



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: 5/8/2018  
Placement: Set hearing  
Estimated Time: 6/5/2018 -15 Minutes  
Continued Item: No  
If Yes, date form:  
Vote Required: Majority

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**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 2018-2019, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> Supervisorial Districts

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**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:**

That the Board of Directors:

- a) Adopt the resolution setting a public hearing on June 5, 2018 to establish benefit assessments for County Service Area 3 and 31 and for the North County Lighting District.
- b) At the hearing on June 5, 2018 consider the following recommendations:
  - i) Receive and file the reports entitled *Benefit Assessment Reports for Fiscal Year 2018-2019 for County Service Area 3, County Service Area 31 and North County Lighting District* with the Clerk of the Board;
  - ii) Adopt the resolutions establishing streetlighting charges, (no changes proposed), for County Service Areas 3 and 31 for fiscal year 2018-2019;
  - iii) Do not establish the benefit assessment in those portions of the North County Lighting District authorized to do so for fiscal year 2018-2019;

- 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:**

This item is on the agenda in order to establish 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:**

Streetlights used in public road rights of way are typically owned and operated by the Pacific Gas & Electric Company (PG&E) in the north county and by the Southern California Edison Company (SCE) in the south county. To provide for the costs of services the County of Santa Barbara uses two streetlighting districts and three county service areas. Of these, County Service Area 3 (unincorporated Goleta and Santa Barbara), County Service Area 31 (Isla Vista), and portions of the North County Lighting District (unincorporated Santa Maria area) generate revenue with a combination of benefit assessments and property tax contributions. 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 1,356 streetlights. Annual streetlighting operation and administrative costs are approximately \$200,000. The current streetlighting benefit assessment rate of \$24.00 per residential parcel, (factored for other development types) is proposed to remain unchanged for next fiscal year and will generate approximately \$200,000 to cover the streetlighting costs without property tax contributions.

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

CSA 31 currently provides for 391 streetlights. Annual streetlighting operation and administrative costs are approximately \$60,000. The current streetlighting benefit assessment rate of \$12.93 per residential parcel (factored for other development types) is proposed to remain unchanged for next fiscal year and will generate approximately \$34,000. Property tax contributions of approximately \$26,000 will provide the supplement to cover the streetlighting costs.

Streetlighting improvements in coordination with SCE were implemented between 2013 and 2018 that involved the conversion of existing high pressure sodium vapor (HPSV) lamps to light emitting diode (LED) lamps. These improvements were funded by Community Development Block Grants (CDBG), UCSB and the County. To date, all standard lamps (not including decorative lamps) have been upgraded.

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

NCLD currently provides for 2,853 streetlights in the Los Alamos, Casmalia, Orcutt, unincorporated Santa Maria, and unincorporated Lompoc areas. PG&E recently switched out HPSV lamps for LED lamps (not including decorative lamps) at their cost as an investment in PG&E facilities.

Annual streetlighting operation and administrative costs are approximately \$583,500. Property tax contributions of approximately \$487,000 and reserves of approximately \$96,500 will be used to cover the costs. The reserve balance for year end is expected to be approximately \$275,000. Staff recommends a minimum reserve of approximately 6 months of operating expenses, or \$260,000, which would be realized in 2 years. Additional revenue through benefit assessments may be assessed in the unincorporated Santa Maria streetlighting benefit zone up to \$14.73 per residential parcel (factored for other development types), which could generate as much as \$140,000 annually. In addition, several newly approved tracts also have benefit assessment zones to be used to address shortfalls. Because the fund balance is sufficient, staff is recommending that zone benefit assessments remain at zero for next fiscal year. However, it is anticipated that the prior approved assessments, or combination thereof, will be included in 2 years in order to maintain the fund balance.

**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	\$200,000		\$0	\$200,000
CSA 31	\$34,000	\$26,000	\$0	\$60,000
NCLD	\$0	\$487,000	\$96,500	\$583,500
Total	\$234,000	\$513,000	\$96,500	\$843,500

**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 22 and May 29, 2018.
- 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: Angela Arredondo.
- 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: Angela Arredondo.
- 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: Angela Arredondo.

**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:**

Julie Hagen, Deputy Public Works Director of Finance and Administration