



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: 07/05/2011  
Placement: Administration  
Estimated Tme: 08/02/2011 - 15 minutes  
Continued Item: No  
If Yes, date form:  
Vote Required: Majority

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**TO:** Board of Supervisors

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

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, 2<sup>nd</sup> and 3<sup>rd</sup> Supervisorial Districts

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**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