



# STAFF REPORT

Measure X Citizens' Oversight Committee

**Date:** June 12, 2024

**To:** Measure X Citizens' Oversight Committee

**From:** Michael Chandler, City Manager

**Prepared By:** Lauren Sugayan, Assistant City Manager

**Subject:** Measure X – Citizens' Oversight Committee Annual Report

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## Recommendation

Receive update, hold discussion, provide input to staff, and accept the Measure X Citizens' Oversight Committee Annual Report for FY 2022-23 and forward to the next available City Council meeting.

## Background

On November 6, 2018, almost seventy-three percent (73%) of Martinez voters approved Measure X to increase the transaction and use sales tax by an additional one-half (0.50%) percent for 15 years to fund general City services consistent with community priorities.

As part of the Measure X ballot initiative, the City Council approved a "Community-Identified Spending Priorities Plan" on July 23, 2018. The spending priorities were based on the results of an independent survey that indicated support for a local general sales tax measure to address quality of life and essential services. Within the core areas of Public Safety, City Infrastructure, and Parks, Open Space and Recreation, these key priorities were identified:

- maintaining 911 response times
- recruiting and retaining experienced police officers
- preventing and investigating violent crimes
- addressing homelessness
- providing resources for school safety
- maintaining storm drains and pollution prevention
- maintaining parks and open space
- maintaining Martinez's Senior Center and programs
- maintaining youth and recreation programs

On February 20, 2019, the Measure X Oversight Committee Bylaws were adopted by the City Council via Resolution No. 18-19. The Oversight Committee's role is limited to the following specific duties, as detailed in Section 3.1 of the Bylaws:

- a) *Review semi-annual revenue and expenditure reports produced by the City and other relevant reports and information regarding the Transactions and Use Tax; and*
- b) *Provide to the City Council an annual report on whether revenues were expended efficiently and effectively and recommendations, if any, of ways to ensure that future revenues are expended efficiently and effectively.*

Additionally, Section 3.1 of the Bylaws also specifies the following areas in which the Committee will not have purview:

- c) *In order to preserve the integrity and independence of the oversight process, Committee members shall not play a role in contracting or project management for projects funded through revenue from Measure X.*
- d) *The Committee is not charged with decision-making on spending priorities, schedules, project details, or financing plans.*

The Bylaws further specify the Oversight Committee is to be comprised of no more than seven (7) members, one of which is the City Treasurer, with six (6) at-large members, three of which will serve three (3) year terms, and three of which will serve four (4) year terms.

## **Discussion**

### **Fiscal Review Process**

Each fiscal year, the City is required to have a financial audit conducted by an independent certified public accountancy firm. The CPA firm of Maze and Associates is the City's independent external auditor. The City's Fiscal Year 2022-23 audit was completed in May 2024 in conformity with generally accepted accounting principles (GAAP). The auditors' opinion was that the financial statements fairly represent the financial position of the City as of June 30, 2023. On May 15, 2024, the audit was received and accepted by the City Council.

### **Baseline Reporting**

At its February 20, 2020 meeting, the Oversight Committee held a robust discussion regarding the spending priorities and how they should present information within the annual report (starting with Fiscal Year 2018-19) to demonstrate that the funds were spent "efficiently and effectively" consistent with community priorities as stated in the Bylaws. The Oversight Committee acknowledged the challenges of making a somewhat subjective determination of what constitutes "efficiently and effectively" and wanted staff to focus on more quantifiable measures.

A consensus reached among the Committee was to compare "baseline" expenses and staffing levels within given community priority categories (Public Safety, City Infrastructure, Parks and Open Space, and Recreation and Senior Center) from Fiscal Year 2017-18, as the most recent audited year which did not receive any revenue from

Measure X, with subsequent budgets that did receive Measure X revenue, starting with Fiscal Year 2018-19 (which began receiving Measure X proceeds during the 4<sup>th</sup> quarter). The Oversight Committee felt these comparisons would help illustrate how the additional funds received from the measure contributed to support community priorities. At its meeting of October 27, 2022, the Oversight Committee recommended presenting more years of Measure X information within the annual report (still keeping the “baseline” pre-Measure X year of Fiscal Year 2017-18) to provide trend detail and demonstrate that the funds were spent “efficiently and effectively” consistent with community priorities as stated in the Bylaws. The Oversight Committee also asked for the outcomes section of future annual reports to more closely align with the fiscal year period in question. Finally, the Oversight Committee also discussed the need for continued awareness of the 15-year sunset clause of the Measure.

### Financial and Staffing Summaries

Consistent with the methodology created by the Oversight Committee in 2020 and updated to subsequent request for additional years of information in 2022, the chart below compares the audited expenditures from “baseline” Fiscal 2017-18 to the two most recently completed fiscal years (2021-22 and 2022-23) within core areas of the City’s operations closely aligned with the Measure X Community Identified Spending Priorities:

| Community Priority   | Operating Categories                   | FY 2017-18 pre-Measure X | FY 2021-22 post-Measure X | FY 2022-23 post-Measure X | Change FY 2018 to FY 2023 |
|----------------------|--|--------------------------|---------------------------|---------------------------|---------------------------|
| Public Safety        | Patrol                                 | 7,024,489                | 8,938,826                 | 8,982,384                 | 1,957,895                 |
| Public Safety        | Investigative Services                 | 1,399,821                | 1,426,873                 | 1,075,831                 | (323,990)                 |
| Public Safety        | Administration & Emergency Services    | 1,271,815                | 1,923,419                 | 2,112,682                 | 840,867                   |
| Public Safety        | Support Services                       | 1,153,678                | 2,070,054                 | 2,214,444                 | 1,060,766                 |
| Infrastructure       | Maintenance/ Public Facilities         | 933,507                  | 1,129,814                 | 1,307,122                 | 373,615                   |
| Parks and Open Space | Parks and Grounds & Open Space         | 1,656,104                | 2,206,830                 | 2,606,175                 | 950,071                   |
| Recreation           | Recreation                             | 877,629                  | 1,305,255                 | 1,252,967                 | 375,338                   |
| Recreation           | Senior Center                          | 427,263                  | 411,528                   | 458,264                   | 31,001                    |
| NPDES                | Administration & Municipal Maintenance | 460,722                  | 407,442                   | 566,847                   | 106,125                   |
| <b>Totals</b>        |  | <b>\$15,205,028</b>      | <b>\$19,820,042</b>       | <b>\$20,576,716</b>       | <b>\$5,371,688</b>        |

The table below shows audited Measure X revenue received in FY 2018-19, FY 2019-20, FY 2020-21, FY 2021-22, FY 2022-23, and unaudited Measure X revenue received in FY 2023-24 to date:

| Fiscal Year    | FY 2018-19 Measure X* | FY 2019-20 Measure X | FY 2020-21 Measure X | FY 2021-22 Measure X | FY 2022-23 Measure X | FY 2023-24 Measure X** |
|----------------|-----------------------|----------------------|----------------------|----------------------|----------------------|------------------------|
| <b>Revenue</b> | \$827,121             | \$3,941,196          | \$4,307,084          | \$4,578,638          | \$4,701,846          | \$3,481,100            |

\*Note: only one quarter of Measure X revenue was received in FY 2018-19

\*\*Note: unaudited payments to date, made in arrears

The table below shows staffing levels within given community priority categories (Public Safety, City Infrastructure, and Parks, Open Space, and Recreation) from December 31, 2017 (pre-Measure X) to December 31, 2023 (post-Measure X):

| Community Priority Category      | 12/31/17 Pre-Measure X Staffing Vacancies | 12/31/19 Post-Measure X Staffing Vacancies | 12/31/20 Post-Measure X Staffing Vacancies | 12/31/21 Post-Measure X Staffing Vacancies | 12/31/22 Post-Measure X Staffing Vacancies | 12/31/23 Post-Measure X Staffing Vacancies |
|----------------------------------|---|--|--|--|--|--|
| Public Safety - Officers         | 5   | 2  | 3*   | 6  | 8  | 7  |
| Public Safety – Dispatchers      | 5   | 2  | 3  | 0  | 1  | 0  |
| Parks and Open Space Maintenance | 1   | 0  | 0  | 1**  | 1**  | 0  |
| Recreation                       | 0   | 0  | 0  | 2  | 2  | 1  |
| Senior Center                    | 0   | 0  | 0  | 1  | 0  | 0  |

\*Included two positions frozen during this time due to COVID-19 related cutbacks

\*\*new Park Caretaker II position designated for Rankin Aquatic Center assistance

## Outcomes

The Committee expressed an interest in being able to show improved outcomes related to quality-of-life initiatives whenever possible, and as previously mentioned, to more closely align with the fiscal year period in question. The following list represents some examples of how the City has been able to support the Community Identified Spending Priorities.

### Public Safety:

- Staffing remained the most significant challenge facing the department. A mid-contract compensation adjustment for the Martinez Police Officers’ Association was implemented in March 2023 to bring Martinez above the median amongst county law enforcement agencies and provide other incentives for retention and recruitment.
  - The following is a summary of sworn staffing changes in FY 2023:

- FY 2023 – 9 separations (including 5 retirements), 9 new hires (including 3 trainees, 1 of which successfully graduated the academy)
  - As of June 30, 2023, the following positions were vacant in the department (*note: the staffing table on preceding page is as of December 31, 2023*):
    - 1 police captain
    - 1 lieutenant
    - 7 police officers (2 underfilled with academy attendees)
    - 1 dispatcher
- Temporarily filled vacancies with retired annuitants. One filled a commander role to oversee operations of the department, and another filled a detective role to clear a backlog of criminal investigations.
- Completed several significant promotions, including a tenured Sergeant to Lieutenant; two Officers to Sergeant; and a Records Clerk to Supervisor. Also staffed the professional standards sergeant position.
- Purchased body worn cameras, in-car video cameras and digital evidence system to streamline the management and sharing of digital evidence with the District Attorney's Office.
- Maintained funding for CORE and negotiated agreement for a full-time team (for FY 2024) using one-time ARPA funding. Leveraged CORE to fulfill some responsibilities carried by the Community Resource Officer position that went unfilled due to staffing.
- Continued to provide regular patrols for outdoor dining on weekends and special events during the pandemic, as staffing allowed.
- Conducted outreach to local groups and organizations regarding the department, community needs and partnerships.
- Increased directed patrols and problem-solving efforts related to traffic issues, particularly around schools. Purchased new in-car and handheld radar units to support traffic enforcement as well as an electronic citation system to streamline citation issuance and processing.
- Completed upgrade of public safety camera system to enhance community safety.

#### Parks and Open Space:

- Implemented labor contract with Local 324 (July 1, 2022 through June 30, 2027) with annual Cost of Living Adjustments and a one-time bonus to help with recruitment and retention of qualified maintenance personnel tasked with protecting and maintaining City infrastructure, including City parks and open space areas. Maintained full staffing in the division.
- Utilized transfer of \$250,000 from General Fund Unassigned Reserves and \$370,000 from General Fund Infrastructure Reserves for installation of new heaters at the Rankin Aquatic Center. These funding sources are attributable to Measure X.

- Utilized transfer of \$88,900 from General Fund Unassigned Reserves attributable to Measure X to complete temporary repairs to the Martinez Fishing Pier.
- Completed a project to conduct expanded wildfire mitigation efforts in numerous areas encompassing roughly 515 acres of open space, including the Rankin Olive Grove (which included hiring multiple arborists and utilizing contract assistance for chippers and other equipment needed to support County Fire Hand Crews). The City mows and discs several areas to till and invert the vegetation to control fire risks by establishing fire breaks. Total City costs for this project in FY 2022-23 were approximately \$85,000.

### Recreation

- Endured significant staff turnover in FY 2022-23 while working to fill vacancies for Recreation Manager, Recreation Supervisor, Recreation Coordinator and Administrative Aide positions. The Recreation Coordinator and Recreation Administrative Aide III positions were filled at the beginning of the fiscal year, then vacant for a time, and ultimately refilled in the 2<sup>nd</sup> half of FY 2022-23. Recruitment of a Recreation Supervisor was filled and the Recreation Manager position – while filled in 2022 – was reposted due to vacancy in early 2023.
- Conducted a facility needs assessment of Rankin Aquatic Center in Spring 2022 to prepare for the replacement of two pool heaters, and to prioritize additional upgrades to pool equipment. Funding totaling \$620,000 (\$250,000 from General Fund Unassigned Reserves and \$370,000 from General Fund Infrastructure Reserves, both attributable to Measure X) were allocated in FY 2022-23 to support this project as part of a Council-approved Capital Improvement Project.
- Booked all ballfields and soccer fields for daily rentals.
- Hosted successful Martinez Sturgeon season at Waterfront Park Field 3.
- Successfully organized and hosted summer camp for 441 youth from July 1, 2022, through June 30, 2023.
- Processed dozens of special event applications and provided planning and operational support to numerous major citywide events, including Alhambra High School Homecoming Parade, Little League Parade, 4<sup>th</sup> of July Parade, and Chamber of Commerce’s King of County BBQ Challenge and Martini Gala.

### Senior Center:

- Under the Day Trip Program, organized six day-long excursions exploring diverse destinations and fostering social connections, accommodating a total of 157 participants.
- Held 32 special events with a total of 2,128 participants, including Clarinet Fusion Concerts, Holiday Luncheons, a resource fair, Bunco, and others to enhance the quality of life of the community.

- Provided free weekly/monthly services for 146 seniors, including Peer Counseling, Insurance Counseling, Wills Clinic, and Dementia Caregiver Support.
- Partnered with four surrounding cities to offer three inclusive recreation dances for 155 adults with disabilities.
- Partnered with Contra Costa Tax-Aide in spring of 2023 to prepare 203 tax returns and offer free advice and assistance to 227 residents, saving the Martinez clientele \$60,900 on costs they might have spent for preparing their tax returns elsewhere.
- Served 58 participants weekly through the Meals on Wheels Program, receiving the equivalent of 406 meals per week, and through Café Costa (the cafeteria-style senior nutrition program operated out of the Martinez Senior Center), served 4,459 nutritious meals on site.
- Offered 61 fitness classes with a total of 1,655 participants. The growing interest and engagement in the fitness program demonstrates the community's commitment to health and wellness.
- Partnered with County Connection to assist 62 senior participants with processing clipper cards, RTC Cards, applying for paratransit, route information and trip planning.
- Launched the Technology Tutoring program – an initiative aimed at bridging the digital divide and empowering individuals of all ages with essential technological skills – dedicating one day a month to assist seniors with their phones or tablets. In 2023, we served approximately 40 individuals through this complimentary program. Technology Tutoring is committed to making technology accessible and comprehensible for everyone, ensuring that no one is left behind in the digital age.

#### Marina:

- Received \$2.547 federal earmark in FY 2023 as part of the Omnibus Appropriations Bill to renovate the Martinez Fishing Pier. Staff is working to finalize the permitting, design and construction documents needed to execute the grant.
- Transferred \$495,000 from General Fund Unassigned Reserves (attributable to Measure X) in FY 2022-23 to complete the Waterfront Marina Trust Lands Use Plan (adopted by the City Council on March 6, 2024).

#### NPDES/Stormwater Pollution and Prevention:

- On March 16, 2022, as part of the City's mid-year budget adjustments, \$140,000 was transferred to NPDES and attributed to Measure X for vegetation management and implementation of the Lower Alhambra Creek Watershed Management Plan. Stormwater and pollution prevention expenses utilizing these Measure X funds will begin showing up in subsequent Oversight Committee reports. In FY 2022-23, the increase compared to prior years is primarily

attributable to the \$109,000 the City incurred responding to the atmospheric river events which also necessitated the City Manager declaring a State of Emergency.

**Next Steps**

Accept and move the report to the next available City Council meeting.