



Legislation Text

File #: RES 18-0033, **Version:** 1

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Steve S. Charelian, Interim Finance Director
Henry Mitzner, Controller

SUBJECT:

Resolution No. 18-0033 Ordering Plans, Specifications, Cost Estimates and Engineer's Report for Annual Street Lighting and Landscaping Assessments (Interim Finance Director Charelian).

ADOPT RESOLUTION NO. 18-0033

RECOMMENDATION:

Staff recommends that the City Council adopt Resolution No. 18-0033 ordering the preparation of plans, specifications, cost estimates and the engineer's report for the annual renewal of the Landscaping and Lighting District for fiscal year 2018-2019, pursuant to the Landscaping and Lighting Act of 1972.

FISCAL IMPLICATIONS:

The assessment engineering cost for the Landscaping and Lighting District is \$7,250 and is budgeted in the Public Works department.

It is important to note that because assessments have been fixed since 1995-1996 and costs have continued to rise and exceed the revenue generated by the assessments, the Street Lighting and Landscape Fund has depleted its fund balance. As a result, the General Fund continues to subsidize the fund. The preliminary estimate for the subsidy in the current fiscal year (2017-2018) is \$199,000, and \$204,000 for the upcoming fiscal year 2018-2019. A Proposition 218 vote is required to raise the assessments (City Council reviewed the options for raising assessments but has deferred such action).

BACKGROUND:

The City provides for the operations and maintenance of Street Lighting and the Downtown Streetscape via the Street Lighting and Landscaping Assessment District. The District, which was formed pursuant to the Landscaping and Lighting Act of 1972, is comprised of separate street lighting districts for the majority of the City, and the lighting and landscaping services provided for Downtown.

DISCUSSION:

The District must be renewed annually through a series of City Council resolutions, culminating with a public hearing. The public hearing and adoption of a final resolution are scheduled for the City

Council Meeting of June 19, 2018.

In order to renew the districts, an assessment engineer must review and develop the benefit assessments for each parcel. Those assessments are based on the proposed budget for the upcoming fiscal year commencing July 1, subject to the constraints of Proposition 218. For FY 2018-2019, the preliminary total assessment is \$396,000; \$378,000 from private property owners, plus a General Fund contribution toward Streetscape of \$18,000 for the City's property in the district. Based on preliminary analysis, the annual subsidy provided by the General Fund for Street Lighting in fiscal year 2018-2019 will be approximately \$204,000. The fiscal year 2018-2019 opening fund balance of the Street Lighting Fund will be \$0- and subsidies are required to match the excess of expenditures over revenues.

The first step in this annual process is for City Council to pass a Resolution of Initiation at the April 3, 2018 City Council meeting, which authorizes the preparation of an engineer's report on the District. Then, on May 15, 2018, the engineer's report will be submitted to City Council, along with a Resolution of Intention, which authorizes proceedings for the annual levy and collection of assessments. Finally, on June 19, 2018, the public hearing will be held. At that time, City Council will be asked to adopt a resolution providing for the levy and collection of street lighting assessments for the fiscal year 2018-2019.

During fiscal year 2017-18 City Council ask staff to identify cost cutting opportunities in the street light and landscaping fund. Staff is looking to identify changes in cost cutting during 2018-2019 and 2019-2020 budget process.

CONCLUSION:

Staff recommends that the City Council adopt Resolution No. 18-0033 ordering the preparation of plans, specifications, cost estimates and the engineer's report for the annual renewal of the Landscaping and Lighting District for fiscal year 2018-2019 pursuant to the Landscaping and Lighting Act of 1972.

Attachments:

1. Resolution No. 18-0033
2. Lighting and Landscape Assessment Districts Map