

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: Public Works *Haugh*

BOARD AGENDA # C-3

Urgent  Routine

AGENDA DATE March 2, 2010

CEO Concurs with Recommendation YES  NO   
(Information Attached) *ent*

4/5 Vote Required YES  NO

SUBJECT:

Approval to Adopt a Resolution Initiating Proceedings for the Formation of County Service Area 28-Grayson

STAFF RECOMMENDATIONS:

1. Adopt a resolution initiating proceedings for the formation of County Service Area 28-Grayson.
2. Direct the Public Works Department to prepare and file the required Engineer's Report.
3. Authorize the use of up to \$10,000 of Community Development Funds for initial start up costs associated with the formation of CSA 28-Grayson.
4. Direct the Auditor-Controller to increase appropriations as detailed in the Budget Journal Form.

FISCAL IMPACT:

Ongoing operation and maintenance of the County Service Area 28-Grayson will be borne by the district once established. The initial formation and start-up costs for the said district are estimated to be \$20,000 and include the State Board of Equalization filing fee of \$1,500 and administration costs of \$18,500. Such costs are recommended to be covered through the combined use of Community Development Fund and the Public Works Road Operation Budget.

(Continued on Page 2)

BOARD ACTION AS FOLLOWS:

No. 2010-105

On motion of Supervisor DeMartini, Seconded by Supervisor Monteith

and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Monteith, DeMartini, and Chairman Grover

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1)  Approved as recommended

2)  Denied

3)  Approved as amended

4)  Other:

MOTION:

*Christine Ferraro*

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No. CSA-28-1

Approval to Adopt a Resolution Initiating Proceedings for the Formation of County Service Area 28-Grayson

**FISCAL IMPACT (Continued):**

The Community Development Fund was established by the Board of Supervisors at \$1.5 million as part of the Final Budget during Fiscal Year 2007-2008. To date, seven projects have been awarded funding from this source at a total cost of \$227,631. The current uncommitted balance in the Community Development Fund is \$1,272,369. If the use of Community Development Funds for the County Service Area 28-Grayson is approved, the uncommitted balance would be \$1,262,369, not including interest earnings. Upon approval of County Service Area 28-Grayson, start-up costs will be incorporated into the annual assessments, and the Community Development Fund will be reimbursed the initial investment into the formation of this District.

The total estimated cost of the Mary Street reconstruction project is \$250,000. The project will be funded through the use of unsecuritized tobacco settlement funds and is to be repaid by the parcel owners within the proposed district, through an annual direct assessment, within 20 years of the project's completion. Currently, the unsecuritized tobacco funds are a designation in the General Fund. Once repayment begins, it is recommended that the designation be replenished by the annual direct assessment.

If the formation fails, the Department of Public Works will continue to provide the minimum maintenance required to keep the current storm drain system functioning. The cost of this minimum maintenance is estimated to be approximately \$4,300 per year and will be absorbed into the Public Works Road Operations budget. Furthermore, the reconstruction project for Mary Street will not be initialized.

**DISCUSSION:**

A signed resolution from the Board of Supervisors is required, per California Government Code Section 25211.3, in order to initiate proceedings in the establishment of a County Service Area (CSA).

The purpose of this County Service Area is to provide for the ongoing maintenance and operation of the storm drain system. The special benefit assessments to be levied for this district are intended to provide a revenue source for all the maintenance of the service area's storm drain system including, but not limited, to the materials, equipment, labor, and administrative expenses. These special benefit services may include, but not be limited to, monthly street sweeping and storm water system maintenance to ensure maximum service life of the system. If the formation of the CSA is approved, the first year's assessment is anticipated to be approximately \$90 per parcel.

## Approval to Adopt a Resolution Initiating Proceedings for the Formation of County Service Area 28-Grayson

Included within the annual assessment is the cost of the reconstruction of Mary Street, estimated at \$250,000. This reconstruction project is to provide similar infrastructure and drainage capabilities consistent with that of the community. The reconstruction project would provide approximately 1,300 linear feet of curb and gutter and resurfacing of the existing street. The initial cost of the improvements will be funded through an internal loan from unsecuritized tobacco settlement funds. Funding for loan repayment will be included in the property owner's annual assessment. The annual cost per property owner for loan repayment is anticipated to be approximately \$91.63.

The use of Community Development Funds to partially cover the initial start-up costs associated with the formation of CSA 28-Grayson is consistent with the Community Development Fund goal of providing funding for "one-time projects or programs benefiting the unincorporated area that demonstrates strong local support and commitment and a general public benefit."

Information regarding the proposed service area, the Mary Street improvement project, and the proceedings associated with formation of County Service Area has been shared with the community through the Grayson Community Service District and other local community groups in the area. Community outreach will continue as necessary throughout the formation process to ensure open communication with the community on this proposed service area.

The formation of a County Service Area is a multiple action process:

- Adopt a resolution initiating proceedings for the formation of County Service Area 28-Grayson;
- Prepare an Engineer's Report to describe services and spread the cost of the improvements over the benefitting parcels;
- Send a mail-in ballot to affected landowners with ballots tabulated after the public hearing;
- Affected landowners will be given an opportunity to speak for or against the formation or the proposed assessment at the public hearing;
- At the conclusion of the public hearing, the Chairman of the Board will request that the Clerk of the Board open and tally the ballots and report the results to the Board at a later date; and,
- The Board may adopt a resolution accepting the results of the Proposition 218 ballot procedure, and order the annual assessment to be placed on the 2011/2012 tax roll contingent upon approval of the formation of the County Service Area by the Local Agency Formation Commission.

### **POLICY ISSUES:**

The Board should consider if the recommended action is consistent with its priorities of providing a safe community and a well-planned infrastructure system.

Approval to Adopt a Resolution Initiating Proceedings for the Formation of County Service Area 28-Grayson

**STAFFING IMPACT:**

Stanislaus County Department of Public Works staff will manage the administration of County Service Area 28-Grayson. No additional staffing will be needed at this time.

**CONTACT PERSON:**

Matt Machado, Director. Telephone: 525-6550

DF:lc

H:\Denny Ferreira\Proposals\Grayson Proposal\Board Items\Initiate Proceedings\Grayson Initiate Proceedings3-2-10

**AUDITOR-CONTROLLER  
BUDGET JOURNAL**



Balance Type	Budget
Category	Budget - Upload
Source	
Currency	USD
Budget Name	LEGAL BUDGET
Batch Name	
Journal Name	
Journal description	Estimated budget for transfer of Community Development Fund (CSA 28 Grayson)
Period	JUL-09 to JUN-10
Organization	Stanislaus Budget Org
	BO#

Line	Coding Structure						Debit		Credit		Description
	Fund 4	Org 7	Account 5	G/L Proj 7	Loc 6	Misc 6	incr appropriations decr est revenue	decr appropriations incr est revenue			
1	0107	15292	85850	0	0	0.0	10,000.00			increase transf out-CDF	
2						0					
3						0					
4						0					
5						0					
6						0					
7						0					
8						0					
9						0					
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22						0					
23						0					
24						0					
25						0					
Totals							10,000.00				

Estimated budget for transfer of Community Development Fund (CSA 28 Grayson)

<b>Requesting Department</b>	<b>CEO</b>	<b>Auditors Office Only</b>	
Sharon Andrews			
Signature	Signature	Prepared By	Admin Approval (\$75K+)
2/25/10	2/25/10	2/25/10	2/25/10
Date	Date	Date	Date

Contact Person & Phone Number

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
STATE OF CALIFORNIA

Date: March 2, 2010

No. 2010-105

On motion of Supervisor DeMartini Seconded by Supervisor Monteith  
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Monteith, DeMartini, and Chairman Grover

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

Item # C-3

THE FOLLOWING RESOLUTION WAS ADOPTED:

APPROVAL TO ADOPT A RESOLUTION INITIATING PROCEEDINGS  
FOR THE FORMATION OF COUNTY SERVICE AREA 28-GRAYSON

BE IT RESOLVED, that the Board of Supervisors, of the County of Stanislaus, State of California. Hereby finds and determines as follows:

1. There is a need to provide ongoing funding to support the provision of the special benefit to consistently maintain the storm drain system in the unincorporated community of Grayson. In order to promote health, safety and welfare of the residential and commercial area, and to accomplish that objective, the Board proposes the formation of County Service Area 28-Grayson.
2. Ongoing operation and maintenance of the County Service Area 28-Grayson will be borne by the district once established through the approval of an annual assessment.
3. The infrastructure that is to be maintained within County Service Area 28-Grayson consists of an existing gravity flow storm drain system that includes 25 storm drain inlets and 29,750 linear feet of curb and gutter. A monthly street sweeping is included to prevent build up of silt and other damaging materials to the storm drain system.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the County Engineer is ordered to prepare and file a report in accordance with the California Constitution article XIII D Section 4(b).

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk  
Stanislaus County Board of Supervisors,  
State of California

