



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Public Works
Department No.: 054
For Agenda of: 5/17/2016
Placement: Set Hearing
Estimated Time: 6/7/2016 -15 Minutes
Continued Item: No
If Yes, date form:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Scott D. McGolpin, P.E., Director x3010
Director(s)

Contact Info: Mark A. Schleich, P.E., Deputy Director x3605

SUBJECT: Establishing Benefit Assessments for County Service Areas 3, 31, and the North County Lighting District for Fiscal Year 2016-2017, 2nd, 3rd and 4th Supervisorial Districts

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Community Services Dept.

As to form: Yes

Recommended Actions:

- a) Adopt the resolution setting a public hearing on June 7, 2016 to establish benefit assessments for County Service Area 3 and 31 and for the North County Lighting District.
- b) At the hearing on June 7, 2016 consider the following recommendations:
 - i) Receive and file the reports entitled *Benefit Assessment Reports for Fiscal Year 2016-2017 for CSA 3, CSA 31 and NCLD* with the Clerk of the Board;
 - ii) Adopt the resolutions establishing streetlighting charges for County Service Areas 3 and 31 for fiscal year 2016-2017;
 - iii) Do not establish the benefit assessment in those portions of the North County Lighting District authorized to do so for fiscal year 2016-2017; and
 - iv) Adopt the findings in the Notice of Exemption that the proposed action is for the establishment of benefit assessment rates for services provided by County Service Areas 3 and 31, that no expansion of services or facilities will result, that revenues will be used for meeting operating

expenses and financial reserve needs and requirements, and that the action is therefore exempt from the California Environmental Quality Act pursuant to 14 CCR Section 15273, and direct staff to file and post the Notice of Exemption on that basis.

Summary Text:

These actions set the benefit assessment rates for streetlighting in County Service Area 3 (unincorporated Goleta and Santa Barbara), County Service Area 31 (Isla Vista), and North County Lighting District (Los Alamos, Casmalia, Orcutt, unincorporated Lompoc and unincorporated Santa Maria) service areas. There are no changes proposed in the rates from last fiscal year.

Background:

In total, the County of Santa Barbara operates five street lighting districts or service areas. Three of them; County Service Area 3, County Service Area 31, and portions of the North County Lighting District generate revenue from benefit assessments along with property tax distributions to provide for this service. Establishing the benefit assessment is required annually pursuant to the Government Code and the Streets and Highways Code.

County Service Area 3 (CSA 3) - 2nd and 3rd Supervisorial Districts

CSA 3 currently provides for 1,344 streetlights (Public Works), the management of developed and undeveloped open space and park areas (Public Works and Community Services), and supports library services in the Goleta area. The library benefit assessment will be presented to the board by separate action by the Community Services Department. Total revenues for next year (not including library benefit assessments) are expected to be \$1,126,942 with \$200,496 from benefit assessments, \$924,579 from property taxes and \$1,867 from interest. The current streetlighting benefit assessment rate of \$24.00 per residential parcel, (factored amounts for other development types) is proposed to remain unchanged for next fiscal year. The rate was restored to this amount in fiscal year 2012-2013.

Administrative and streetlighting expenses for next year are expected to be \$229,941 (does not include expenses for other services). Overall, revenues are expected to equal expenditures in fiscal year 2016-2017 with property taxes funding road median and recreational trail improvements and maintenance (\$161,979); additional street tree trimming around streetlights (\$22,511); park services (\$622,511) and park utilities (\$90,000).

County Service Area 31 (CSA 31) - 3rd Supervisorial District

CSA 31 currently provides for 369 streetlights as well as other services (repair and maintenance of curb, gutters and sidewalks; and the planting and maintenance of streetscape landscaping) in Isla Vista. Total revenues for next year are expected to be \$70,952 with \$37,697 from benefit assessments, \$31,604 from property taxes and \$1,651 from interest. Administrative and streetlighting expenses for next year are expected to be \$68,468 (does not include expenses for other services). Overall, expenditures are expected to exceed revenues by \$3,516 in fiscal year 2016-2017. Although costs exceed revenues slightly, the reserve balance is adequate. The current streetlighting benefit assessment rate of \$12.93 per residential parcel (factored amounts for other development types) is proposed to remain unchanged for next fiscal year. The rate was restored to this amount in fiscal year 2008-2009.

Streetlighting improvements have been ongoing since 2013 that involve the conversion of existing high pressure sodium vapor (HPSV) lamps to light emitting diode (LED) lamps. These improvements are being funded by Community Development Block Grants (CDBG), UCSB and the County. To date, all standard lamps (not including decorative lamps) have been upgraded. Additional infill improvements are planned in fiscal year 2016-2017. Increased operational costs can be funded based on existing

revenues but are not expected to be significant.

North County Lighting District (NCLD) - 3rd and 4th Supervisorial Districts

NCLD currently provides for 2,856 streetlights in the Los Alamos, Casmalia, Orcutt, unincorporated Santa Maria, and unincorporated Lompoc areas. PG&E is at this time switching out HPSV lamps for LED lamps (not including decorative lamps) at their cost as an investment in PG&E facilities. Per lamp costs are expected increase insignificantly due to lamp sizing rating corrections. Total revenues are expected to be \$471,970 with \$470,645 from property taxes and \$1,325 from interest. Administrative and streetlighting expenses for next year are expected to be \$454,660. Revenues are expected to exceed expenditures by \$17,310 in fiscal year 2016-2017. Benefit assessments may be assessed in the unincorporated Santa Maria (CSA 5) benefit zone up to \$14.73 per residential parcel (factored amounts for other development types), which could generate as much as \$140,000 annually. Because the fund balance is sufficient and because property tax revenues alone are sufficient to cover the costs, staff is recommending that the assessment remain at zero for fiscal year 2016-2017.

Performance Measure:

No changes to the streetlighting benefit assessment rates in County Service Area 3, County Service Area 31, or the North County Lighting District are currently anticipated or proposed.

Fiscal and Facilities Impacts:

No fiscal changes are proposed to the County Service Area 3, County Service Area 31, or the North County Lighting District benefit assessment rates. Revenues that fund streetlighting and administrative costs only are summarized in the table below.

<u>CSA, District or Zone</u>	<u>Benefit Assessment Revenue</u>	<u>Property Tax and Other Revenue</u>	<u>Fund Reserve</u>	<u>Total Revenues and Costs</u>
CSA 3	\$200,496	\$29,445	\$0	\$229,941
CSA 31	\$37,697	\$30,771	\$0	\$68,468
NCLD (CSA 5 and zones)	\$0	\$454,660	\$0	\$454,660
Total	\$238,193	\$514,876	\$0	\$753,069

Staffing Impacts:

No new staffing positions are proposed in this budget.

Special Instructions:

- A. Request the Clerk of the Board to publish notice of the meeting as set forth in the enclosed notice. Recommended dates are May 24 and May 31, 2016.
- B. Request the Clerk of the Board to forward a certified minute copy of the resolution setting the hearing to the Public Works Dept., Santa Maria, Attention: Robyn Smith.
- C. After the hearing, request the Clerk of the Board to post the Notice of Exemption and forward a stamped copy to the Public Works Dept., Santa Maria, Attention: Robyn Smith.
- D. After the hearing, request the Clerk of the Board to forward a certified copy of the rate resolutions (CSA 3 and CSA 31) to the Public Works Dept., Santa Maria, Attention: Robyn Smith.

Attachments:

Attachment A: Resolution to set public hearing

Attachment B: Public hearing notice

Attachment C: Benefit Assessment Report for CSA 3

Attachment D: Benefit Assessment Report for CSA 31

Attachment E: Benefit Assessment Report for NCLD

Attachment F: Resolution establishing streetlighting benefit assessments for CSA 3

Attachment G: Resolution establishing streetlighting benefit assessments for CSA 31

Attachment H: CEQA Notice of Exemption

Authored by:

Martin Wilder, Utilities Manager, x 8750

Copy:

Mark Schleich, Deputy Public Works Director, Resource Recovery and Waste Management Division

Mark Paul, Deputy Public Works Director of Finance and Administration