fact Sheets on larger projects: Attach more detailed fact sheet on large projects (includes public information such as project name, description of work to be done, location, project benefits/purpose, schedule, graphics/maps, complete streets components/consistency, total cost & funding, including info on if Measure D was used to leverage other grants/funds).	X

Contacts

Designated staff available to report on or answer any and all inquiries in regard to Recipient Agency's audit, projects and expenditures, and/or compliance with Measure D before the RTC and/or the Measure D Taxpayer Oversight Committee or RTC advisory committees, as applicable.

Name	Title	Phone/email
Chris Lamm	Public Works Director	831-438-5854 clamm@scottsvalley.org
Selina Andrews	Finance Manager	SAndrews@scottsvalley.org

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City of Scotts Valley

Measure D Fund

Scotts Valley, California

*Financial Statements and
Independent Auditors' Reports*

For the year ended June 30, 2021

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City of Scotts Valley Measure D Fund
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For the year ended June 30, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of City Council
of the City of Scotts Valley
Scotts Valley, California

We have audited the accompanying financial statements of the Measure D Fund (Measure D Fund) of the City of Scotts Valley, California (City), as of and for the year ended June 30, 2021, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

To the Honorable Mayor and Members of City Council
of the City of Scotts Valley
Scotts Valley, California
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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Measure D Fund of the City as of June 30, 2021, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Measure D Fund and do not purport to, and do not, present fairly the financial positions of the City as of June 30, 2021, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Measure D Fund's basic financial statements. The budgetary comparison information is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The budgetary comparison information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

To the Honorable Mayor and Members of City Council
of the City of Scotts Valley
Scotts Valley, California
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Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

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Badawi and Associates, CPAs
Berkeley, California
March 14, 2022

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City of Scotts Valley
Measure D Fund
Balance Sheet
June 30, 2021

ASSETS

Cash and Investments	\$	20,102
Due from other governments		92,356
Total assets	\$	112,458

FUND BALANCE AND LIABILITIES

Liabilities:

Due to City of Scotts Valley	\$	189,453
Total liabilities		189,453

Fund Balance:

Unassigned		(76,995)
Total fund balance		(76,995)
Total liabilities and fund balance	\$	112,458

City of Scotts Valley

Measure D Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2021

REVENUES:

Taxes and assessments	\$ 333,330
Total Revenues	333,330

EXPENDITURES:

Current:

Public works	39,440
Capital outlay	487,051
Total Expenditures	526,491
Net change in fund balances	(193,161)

FUND BALANCES:

Beginning of year	116,166
End of year	\$ (76,995)

City of Scotts Valley Measure D Fund
Notes to Financial Statements
For the year ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Reporting Entity

All transactions of the Santa Cruz County Regional Transportation Commission – Measure D Fund (Measure D Fund) of the City of Scotts Valley (the City) are included as a separate special revenue fund in the basic financial statements of the City. The accompanying financial statements are for Measure D Fund only and are not intended to fairly present the financial position or results of operations of the City.

B. Basis of Presentation

Fund Accounting

The operations of the Fund are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures. Resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

C. Basis of Accounting

The Measure D fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers the majority of revenues to be available if they are collected within 45-90 days of the end of the current fiscal period. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

D. Assets, Liabilities and Fund Balance

1) Cash and Investments

Investments are reported in the accompanying balance sheet at fair value, except for nonparticipating certificates of deposit and investment contracts that would be reported at cost because they are not transferable and they have terms that are not affected by changes in interest rates.

Changes in fair market value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

The City pools cash and investments of all funds. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments.

The City pools idle cash from all funds in order to increase income earned through its investment program. Investment income from pooled investments is allocated to those funds that are required by law or administrative action to receive interest. Investment income is allocated on a quarterly basis based on the cash balance in each fund.

City of Scotts Valley Measure D Fund
Notes to Financial Statements
For the year ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Assets, Liabilities and Fund Balance, Continued

2) Receivables

Receivables include amounts due from other governments. Receivables are recorded and revenues are recognized as earned or as specific program expenditures are incurred.

3) Use of Estimates

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and necessarily include amounts based on estimates and assumptions by management. Actual results could differ from those amounts.

4) Fund Balance

As of June 30, 2021, fund balance of the Measure D Fund was classified as restricted which is defined as amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

2. MEASURE D FUNDS

Under Measure D, approved by the voters of Santa Cruz County in 2016, the City receives a portion of the proceeds of an additional one-half cent sales tax to be used to improve children's safety around schools; repair potholes; repave streets; improve traffic flow on Highway 1; maintain senior/disabled transit; reduce global warming pollution by providing transportation options like sidewalks, buses, bike lanes, trails; and preserve rail options.

3. CASH AND INVESTMENTS

Cash and investments held by the Measure D Fund at June 30, 2021, consisted of \$20,102 in cash pooled with the City's Cash and Investments.

The City pools cash and investments of all funds, except amounts held by fiscal agents. The Council invests on behalf of most funds of the City in accordance with the California State Government Code and the City's investment policy. Investments are reported in the accompanying balance sheet at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Cash deposits are reported at carrying amount which reasonably estimates fair value. Managed funds not listed on an established market are reported at the estimated fair value as determined by the respective fund managers based on quoted sales prices of the underlying securities.

SUPPLEMENTARY INFORMATION

City of Scotts Valley Measure D Fund
Supplementary Information
For the years ended June 30, 2021

1. BUDGETARY INFORMATION

A. Budgets and budgetary accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all government funds. Appropriations lapse at fiscal year-end. The appropriated budget is prepared by fund, function and department. The City manager may make transfers of appropriations within a department. Transfers between departments and other changes require City Council approval. The legal level of control is the department and fund level. The Council made supplemental appropriations during the fiscal year. Encumbrance accounting is not employed in governmental funds.

City of Scotts Valley
Budgetary Comparison Schedule - Measure D Fund
For the year ended June 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Taxes and assessments	\$ 265,800	\$ 265,800	\$ 333,330	\$ 67,530
Investment earnings	6,000	6,000	-	(6,000)
Total revenues	271,800	271,800	333,330	61,530
EXPENDITURES:				
Current:				
Public works	750	750	39,440	(38,690)
Capital outlay	324,147	324,147	487,051	(162,904)
Total expenditures	324,897	324,897	526,491	(201,594)
REVENUES OVER (UNDER)				
EXPENDITURES	(53,097)	(53,097)	(193,161)	(140,064)
Net change in fund balances	\$ (53,097)	\$ (53,097)	(193,161)	\$ (140,064)
FUND BALANCES:				
Beginning of year			116,166	
End of year			\$ (76,995)	

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Independent Auditor's Report

To the Honorable Mayor and Members of City Council
of the City of Scotts Valley
Scotts Valley, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Measure D Fund of the City of Scotts Valley, California (City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 14, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

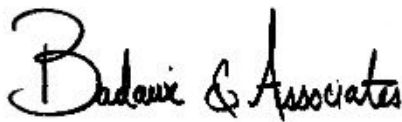
To the Honorable Mayor and Members of City Council
of the City of Scotts Valley
Scotts Valley, California
Page Two

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Measure D Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements including the applicable compliance requirements specified in the Measure D agreement between the City and Santa Cruz Regional Transportation Commission, and noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi and Associates, CPAs
Berkeley, California
March 14, 2022

MEASURE D EXPENDITURE REPORT - Direct Allocations

Reporting Year **FY20/21**
 Recipient Agency **City of Scotts Valley**

Project Description/Location					
#	Project Name	Project Description <i>(may include additional project components, ex. complete streets, traffic calming, crossing improvements, drainage upgrades, etc.)</i>	Location/Limits (if grouped project, list each location/limit)	Work Done in FY20/21	Construction or Implementation schedule
	<i>Sample Project X - phase</i>	<i>Doing stuff</i>	<i>X Lane, from Street Y to Z Blvd.</i>	<i>started construction, public outreach</i>	<i>2/1/20-4/1/22</i>
1	Glenwood Drive Improvements	Roadway and Bicycle Improvements	Glenwood Drive (from Deerfield Drive to Summerhill Drive)	Completion of Construction	5/10/2019 - 2/28/2021
2	Citywide roadway repairs	Miscellaneous roadway repairs throught the city	Citwide	Asphalt repairs	7/1/2020-6/30/2021
3					
4					
5					
6					
7					
8					
9					
10	Audit and Expenditure Report Prep				
					Total

Allocation
Interest

MEASURE D EXPENDITURE REPORT

			Prior Year Measure D Expenditures (if applicable)							Leveraged Funds, if any		
#	Project Name	FY20/21 Measure D Expenditures	FY16/17 Measure D Expenditures on this project	FY17/18 Measure D Expenditures	FY18/19 Measure D Expenditures	FY19/20 Measure D Expenditures	Measure D TOTAL SPENT through reporting year	(Est) Future Year(s) Measure D Expenditures	Leveraged Fund Amounts (grants & other funds where Meas. D used as match)	Leveraged Fund Source(s) Name(s)	Total Project Cost	
	Sample Project X - phase	\$ 200,000	\$ -	\$ -	\$ 50,000	\$ 100,000	\$ 350,000	\$ 100,000	\$ 100,000	ATP-\$50k; Local-\$50k	\$ 500,000	
1	Glenwood Drive Improvements	\$ 487,050.00	\$ -	\$ -	\$ 25,398.00	\$ 342,465.00	\$ 854,913.00	\$ -	\$ 880,000.00	RTIP	\$ 1,460,000.00	
2	Citywide roadway repairs	\$ 39,440.00	\$ -	\$ -	\$ -	\$ -	\$ 39,440.00	\$ -	\$ -	na	\$ -	
3							\$ -					
4							\$ -					
5							\$ -					
6							\$ -					
7							\$ -					
8							\$ -					
9							\$ -					
10	Audit and Expenditure Report Prep						\$ -					
		\$ 526,490	\$ -	\$ -	\$ 25,398	\$ 342,465	\$ 894,353	\$ -	\$ 880,000			

FY 20/21 Measure D Revenues	FY 16/17 Measure D Revenues (4/1/17-6/30/17)	FY 17/18 Measure D Revenues	FY 18/19 Measure D Revenues	FY 19/20 Measure D Revenues	Measure D Expended	Fund Balance/ Carryover to Future Years
					\$ 894,353.00	\$ (894,353)

MEASURE D EXPENDITURE REPORT

#	Project Name	Consistency with 5-year plan		CEQA compliance (List type of doc & certification date - ex. CE, 5/1/18)	Project Completion Date (actual or estimate)	Stats - if applicable				
		Project in approved 5-year plan? (yes/no)	If not in 5-year plan or different amount or scope, why different?			New Bike Lane Miles	New Ped Path or Sidewalk Miles	Miles of pavement rehab/repair (pothole, seals, etc)	Rehab of bikeways, sidewalks, or ADA ramps included? (describe)	If Complete Streets not incorporated into project, why not?
	Sample Project X - phase	Yes	Extra \$50k because of higher bids. Shifted from project x, to be funded with other funds or on hold, etc.	FEIR, 5/1/18	est. 4/1/2022	0.75	0.25	0.75	Yes- upgraded ADA, rehab of bike lanes	new crosswalk, fill gap in sidewalk
1	Glenwood Drive Improvements	Yes		exemption, 15304(h) Class 1	2/1/2021	0.45	0	0.45	Addition of northbound bike lane	
2	Citywide roadway repairs	No	Necceary repairs needed for public health and safety	exemption, 15301	6/30/2021	0	0	0	na	
3										
4										
5										
6										
7										
8										
9										
10	Audit and Expenditure Report Prep									
						0.45	0.00	0.45		

MEASURE D EXPENDITURE REPORT

#	Project Name	Measure D use			Other
		FY20/21 Measure D- funded Capital Costs	FY20/21 Measure D- funded Non-capital <i>(non-infrastructure, outreach, admin)</i>	FY20/21 Measure D- funded Indirect costs <i>(and overhead)</i>	Other Notes or Information <i>(optional)</i>
	<i>Sample Project X - phase</i>	\$ 150,000	\$ 50,000	\$ 15,000	<i>Eg. Extensive public outreach was done on this project.</i>
1	Glenwood Drive Improvements	\$ 487,050.00	\$ -	\$ -	
2	Citywide roadway repairs	\$ 39,440.00	\$ -	\$ -	
3					
4					
5					
6					
7					
8					
9					
10	Audit and Expenditure Report Prep				
		\$ 526,490	\$ -	\$ -	

Measure D: Neighborhood Projects Program (Funds to Cities and County for Local Streets and Roads - LSR)

Performance Measures

AGENCY:

City of Scotts Valley

Measure D recipients are to document the performance and benefits of the projects and programs funded with Measure D

Submittal date 12/31/2021

Performance Measure	Performance Metric and Standard		Corrective Action
	Baseline/Prior Year	Current	
Pavement State of Repair	Track city/countywide Pavement Condition Index (PCI), which rates the "surface condition" of local streets from 1 to 100, at least every three years.		Any agency with a falling PCI must provide an explanation. If the PCI drops, specify what funding amounts, policies, or other needs are required to maintain the
Average Network PCI (0-100)*	58	55	Due to staffing turnover streetsaver database has not been updated to reflect work done in FY 19/20 or 20/21. Reported PCI of 55 is likely higher due to work completed on Glenwood Road.
Date of PCI Analysis (month/year)	1-Jul-20	1-Dec-21	
Miles repaved in FY 20/21 (using all funds, not just Measure D)	0.45	0.5	
Miles agency plans to repave in FY21/22 (using all funds, not just Measure D)	-	0.6	
Total centerline miles in jurisdiction	32.02	32.02	
Complete Streets Implementation			Provide an explanation if less than 20% of Measure D funds are spent on
Percent of annual Measure D funds used to support bicycling and walking.	30%	30%	
Number of linear feet or lane miles of bicycle facilities built or maintained (bike lanes, bike routes, multi-use pathways) w/Meas D	0.45	0.5	
Number of pedestrian projects completed (linear feet of sidewalks, number of crossing improvements/stripping, quantify traffic calming items, lighting, landscaping/streetscape, number of curb/ADA ramps, linear feet of trail/pathway built or maintained) w/Meas D	4.2 miles of trails added in the East Glenwood Preserve	crosswalk striped at K street intersection of Glenwood drive adjacent to both Scotts Valley High School and West Glenwood Open Space Preserve	
Describe how school access was improved for children bicycling and walking, which may include collision data w/Meas D	Restriped crossing at Vine Hill Elementary	na	
Capital Project and Program Investment	Investment into capital projects and programs is greater than funding program administration (outreach, staffing, See Expenditures Tab in "3. Expenditure Report"		Any agency expending less on capital investments compared to other activities must explain how capital investments will
Amount of Meas D expended on capital projects and programs by phase (design, right-of-way, construction and capital support)			
Leveraged Funds	Report total grants and other funding secured using Measure D as a match.		Explain if Measure D funds fully funding all
Amount of competitive grants secured using Measure D as match	\$155k from LPP funds	400,000 RSTPX	

MEASURE D

Annual Maintenance of Effort Compliance Report

Reporting Fiscal Year: **2020-2021**

AGENCY CONTACT INFORMATION

Agency Name: **City of Scotts Valley**

Date: **12/31/2021**

Primary Point of Contact

Name: **Chris Lamm**

Title: **Public Works Director**

Phone: **831-438-5854**

Email: clamm@scottsvalley.org

Agency's Certification of True and Accurate Reporting by Submission

By submitting this Compliance Report to the Santa Cruz County Regional Transportation Commission, the submitting agency certifies the compliance information reported is true and complete to the best of their knowledge, and the dollar figures in the agency's Audited Financial Statement matches exactly to the revenues and expenditures reported herein.

Program Compliance Report Structure

This Reporting Form is broken into the following sections for the Measure D Direct Local Allocation Programs applicable to the recipient agency.

- * **Cover - Agency Contact**
- * **Table 1 -MOE Baseline Calculation: Summary of Average Revenue and Expenditures**

SAMPLE - Measure D Maintenance of Effort (MOE) Baseline Calculation Form

Baseline Calculation Due to RTC by August 1, 2017

Jurisdiction: City of Scotts Valley

Calculation of Annual Average Transportation Expenditures/Baseline MOE:

Revenue Sources by Expenditure Category

e.g. categories: Fixed-Route Service, paratransit service, streetsweeping, pavement, bike, ped, etc.

REVENUES - Enter the total revenues expended in previous Fiscal Years (for transportation) from all local sources and state/fed formula programs.	Total Expenditure by Year							
	FY21/22 Budget	FY20/21 Budget	FY19/20 Budget	FY18/19 Budget	FY17/18 Budget	FY16/17	FY15/16	FY14/15
Gas Tax	\$549,600	\$498,329	\$493,321	\$478,609	\$333,100	\$237,289	\$261,455	\$341,807
Traffic Mitigation Impact Fees	\$63,600	\$62,000	\$43,784	\$383,197	\$174,600	\$95,003	\$81,216	\$42,763
Drainage Construction Impact Fees	\$15,000	\$15,000	\$4,848	\$16,803	\$54,605	\$9,825	\$4,730	\$5,214
RSTPX Exchange Funds		\$54,200	\$266,536	\$1,003,330	\$711,000			
Other State Grants	\$400,000	\$1,844,844			\$346,000			
Investment Income					\$7,305	\$7,319	\$6,351	\$4,930
Mesure D Sales Tax for Transportation	\$308,000	\$333,330	\$267,880	\$288,317	\$282,561			
Average Annual MOE Revenues	\$1,336,200	\$2,807,703	\$1,076,369	\$2,170,256	\$1,909,171	\$349,436	\$353,752	\$394,714

MOE Baseline (Average of last 3 to 5 years)

\$365,967

MOE Exclusions*	\$400,000	\$1,899,044	\$266,536	\$1,003,330	\$1,057,000	\$0	\$0	\$0
Excluded special one-time grants	\$400,000	\$1,899,044	\$266,536	\$1,003,330	\$1,057,000	\$0	\$0	\$0
Total Average Annual Transportation Expenditures	\$936,200	\$908,659	\$809,833	\$1,166,926	\$852,171	\$349,436	\$353,752	\$394,714

Expenditures - Enter amount budgeted in 17/18 and amounts spent on various transportation purposes in previous Fiscal Years.	FY21/22 Budget	FY20/21 Budget	FY19/20 Budget	FY18/19 Budget	FY17/18 Budget	FY16/17	FY15/16	FY14/15
On-going Operations: Admin & Engineering	\$856,048	\$716,285	\$567,553	\$598,064	\$335,462	\$285,943	\$307,668	\$259,867
Street Maintenance	\$322,964	\$497,611	\$369,709	\$392,403	\$410,923	\$384,887	\$364,570	\$301,853
Street Repairs	\$66,000	\$275,000	\$250,000	\$200,000	\$55,000		\$78,194	\$123,045
Equipment Purchase							\$25,000	
Street Signs & Lighting							\$87,318	\$132,586
Major Projects- CIP	\$1,339,100	\$500,000	\$1,735,000	\$606,000	\$1,608,975	\$484,000	\$58,429	\$605,005
Subtotal Construction	\$2,584,112	\$1,988,896	\$2,922,262	\$1,796,467	\$2,410,360	\$1,154,830	\$921,179	\$1,422,356

Source/location of supporting budget or fiscal statement documentation.

FY 2021-2022 Annual Budget

Certification:

I hereby certify that the City of Scotts Valley

has budgeted and will meet the Maintenance

of Effort requirement for Fiscal Year

2020-2021

Chris Lamm

12/31/2021

Public Works Director

Date

*Funding sources excluded from MOE calculation are listed for information purposes and will make it easier to reconcile this report against annual budgets. Excluded sources include special, non-formula, competitive grants, a over for special projects and/or emergencies. This includes one-time grants - such as RSTP/STBG, STIP, ATP, ARRA, FEMA, HSIP, FTA5310, No & Low Emission Bus program.

**Five-Year Capital Improvement Project and Capital Outlay Plan
FY 2021-22 to FY 2025-26**

No.	Description	Priority	Proposed Funding Source (1)	New / Existing	Total	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	Unscheduled	Classification
Wastewater												
1	Wastewater Recovery Facility Master Plan	A	WWTP-C	New	200,000	50,000	100,000	50,000	-	-	-	CIP
2	PLC Upgrades	A	WWTP-C	Existing	40,000	40,000	-	-	-	-	-	CIP
3	Clarifier Superstructure and Walkways	A	WWTP-C	Existing	450,000	-	150,000	150,000	150,000	-	-	CIP
4	Bar Screen #2	A	WWTP-C	Existing	250,000	250,000	-	-	-	-	-	CIP
5	Upgrade Tertiary Treatment Pumps	A	TTF	New	400,000	265,000	135,000	-	-	-	-	CIP
6	Aeration Basin System Upgrade	A	WWTP-C	Existing	1,000,000	250,000	750,000	-	-	-	-	CIP
7	Stormwater LID	B	WWTP-C	Existing	300,000	-	-	-	150,000	150,000	-	CIP
8	Dump Truck	B	WWTP-C	New	110,000	110,000	-	-	-	-	-	Equipment
9	Sewer Vactor Truck	B	WWTP-C	Existing	250,000	-	250,000	-	-	-	-	Equipment
10	Effluent Pump Replacement	B	WWTP-C	Existing	620,000	-	110,000	110,000	200,000	200,000	-	CIP
11	Wastewater Offices Facility Improvements	B	WWTP-C	Existing	100,000	-	-	100,000	-	-	-	CIP
12	Facility Truck	B	WWTP-C	New	55,000	-	-	55,000	-	-	-	Equipment
13	Collection System Lift Stations	A	WWTP-C	New	1,700,000	-	530,000	580,000	260,000	330,000	-	CIP
14	Collection System Pipeline Upgrades	A	WWTP-C	New	1,230,000	200,000	50,000	430,000	260,000	290,000	-	CIP
15	Collection System Inspection and Monitoring Program	A	WWTP-C	New	500,000	100,000	100,000	100,000	100,000	100,000	-	CIP
Total - Wastewater Projects					7,205,000	1,265,000	2,175,000	1,575,000	1,120,000	1,070,000	-	
Transportation												
16	Annual Street Maintenance/Resurfacing Program	A	GT/SB1	Existing	1,375,000	275,000	275,000	275,000	275,000	275,000	-	CIP
17	Annual Street Maintenance Program	A	GT	Existing	330,000	66,000	66,000	66,000	66,000	66,000	-	CIP
18	Bean Creek Road Pavement Rehabilitation - Phase 1	A	Meas D/ RSTPX	Existing	974,100	974,100	-	-	-	-	-	CIP
19	Mt. Hermon Road Median Improvements	B	TDIF	Existing	365,000	365,000	-	-	-	-	-	CIP
20	Janis Way Digout, Overlay, Sidewalk and Bike Lanes	A	Meas D	New	250,000	-	250,000	-	-	-	-	CIP
21	Scotts Valley Drive Crack Seal	A	Meas D	New	75,000	-	75,000	-	-	-	-	CIP
22	Glenwood Drive Street Improvements and Bike Lanes	A	Meas D	New	100,000	-	-	100,000	-	-	-	CIP
23	Mt. Hermon Road Street and Intersection Improvements	A	Meas D	New	200,000	-	-	-	200,000	-	-	CIP
24	Bean Creek Road Pavement Rehabilitation - Phase 2	A	Meas D	New	300,000	-	-	-	-	300,000	-	CIP
25	Lockwood Lane Street Improvements	A	Meas D	New	100,000	-	-	-	-	100,000	-	CIP
26	Active Transportation Plan	B	Unknown	New	-	-	-	-	-	-	TBD	CIP
Total Transportation Projects					4,069,100	1,680,100	666,000	441,000	541,000	741,000	-	
Storm Drains												
27	Storm Drain Trash Capture System	A	CIP	Existing	593,800	125,000	125,000	125,000	218,800	-	-	CIP
28	Storm Drain Master Plan Update	B	SD DIF	Existing	100,000	25,000	75,000	-	-	-	-	CIP
29	Pinecone Drive Draining Improvements	B	CIP	New	105,000	105,000	-	-	-	-	-	CIP
30	Sunridge Drive Stormwater Repair	B	CIP	New	62,500	62,500	-	-	-	-	-	CIP
Total Storm Drain Projects					861,300	317,500	200,000	125,000	218,800	-	-	
Parks												
31	Parks ADA Improvements - Phase 1	A	Lennar	Existing	116,300	116,300	-	-	-	-	-	CIP
32	Parks ADA Improvements - Phase 2	A	Lennar	Existing	104,200	-	52,100	52,100	-	-	-	CIP
33	Senior Center ADA Improvements - Phase 2	A	CIP	Existing	74,000	-	74,000	-	-	-	-	CIP
34	Siltanen Family Swim Center Pool Resurfacing	B	CIP	Existing	15,000	15,000	-	-	-	-	-	CIP
35	New Lawn Mowers and Equipment	B	CIP	New	33,000	33,000	-	-	-	-	-	Equipment

**Five-Year Capital Improvement Project and Capital Outlay Plan
FY 2021-22 to FY 2025-26**

No.	Description	Priority	Proposed Funding Source (1)	New / Existing	Total	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	Unscheduled	Classification
36	Parks System Master Plan	B	Parks DIF	New	100,000	-	100,000	-	-	-	-	CIP
37	SkyPark Play Structure Equipment	B	P68; CIP;	Existing	980,000	223,000	-	-	-	-	757,000	Equipment
38	Hocus Pocus Park Play Structure Equipment	B	Parks DIF	Existing	520,000	-	-	-	-	520,000	-	Equipment
39	Brook Knoll and Vine Hill Daycare Modular Improvements	B	Unknown	Existing	2,317,500	-	-	-	-	-	2,317,500	CIP
40	SkyPark Tennis Area Improvements	C	Parks DIF; Lennar	Existing	50,000	50,000	-	-	-	-	-	CIP
41	Al Shugart Park Phase 1, 3 and 4 Construction	C	Unknown	Existing	2,500,000	-	-	-	-	-	2,500,000	CIP
Total Parks Projects					6,810,000	437,300	226,100	52,100	-	520,000	5,574,500	
General Facilities												
42	HVAC Replacement for City Hall and Police Department	A	GF	New	300,000	300,000	-	-	-	-	-	Equipment
43	City Facility ADA Improvements - Phase 1	A	CIP	Existing	73,400	48,400	25,000	-	-	-	-	CIP
44	City Facility ADA Improvements - Phase 2	A	CIP	Existing	147,200	-	147,200	-	-	-	-	CIP
45	Library Improvements	A	Meas S; Lib MOE	Existing	2,716,000	2,716,000	-	-	-	-	-	CIP
46	Public Works Facility Improvements	A	CIP	Existing	805,000	805,000	-	-	-	-	-	CIP
47	Public Works Quonset Hut Replacement	B	CIP	Existing	318,000	-	-	318,000	-	-	-	CIP
48	Public Works Equipment Storage Building Replacement	B	CIP	Existing	196,200	-	-	-	196,200	-	-	CIP
Total General Facilities					4,555,800	3,869,400	172,200	318,000	196,200	-	-	
Police												
49	Police Department Locker Room	A	Police DIF	Existing	93,000	93,000	-	-	-	-	-	CIP
50	Police Department Armory	C	Police DIF	Existing	66,300	-	66,300	-	-	-	-	CIP
Total Police Projects					159,300	93,000	66,300	-	-	-	-	
Information Technology												
51	Citywide Network Infrastructure Upgrades	A	CIP; WWTP-C	Existing	185,000	185,000	-	-	-	-	-	CIP
Total Information Technology Projects					185,000	185,000	-	-	-	-	-	
Total - All Projects					23,845,500	7,847,300	3,505,600	2,511,100	2,076,000	2,331,000	5,574,500	

(1) Funding Sources:

Wastewater: WWTP-C = Wastewater Capital; P1 Grant = Proposition 1 Grant Funds; TTF = Tertiary Treatment Fund

Transportation: Meas D = Measure D sales tax funds; GT/SB1 = Gas Tax and/or SB1 Road Maintenance and Rehabilitation Account funds; RSTPX - County RTC Special Projects; TDIF = Traffic Impact Mitigation Fees

Storm Drains: CIP - General CIP Fund; SD DIF = Storm Drain Development Impact Fees

Parks: CIP = General CIP Fund; Lennar = Lennar Trust Funds; Parks DIF = Parks & Recreation Development Impact Fees; P68 - Prop 68 Parks and Water Bond Act Grant

General Facilities: CIP = General CIP Fund; Fac DIF = Facilities Development Impact Fees; GF - General Fund/Equipment Replacement Fund; Lib DIF = Library Development Impact Fees; Lib MOE = Library County Maintenance of Effort (MOE) Funds; Meas S = Measure S Library Sales Tax Bond Financing

Police: COPS = State Citizens' Option for Public Safety Funds; HSG = Homeland Security Grants; PD DIF = Police Facilities Development Impact Fees; PDF = Police Development Fees Fund

Information Technology: CIP = General CIP Fund; WWTP-C = Wastewater Capital

RESOLUTION NO. 1923.4

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY APPROVING THE FY 2021/22 TO FY 2025/26 FIVE-YEAR PROGRAM OF PROJECTS TO BE FUNDED WITH MEASURE D REVENUES

WHEREAS, on November 8, 2016, the voters of Santa Cruz County adopted an ordinance approving the Santa Cruz County Transportation Improvement Plan Measure (“Measure D”), authorizing the Santa Cruz County Regional Transportation Commission (“RTC”) to administer the proceeds from a retail transaction and use tax of one-half of one percent (0.5%); and

WHEREAS, sales tax proceeds from Measure D will be collected for 30 years beginning April 1, 2017, which are to be used to pay for the programs and projects outlined in the Measure D Expenditure Plan and Ordinance; and

WHEREAS, the Master Funding Agreement between RTC and the City of Scotts Valley articulates the terms and conditions of RTC’s administration and direct allocation of proceeds to the City as authorized in the Measure D Expenditure Plan; and

WHEREAS, the Master Funding Agreement requires that the City Council annual adopt an annual report that includes a five-year program of projects including information about each of the projects to be funded with Measure D revenues after holding a public hearing; and

WHEREAS, the five-year program of projects is considered part of the City’s Five-Year Capital Improvement and Purchase Plan, which was published for public review on the City’s website on April 29, 2021 and reviewed during a public hearing at the City Council’s regular meeting on June 2, 2021; and

WHEREAS, the five-year program of projects, attached hereto and incorporated herein, lists the projects proposed by the City that are consistent with the Measure D Expenditure Plan.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the FY 2021/22 to FY2025/26 Five-Year Program of Projects to be funded with Measure D revenues, attached hereto and incorporated herein, is approved.

The above and foregoing resolution was duly and regularly adopted by the City Council of the City of Scotts Valley at a regular meeting held on the 2nd day of June, 2021, by the following vote:

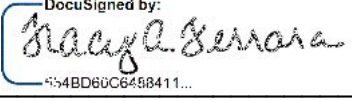
AYES: DILLES, JOHNSON, LIND, REED, TIMM

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

Approved: 
Derek Timm, Mayor

Attest: 
Tracy A. Ferrara, City Clerk

10. Annual Report Narrative

10a. Fund Balances, Carryover Projects, Description of planned, longer-term and future uses of Measure D Revenues

Measure D funds are tracked by the Finance Department in conjunction with Public Works.

The next big project on the list for Measure D funds is the rehabilitation of Bean Creek Road. The first phase of Bean Creek road will include pavement rehabilitation, drainage improvements and guardrail installation between Bluebonnet Lane and Redwood Drive, and is anticipated to begin construction in in spring/summer of 2022.

In the next five years, Measure D is also anticipated to help fund road work on a second phase of Bean Creek Road from Redwood Drive to the City limits. Additionally, the adopted plan calls for crack seal on Scotts Valley Drive, crack seal and slurry seal on Mount Hermon Road, crack seal and slurry seal on Glenwood Drive (Scotts Valley Drive to K Street), overlay on Lockwood Lane and overlay and sidewalk improvements on Janis Way.

10b. Future Liabilities

Local funds, along with other grants and funding sources, such as SB1, will be used in conjunction with Measure D to meet the financial need of the project.

10c. Compliance with Applicable Laws

All projects meet required CEQA laws; to date, all projects have qualified for a CEQA exemption. Additionally, all design is done in compliance with City and State standards. Finally, procurement for materials and labor meet California public contract code requirements.

12. Samples of Public Outreach

a. website with Measure D funded projects

<http://scottsvally.org/279/Plans-Projects>

b. News Articles

<https://pressbanner.com/scotts-valley-approves-road-work-plans/>

<https://www.santacruzsentinel.com/2021/06/03/scotts-valley-city-council-sets-five-year-road-improvement-plan/>

c. Signage

Glenwood Drive Improvements completed Fall of 2020.



13. Photos before/after Glenwood Drive Improvements





Location 3 – Before



Location 3 – After



Location 4 – Before



Location 4 – After

14. Project Fact Sheet

MEASURE D: MAJOR PROJECT INVESTMENTS **Category: Neighborhood Projects**

Rehabilitation on Glenwood Drive

Implementing Agency: City of Scotts Valley

Description/Scope:

This project would widen Glenwood Drive to accommodate bike lanes between Casa Way and the City limits. Construction would include reworking the subgrade, asphalt overlaying, drainage improvements, and restriping to include bike lanes and/or sharrows.

Project Location/Limits:

Glenwood Drive is a local/rural from Scotts Valley Drive extending from Scotts Valley Drive to the City/County boundary and continuing to the intersection of Highway 17 in the County of Santa Cruz.

Glenwood Drive from Casa Lane to the City/County becomes rural serving several low density residential parcels to the City limit. Beyond the City limit the roadway continues rural in nature serving low density Santa Cruz County residential parcels.

Project Purpose/Need/Benefits:

The portion of Glenwood Drive from Scotts Valley Drive to Casa Way is fronted by Scotts Valley High School and medium density residential. This portion was widened to add bicycle lanes and sidewalk in 1999 and 2003.

Past this High School the roadway is deteriorating and lacks any bicycle facilities.

Complete Streets consistency:

Will be completed prior to preliminary design.

Cost/Funding/Schedule Information:

Total funding for this project is \$1,445,000. Primary source of funding would be Measure D Sales Tax revenues, grant from the Regional Transportation Commission – Regional Transportation Improvement Program (RTC-RTIP), and a grant from the California Transportation Commission 2018 Local Partnership Program.

Estimated project schedule:

Preliminary Design	Spring 2018
Final Design	Summer 2018
Develop Bid Specs	Winter 2018/2019
Issue Bids for Construction	Spring 2019
Construction	Summer/Fall 2020

Public Outreach

The following stakeholder groups will be asked to provide input in future on project scope and design: Scotts Valley School District, Santa Cruz Metro, County of Santa Cruz, RTC Bicycle and Elderly and Disabled Committees.

Contact:

(831) 438-5854