

# **Lompoc City Council Agenda Item**



**City Council Meeting Date:** July 6, 2010

**TO:** Laurel M. Barcelona, City Administrator

**FROM:** Kevin P. McCune, Assistant Public Works Director/City Engineer  
k\_mccune@ci.lompoc.ca.us

**SUBJECT:** Amend Resolution No. 5627(10) For New Measure "A" Maintenance Of Effort Value

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## **RECOMMENDATION:**

Staff recommends the City Council adopt Resolution No. 5656(10), amending Resolution No. 5627(10) with a revised Measure "A" Maintenance of Effort value.

## **BACKGROUND:**

The Santa Barbara County Local Transportation Authority (LTA) known as the Santa Barbara County Association of Governments (SBCAG) adopted, and the voters approved, Ordinance No. 5 to implement Measure "A." Section 27 of Ordinance No. 5 stipulates each local agency receiving Measure "A" revenues shall annually maintain an expenditure of local discretionary funds for street and road purposes which is no less than that reported in the State Controller's Annual Report of Financial Transactions for Streets and Roads for the Fiscal Year 2007-2008 or the previous three year average, whichever is smaller. That expenditure is referred to as the Maintenance of Effort (MOE).

The City of Lompoc's discretionary figure for FY07/08 reported to the State Controller and adopted by the City Council on April 20, 2010, per Resolution 5627(10) was \$390,518. However, during a recent SBCAG audit, it was found that amount was incomplete, requiring additional expenditures to be categorized as discretionary. The City Finance Director reviewed the State Controller's reports and made the necessary corrections. Due to those corrections, the average of the three fiscal years between FY 05/06 and FY 07/08 was determined to be the smaller amount compared with the one-year amount reported for FY 07/08. The revised discretionary amounts for each of the three fiscal years are as follows:

- FY 05/06 \$1,468,332
- FY 06/07 1,488,491
- FY 07/08 1,637,413

The corrected MOE value for 2010-2011 is \$1,531,412 based on the 3-year average.

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**FISCAL IMPACT:**

Revising the MOE to \$1,531,412 will not require any additional revenue be allocated from the General Fund. Existing budgeted discretionary funds in the Electric budget for street lighting and clearing vegetation from power lines and in the Solid Waste budget for street sweeping are enough to meet the revised MOE value. However, the increased MOE will require those discretionary expenditures continue to be budgeted by the City Council through the end of Measure A in 2040.

**SUMMARY:**

Staff recommends the City Council adopt Resolution No. 5656(10) which amends Resolution No. 5627(10) with a new Maintenance of Effort (MOE) of \$1,531,412. The revised MOE value is required to bring the City into conformance with Measure "A" requirements.

**Kevin P. McCune, P.E.**

**Assistant Public Works Director/City Engineer**

**Attachments:**      [Resolution No. 5656\(10\)](#)

**APPROVED FOR SUBMITTAL TO THE CITY ADMINISTRATOR:**

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**Larry A. Bean, P.E.**  
**Public Works Director**

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**Brad Wilkie**  
**Management Services Director**

**APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:**

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**Laurel M. Barcelona**  
**City Administrator**