

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

DEPT: Public Works

BOARD AGENDA # *C-1

Urgent Routine

AGENDA DATE December 14, 2010

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Adopt a Resolution Initiating Proceedings for Considering Changes in the Methodology for Calculating Assessments and to Conduct an Assessment Ballot Procedure and Public Hearing in Compliance with California Government Code Article XIII - Proposition 218 for the North McHenry #1 Lighting District

STAFF RECOMMENDATIONS:

- 1) Adopt a Resolution initiating proceedings for considering changes in the methodology for calculating assessments and to conduct an assessment ballot procedure and public hearing in compliance with California Government Code Article XIII - Proposition 218 for the North McHenry #1 Lighting District.
- 2) Direct the Public Works Department to prepare and file the required Engineer's Report.

FISCAL IMPACT:

Costs associated with the ballot procedure will be borne by the North McHenry #1 Lighting District. It is anticipated that the ballot procedure would propose an increase to the current assessment of \$30.44 per parcel to correct the structural deficit that the District is experiencing. The actual amount of the increase will be determined upon the completion of the required Engineer's Report. Such detail will be provided in the subsequent staff report to set a public hearing for this item.

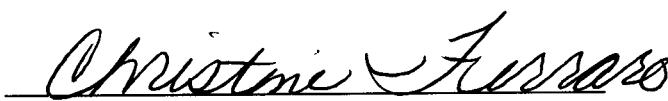
BOARD ACTION AS FOLLOWS:

No. 2010-757

On motion of Supervisor O'Brien, 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) X Approved as recommended
- 2) _____ Denied
- 3) _____ Approved as amended
- 4) _____ Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

Approval to Adopt a Resolution Initiating Proceedings for Considering Changes in the Methodology for Calculating Assessments and to Conduct an Assessment Ballot Procedure and Public Hearing in Compliance with California Government Code Article XIII - Proposition 218 for the North McHenry #1 Lighting District

DISCUSSION:

The North McHenry #1 Lighting District (hereinafter referred to as the "District") was established by the Stanislaus County Board of Supervisors on June 30, 1987 by Resolution 1987-868. The formation was initiated pursuant to a petition and request submitted by the parcel owners within the boundaries of the District. The District was formed to finance the operation and maintenance of streetlights within the District.

In 1999, the property owners within the District rejected an increased assessment and new assessment methodology. Public Works is the administrator of the County's 27 Lighting Districts. North McHenry #1 remains the only one that has not approved a formula that adjusts annually to changes in expenses, therefore, the District has continued under the original assessment methodology of a fixed amount, per parcel basis.

An approved budget and assessment is currently in place for Fiscal Year 2010-2011. Expenditures are estimated to be \$11,921 with funding from assessments of \$6,971 resulting in a shortfall of approximately \$4,950. Because the assessment rate is frozen at \$30.44 per parcel, the District's fund balance at the end of Fiscal Year 2009-2010 was a deficit of \$10,897. Consequently an increased assessment is necessary, as well as a new assessment methodology, to adequately cover expenditures, continue to provide services, and ensure sufficient revenues for continued operations and maintenance of the District.

Proposition 218, approved by California voters in November 1996, requires an assessment ballot procedure before a new or increased assessment may be levied. Because a new assessment and method to calculate that assessment are proposed, a ballot procedure is required to obtain property owner's approval.

If the ballot measure to increase assessments fails, the only recourse will be to reduce expenditures by reducing lighting services and turning off streetlights. There are currently 79 streetlights within the District. Up to 60% (47 streetlights), may have to be turned off to bring the deficit under control. The sequence to turn off streetlights would commence with mid-block lights, followed by cul-de-sac streetlights.

On August 30, 2010 a public meeting was held at the Salida Public Library to seek input on property owner expectations and to gather their suggestions regarding increasing assessments or decreasing expenditures through reductions in lighting services. Turnout at the meeting was light, as was subsequent property owner feedback. A clear preference for a possible course of action was not established, therefore the decision was made to proceed with the ballot procedure.

Approval to Adopt a Resolution Initiating Proceedings for Considering Changes in the Methodology for Calculating Assessments and to Conduct an Assessment Ballot Procedure and Public Hearing in Compliance with California Government Code Article XIII - Proposition 218 for the North McHenry #1 Lighting District

POLICY ISSUES:

State of California Streets and Highways Code Section 19130 authorizes the Board of Supervisors to be the governing body for Lighting Districts within their county.

This action is consistent with the Board's policy of providing a Safe Community, a Healthy Community, and a Well Planned Infrastructure System.

STAFFING IMPACT:

Staffing impact will be minimal and is limited to the time required to prepare Board reports and their supporting materials, and to conduct the ballot procedure.

CONTACT PERSON:

Mike Wilson, Senior Engineering Technician, Stanislaus County Public Works. Telephone (209) 525-4190.

MW:lc

H:/Services/Districts/LD/LD North McHenry #1/Ballot Initiative 2011/Action Agendas/Initiate Proceedings N McHenry LD

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

Date: December 14, 2010

No. 2010-757

On motion of Supervisor O'Brien 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

THE FOLLOWING RESOLUTION WAS ADOPTED:

Item # *C-1

**APPROVAL TO ADOPT A RESOLUTION INITIATING PROCEEDINGS
FOR CONSIDERING CHANGES IN THE METHODOLOGY FOR CALCULATING ASSESSMENTS AND
TO CONDUCT AN ASSESSMENT BALLOT PROCEDURE AND PUBLIC HEARING IN COMPLIANCE
WITH CALIFORNIA GOVERNMENT CODE ARTICLE XIII - PROPOSITION 218
FOR THE NORTH MCHENRY #1 LIGHTING DISTRICT**

WHEREAS, the North McHenry #1 Lighting District has by previous resolutions or other proceedings declared their intent to levy assessments for the purposes of financing the operation and maintenance of streetlights within the District under provisions of Code Section 19000 et seq of the Street and Highways Code.

WHEREAS, the assessments are against real property, within the District, and are not levied with regard to property values but rather according to the special benefit received by the service provided.

WHEREAS, the North McHenry #1 Lighting District has a recurring negative fund balance.

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

1. California Government Code Article XIII – “Proposition 218” requires an Engineer’s Report be prepared prior to any proposed new assessment or change in assessment methodology.
2. California Government Code Article XIII – “Proposition 218” requires an assessment ballot procedure and public hearing prior to any proposed new assessment or change in assessment methodology.

NOW, THEREFORE, BE IT FURTHER RESOLVED that in accordance with California Government Code Article XIII – “Proposition 218”:

- a. The County Engineer is ordered to prepare and file an Engineer's Report for this proposal.
- b. The Public Works department is ordered to initiate proceeding to prepare for an assessment ballot procedure and public hearing for this proposal.

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

