



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

2011 JUL 29 PM 2: 24

COUNTY OF SANTA BARBARA
CLERK OF THE

Department Name: Public Works
Department No.: 054
For Agenda of: 08/09/2011
Placement: Departmental
Estimated Tme: 15 minutes
Continued Item: No
If Yes, date form:
Vote Required: Majority

TO: Board of Supervisors

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

Contact Info: Mark A. Schleich, P.E., x3600 Deputy Public Works Director

SUBJECT: Establishing Benefit Assessments for County Service Area 3 (CSA 3), and County Service Area 31 (CSA 31) for Fiscal Year 2011-2012, 2nd and 3rd Supervisorial Districts

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence:

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

1. Adopt the attached resolution setting a public hearing for County Service Area 3 (CSA 3) and County Service Area 31 (CSA 31) on the agenda for July 12, 2011.
2. At the hearing consider the following recommendations:
 - a. Receive and file a report entitled "Fixed Charges Fee Report for fiscal year 2011-2012" with the Clerk of the Board, with no change to the streetlighting benefit assessment rates for CSA 3 and CSA 31;
 - b. Adopt at the conclusion of the public hearing the attached resolution establishing streetlighting charges for CSA 3 and CSA 31 for fiscal year 2011-2012.
 - c. Approve Public Works Department Notice of Exemption pursuant to County California Environmental Quality Act (CEQA) Guidelines per CCR 15273(a). (Post).

Summary Text:

County Service Area 3 (CSA 3) serves the unincorporated Goleta and Santa Barbara areas and provides operations and maintenance of streetlights; maintenance of parks and open space; and enhanced library services. Revenue to fund CSA 3 services is collected from property tax distributions and two benefit assessments. County Service Area 31 (CSA 31) serves the community of Isla Vista and provides operations and maintenance of streetlights; installation and repair of curbs, gutters and sidewalks; and planting and the care of street trees.

Revenue to fund CSA 31 services is collected from property tax distributions and benefit assessments. This action requests adoption of the streetlighting benefit assessment rates for CSA 3 and CSA 31 for fiscal year 2011-2012, with no changes to the rates proposed. The enhanced library services benefit assessment will appear before the Board under a separate action.

Background:

CSA 3 was formed July 23, 1962 by Resolution No. 22409 and encompasses the urbanized area between the cities of Goleta and Santa Barbara. Powers it may exercise, as recognized by the Santa Barbara Local Area Formation Commission (LAFCO) include streetlighting, open space and park maintenance, and enhanced library services.

CSA 3 currently has 1,387 streetlights. The poles and fixtures are owned by Southern California Edison (SCE), which bills monthly for their operation and maintenance. Streetlighting is funded with property taxes and benefit assessments. Property taxes fund park and open space services, and a separate benefit assessment funds library services.

The costs for next year's services in CSA 3 are expected to exceed revenue by \$42,349 (revenue of \$1,002,752 and expenses of \$1,044,795) and the CSA 3 fund balance will be reduced to cover the shortfall. The current fund balance is \$196,177 and at the end of fiscal year 2011-2012 the balance is estimated to be \$154,134. Attachment A1 shows the revenue, expense, and fund balance history, as well as future projections. The action for CSA 3 recommends maintaining the streetlighting benefit assessment at \$8.00 per year per residential parcel, which is factored for various development categories. The rate may be restored up to its historic high of \$24.00 per year without a Proposition 218 election. This may be recommended in future years to maintain a minimum fund balance or to fund streetlighting with additional benefit assessment revenue to shift property tax distributions to other services.

CSA 31 was formed December 16, 1963 by Resolution No. 23685 and encompasses the community of Isla Vista. LAFCO recognized powers include streetlighting; the installation, repair and maintenance of curbs, gutters, and sidewalks; and the planting and maintenance of streetscape landscaping.

CSA 31 currently has 333 streetlights, which is its primary function. It has the same arrangement with SCE as CSA 3 for streetlighting. The other services are generally one time or short term in nature and have recently been funded from reserves, at the current service level the fund balance will be depleted in fiscal year 2016-2017.

The costs for next year's services in CSA 31 are expected to exceed revenue by \$10,715 (revenue of \$49,271 and expenses of \$59,986) and the CSA 31 fund balance will be reduced to cover the shortfall. The current fund balance is \$126,392 and at the end of fiscal year 2011-2012 the balance is estimated to be \$115,677. Attachment A2 shows the revenue, expense, and fund balance history, as well as future projections. The action for CSA 31 recommends maintaining the streetlighting benefit assessment at \$12.93 per year per residential parcel, which is factored for various development categories. This rate equals the historic high value as restored in fiscal year 2008-2009. An increase requires the passage of a Proposition 218 election.

Both CSA 3 and CSA 31 are currently operating in deficit spending and this issue will need to be addressed in the near future.

Performance Measure:

No changes to the streetlighting level of service provided by CSA 3 and CSA 31 are proposed.

Fiscal and Facilities Impacts: No fiscal changes are proposed to the CSA 3 or CSA 31 benefit assessment rates. The revenues and streetlighting costs are summarized in the table below.

<u>CSA, District or Zone</u>	<u>Benefit Assessment Revenue</u>	<u>Apportioned Property Tax Revenue</u>	<u>Streetlighting Service Costs</u>
CSA 3	\$ 66,616.00	\$ 765,850.00	\$ 199,500.00
Total	\$ 66,616.00	\$ 765,850.00	\$ 199,500.00
CSA 31	\$ 33,547.00	\$ 15,724.00	\$ 59,986.00
Total	Total	\$ 15,724.00	\$ 59,986.00

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 as attachment B, in the Daily Sound pursuant to Government Code Section 6066.
 The recommended dates for publication are June 28 and July 5, 2011.
- B. Following Board approval, request Clerk of the Board to post the Notice of Exemption and forward a stamped copy to the Public Works Dept, Santa Maria, Attention: Christy Angkahan
- C. Request the Clerk of the Board to forward a certified copy of the noticing resolution and the acceptance resolution to:
 - Christy Angkahan, Public Works Dept, Santa Maria, & Shannon Barcelona, Public Works Dept, RRWM, Santa Barbara

Attachments:

- Fund history and projections (Attachments A1 and A2)
- Public Hearing Notice (Attachment B)
- Resolution setting public hearing
- Resolutions establishing streetlighting charges
- Fixed Charge Fee Reports for FY 2011-2012
- Notice of Exemption

Authored by:

Martin Wilder, Utilities Manager, x 8750

Copy: Mark Paul, Deputy Public Works Director of Finance and Administration
 Mark Schleich, Deputy Public Works Director, Resource Recovery and Waste Management Division

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA

A RESOLUTION OF THE BOARD OF SUPERVISORS)
OF THE COUNTY OF SANTA BARBARA)
ESTABLISHING BENEFIT ASSESSMENT CHARGES)
FOR COUNTY SERVICE AREA 3)
FOR FISCAL YEAR 2011-2012)

RESOLUTION NO. _____

WHEREAS, the California Government code provides that a County may collect charges within a County Service Area to pay in whole or in part for a particular authorized extended service furnished in the County Service Area; and

WHEREAS, the furnishing of highway lighting is an extended services authorized to be furnished within County Service Area 3 in accordance with, and to be collected with county ad valorem property taxes pursuant to the provision of § 28-81, subd. (e) of Chapter 28 of the Santa Barbara County Code; and

WHEREAS, as authorized by Government Code Section 54703 et seq., benefit assessment charges for approved services within said county service areas may be collected on the County Tax Roll; and

WHEREAS, the residential rate shall be \$8.00 for County Service Area 3 with rate factors for various land uses as follows to be multiplied by the residential rate:

<u>DESCRIPTION</u>	<u>FACTOR</u>
Vacant farm land	0.5
Residential (single and Condos)	1.0
Residential (duplex, triplex)	3.0
Apartments, courts	6.0
Heavy commercial	9.0
Light commercial	3.0
Industrial	6.0
Churches, miscellaneous, other	2.0
Government exempt	0.0

WHEREAS, the Board of Supervisors has satisfied the requirements and provisions of the Government Code and County Code to establish and benefit assessment charges for various types of properties within County Service Area 3 and has determined to establish charges accordingly for the Fiscal Year 2011-2012; and

WHEREAS, the Board of Supervisors finds that the benefit assessment charge set forth in this resolution are exempt from CEQA review pursuant to Public Resources Code 21080, subd. (b) (8) (1) and (2) (14 CCR 15273), in that benefit assessment charges will be used for operating expenses and for the purchase of supplies, equipment and materials; and

WHEREAS, § 28-81, subd. (d), of the County Code and § 54716, subd. (d), of the Government Code provide that at the hearing on the report to confirm the proposed benefit assessments, the Board of Supervisors shall hear and consider all objections or protests, if any, to the reports, and, at the conclusion of the hearing may adopt, revise, change, reduce or modify any charge and shall make its determination by resolution upon each charge as described in the report or as determined at the hearing:

NOW, THEREFORE, IT IS RESOLVED AS FOLLOWS:

The Board of Supervisors finds that the recitations above are true and correct, and that said benefit assessments are hereby adopted, made and assessed for County Service Area 3 as set forth in the attached Exhibit A, *County Service Area 3 Fixed Charges Fee Report 2011-2012* and incorporated herein by reference, to pay a part of the cost for furnishing streetlighting services, and said charges are to be collected at the same time and in the same manner as ordinary county ad valorem property taxes pursuant to the provision § 28-81, subd. (e), of Chapter 28 of the Santa Barbara County Code.

PASSED, APPROVED AND ADOPTED by the Board of Supervisors of the County of Santa Barbara, State of California, this _____ day of _____ 2011, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:
CHANDRA L. WALLAR
CLERK OF THE BOARD

ACCEPTED AND AGREED:
COUNTY OF SANTA BARBARA

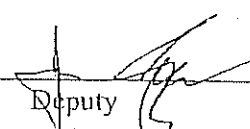
By: _____
Deputy

By: _____
JONI GRAY, Chair
Board of Supervisors

APPROVED AS THE FORM:
DENNIS A. MARSHALL
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS
AUDITOR-CONTROLLER

By: 
Deputy County Counsel

By: 
Deputy

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA

A RESOLUTION OF THE BOARD OF SUPERVISORS)
OF THE COUNTY OF SANTA BARBARA)
ESTABLISHING BENEFIT ASSESSMENT CHARGES)
FOR COUNTY SERVICE AREA 31)
FOR FISCAL YEAR 2011-2012)

RESOLUTION NO. _____

WHEREAS, the California Government code provides that a County may collect charges within a County Service Area to pay in whole or in part for a particular authorized extended service furnished in the County Service Area; and

WHEREAS, the furnishing of highway lighting, highway streetscape installation and maintenance, and highway hardscape installation and maintenance are extended services authorized to be furnished within County Service Area 31 in accordance with, and to be collected with county ad valorem property taxes pursuant to the provision of § 28-81, subd. (e) of Chapter 28 of the Santa Barbara County Code; and

WHEREAS, as authorized by Government Code Section 54703 et seq., benefit assessment charges for approved services within said county service areas may be collected on the County Tax Roll; and

WHEREAS, the residential rate shall be \$12.93 for County Service Area 31 with rate factors for various land uses as follows to be multiplied by the residential rate:

<u>DESCRIPTION</u>	<u>FACTOR</u>
Vacant farm land	0.5
Residential (single and Condos)	1.0
Residential (duplex, triplex)	3.0
Apartments, courts	6.0
Heavy commercial	9.0
Light commercial	3.0
Industrial	6.0
Churches, miscellaneous, other	2.0
Government exempt	0.0

WHEREAS, the Board of Supervisors has satisfied the requirements and provisions of the Government Code and County Code to establish and benefit assessment **charges** for various types of properties within County Service Area 31 and has determined to establish **charges** accordingly for the Fiscal Year 2011-2012; and

WHEREAS, the Board of Supervisors finds that the benefit assessment charge set forth in this resolution are exempt from CEQA review pursuant to Public Resources Code 21080, subd. (b) (8) (1) and (2) (14 CCR 15273), in that benefit assessment charges will be used for **operating** expenses and for the purchase of supplies, equipment and materials; and

WHEREAS, § 28-81, subd. (d), of the County Code and § 54716, **subd.** (d), of the Government Code provide that at the hearing on the report to confirm the proposed **benefit** assessments, the Board of Supervisors shall hear and consider all objections or protests, if any, to the **reports**, and, at the conclusion of the hearing may adopt, revise, change, reduce or modify any charge and **shall** make its determination by resolution upon each charge as described in the report or as determined **at the hearing**;

NOW, THEREFORE, IT IS RESOLVED AS FOLLOWS:

The Board of Supervisors finds that the recitations above are true **and** correct, and that said benefit assessments are hereby adopted, made and assessed for County **Service** Area 31 as set forth in the attached Exhibit A, *County Service Area 31 Fixed Charges Fee Report 2011-2012* and incorporated herein by reference, to pay a part of the cost for furnishing **streetlighting services**, and said charges are to be collected at the same time and in the same manner as ordinary county **ad valorem** property taxes pursuant to the provision § 28-81, subd. (e), of Chapter 28 of the Santa **Barbara** County Code.

PASSED, APPROVED AND ADOPTED by the Board of Supervisors of the County of Santa Barbara, State of California, this _____ day of _____ 2011, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:
CHANDRA L. WALLAR
CLERK OF THE BOARD

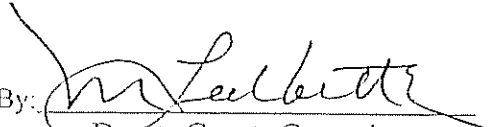
ACCEPTED AND AGREED:
COUNTY OF SANTA BARBARA

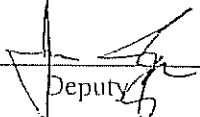
By: _____
Deputy

By: _____
JONI GRAY, Chair
Board of Supervisors

APPROVED AS THE FORM:
DENNIS A. MARSHALL
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS
AUDITOR-CONTROLLER

By: 
Deputy County Counsel

By: 
Deputy

County Service Area #3 - Fund 2120
History, Budget, and Projected

	History FY 10-11	Budget FY 11-12	Projected FY 12-13	Projected FY 13-14	Projected FY 14-15
Financing Sources:					
Interest	\$3,860	\$2,400	\$3,167	\$2,845	\$2,612
Unrealized Loss	(627)	-	-	-	-
Property Taxes	757,104	765,850	788,826	812,490	836,865
Library Assessments	167,261	167,886	172,923	178,110	183,454
Benefit Assessments	66,580	66,616	66,616	66,616	66,616
Total Revenues	<u>994,178</u>	<u>1,002,752</u>	<u>1,031,531</u>	<u>1,060,062</u>	<u>1,089,546</u>
Financing Uses:					
Services & Supplies					
Admin Fees	14,555	19,269	20,232	21,244	22,306
Street Lights	189,179	199,500	209,475	219,949	230,946
Utilities	44,544	58,140	61,047	64,099	67,304
Subtotal Services & Supplies	<u>248,278</u>	<u>276,909</u>	<u>290,754</u>	<u>305,292</u>	<u>320,557</u>
Other Financing Uses:					
Oper Trf Out - Libraries	169,284	167,886	172,923	178,110	183,454
Oper Trf Out - Parks	458,083	600,000	600,000	600,000	600,000
Subtotal Other Fin. Uses	<u>627,367</u>	<u>767,886</u>	<u>772,923</u>	<u>778,110</u>	<u>783,454</u>
Total Expenditures	875,645	1,044,795	1,063,677	1,083,402	1,104,010
Net Financial Impact	<u>118,532</u>	<u>(42,043)</u>	<u>(32,146)</u>	<u>(23,341)</u>	<u>(14,464)</u>
Balance Summary:					
Beginning Fund Balance	240,180	358,713	316,670	284,523	261,183
Ending Fund Balance	<u>\$358,713</u>	<u>\$316,670</u>	<u>\$284,523</u>	<u>\$261,183</u>	<u>\$246,719</u>

ATTACHMENT A2

County Service Area #31 - Fund 2220
History, Budget, and Projected

	History FY 10-11	Budget FY 11-12	Projected FY 12-13	Projected FY 13-14	Projected FY 14-15
Financing Sources:					
Interest	\$1,153	\$1,176	\$1,138	\$1,005	\$844
Unrealized Loss	(515)	-	-	-	-
Benefit Assessments	33,455	33,547	33,547	33,547	33,547
Property Taxes	14,660	14,548	14,693	14,840	14,989
Total Revenues	<u>48,753</u>	<u>49,271</u>	<u>49,378</u>	<u>49,392</u>	<u>49,379</u>
Financing Uses:					
Admin Fees	2,080	6,211	6,522	6,848	7,190
Street Lights	57,048	47,775	50,164	52,672	55,306
Medians-Watering & Weeding	-	6,000	6,000	6,000	6,000
Total Expenditures	<u>59,129</u>	<u>59,986</u>	<u>62,685</u>	<u>65,520</u>	<u>68,496</u>
Net Financial Impact	<u>(10,376)</u>	<u>(10,715)</u>	<u>(13,307)</u>	<u>(16,127)</u>	<u>(19,116)</u>
Balance Summary:					
Beginning Fund Balance	134,885	124,509	113,794	100,487	84,359
Ending Fund Balance	<u>\$124,509</u>	<u>\$113,794</u>	<u>\$100,487</u>	<u>84,359</u>	<u>65,243</u>

NOTICE OF EXEMPTION

TO: Santa Barbara County Clerk of the Board of Supervisors

FROM: Public Works Department, Resource Recovery and Waste Management Division

The project or activity identified below is determined to be exempt from further environmental review requirements of the California Environmental Quality Act (CEQA) of 1970, as defined in the State and County Guidelines for the implementation of CEQA.

APN(s): Multiple Case No.: Not Applicable

Location: Unincorporated, urbanized areas of the Goleta Valley between the cities of Goleta and Santa Barbara (CSA 3) as well as Isla Vista (CSA 31) in the 2nd and 3rd Supervisorial Districts.

Project Title: County Service Areas 3 and 31 Benefit Assessments for Fiscal Year 2011-2012.

Project Description: The action involves establishing benefit assessments for County Service Areas 3 and 31 for fiscal year 2011-2012, which are recommended to be \$8 and \$12.93 per year, respectively. No change in the rates is proposed from last year.

Name of Public Agency Approving Project: County of Santa Barbara

Name of Person or Agency Carrying Out Project: Public Works Department

Exempt Status: (Check one)

- Ministerial
- Statutory Exemption
- Categorical Exemption
- Emergency Project
- Declared Emergency

Cite specific CEQA and/or CEQA Guideline Section: CEQA Guidelines (CCR Section 15273(a) (1)-(4), "Rates, Tolls, Fares, and Charges".

Reasons to support exemption findings (attach additional material, if necessary): CEQA does not apply to the approval of rates by public agencies for the purpose of meeting operating expenses, obtaining supplies, equipment and materials, meeting financial reserve needs, or obtaining funds for capital projects needed to maintain service within an existing service area.

Lead Agency Contact Person: Martin Wilder, Utilities Manager Phone #: (805) 739-8755

Department/Division Representative: Martin Wilder, Utilities Manager Date: March 3, 2011

Acceptance Date:

Note: A copy of this form must be posted at P&D 6 days prior to a decision on the project. Upon approval, this form must be filed with the Clerk of the Board and posted by the Clerk of the Board for a period of 30 days to begin a 35 day statute of limitations on legal challenges.

DATE POSTED AT PLANNING & DEVELOPMENT

DATE FILED BY CLERK OF THE BOARD

Memorandum



Date: July 1, 2011

To: Clerk of the Board, Board of Supervisors,
County of Santa Barbara

From: Scott McGolpin, Public Works Department Director

Subject: Continue Item-Establishing Benefit Assessments for County Service Area 3 (CSA3), and
County Service Area 31 (CSA 31) for Fiscal Year 2011-2012

CC: Mark Schleich, Deputy Director, Public Works
Resource Recovery & Waste Management Division

The Public Works Department requests that the Board of Supervisors continue the hearing for Board Item A29 Establishing Benefit Assessment for County Service Area 3 (CSA3) and County Service Area 31(CSA 31) to the August 9, 2011 Agenda.

If you have any questions, please contact me at 568-3010.

Thank you.

