

STAFF REPORT*CITY OF OCEANSIDE*

DATE: May 2, 2012

TO: Honorable Mayor and City Council Members

FROM: Property Management Division

SUBJECT: **APPROVAL OF RENEWAL OF THE OCEANSIDE LIGHTING DISTRICT, ASSESSMENT DISTRICT NO. 2-1991; INITIATE PROCEEDINGS FOR THE RENEWAL THEREOF; AND SET A PUBLIC HEARING**

SYNOPSIS

Staff recommends that the City Council adopt the following resolutions for the Oceanside Lighting District, Assessment District No. 2-1991, initiating the proceedings for the renewal thereof: 1) directing the City Engineer to prepare an Engineer's Report for the renewal thereof; 2) approving the Engineer's Report as prepared or modified; 3) declaring intent to levy and collect assessments for FY 2012-13 and setting a public hearing for June 6, 2012, at 5:00 p.m. to confirm the assessments.

BACKGROUND

The Oceanside Lighting District, Assessment District No. 2-1991 ("District"), was formed under the provisions of the Landscaping and Lighting Act of 1972 (the "1972 Act"), which requires the annual renewal of the District in order to levy and collect assessments for the ensuing fiscal year. The levy of the assessments provides funds for the operation and maintenance of the streetlight improvements on public streets within the District.

ANALYSIS

The City Council, under the 1972 Act, must approve of the assessments being charged by the District. Also, the levy and collection of assessments requires that an Engineer's Report be prepared, which identifies the proposed improvements to be administered and maintained, and the method of apportionment (Exhibit A). The report also provides an estimate of the costs and the proposed assessments to be levied against the respective properties (Exhibit B). A diagram shows the parcels to be assessed (Exhibit D). The assessment roll, showing the proposed amount to be levied against each parcel (Exhibit C), is available for review in the City Clerk's Office.

The assessments are based on a formula containing costs associated with both general and local benefit zones as shown in Exhibit B of the Engineer's Report. The general benefit zone is comprised of the streetlights located on the prime, major and secondary arterials. The general benefit zone costs, which include the City's share of the state

freeway and highway lighting costs for these streets, are assessed against each parcel of land within the District. The local benefit zone is comprised of property which fronts or adjoins a collector or local street. Property within this zone is assessed its proportionate share of the costs associated with the lighting system as well as its share of the general benefit zone costs.

The benefit units assigned to each parcel of land are based upon the same benefit units that are used to calculate the City's thoroughfare fees. The use of the property is the determining factor in the corresponding benefit unit assignment. For example, if a single-family residential parcel is assigned 10 benefit units and the average cost per lighting assessment unit (which includes the cost for the general benefit zone plus the local benefit zone) is \$1.58, then that single-family residential parcel will be assessed \$15.80.

A number of the streetlights in the Rancho del Oro subdivision have been removed and/or are in the process of being removed. The removal of these streetlights will require an adjustment to the benefit units assigned to each parcel of affected land. This adjustment is in the process of being calculated and will be reflected in a modified Engineer's Report.

A current estimate of the costs related to the District and the proposed assessments for FY 2012-13 is contained in the accompanying Engineer's Report. Staff recommends that the City Council approve the Engineer's Report as submitted or modified and direct that the Engineer's Report be placed on file with the City Clerk's Office for public review.

The City Council will be requested to approve the Engineer's Report for the District. The Engineer's Report is substantially the same report approved by the City Council for FY 2011-12. For the public hearing scheduled for June 6, 2012, the City Council will be requested to approve a modified Engineer's Report. The modified Engineer's Report will adjust the Engineer's Report to more accurately reflect the expenditures and revenue for FY 2012-13, and as set forth above.

FISCAL IMPACT

The costs associated with the operation of the District are offset by the assessments levied against the properties within the District. The parcel assessments are entered on the real property tax roll collected by the County of San Diego and deposited into the District's account. The amount of the proposed assessment for FY 2012-13 is the same as the amount of the assessment levied for FY 2012-13. By way of example, a single-family residential parcel will be assessed \$15.80 in FY 2012-13, the same as in FY 2011-12.

The adjustment to the benefit units assigned to each parcel of land affected by the removal of some of the Rancho del Oro streetlights will result in a decrease in assessment on the affected parcels. As the benefit units assigned to each parcel of affected land is adjusted, the decrease in assessment will be calculated and reflected in the modified Engineer's Report.

The current amount of revenue generated from the levy of the annual assessments is not sufficient to cover the cost to effectively operate and maintain the streetlighting system within the City. In addition to operating and maintenance costs, the assessments are also used to pay off a 20-year debt created through the sale of Certificates of Participation. The proceeds from the sale of the Certificates of Participation were used to purchase the streetlights formerly owned by San Diego Gas and Electric Company. The annual debt service is approximately \$250,563. The debt is scheduled to be satisfied in 2015.

In FY 2012-13, as in previous years, \$390,000 will be transferred from the gas tax fund balance (213.6900.0101) and appropriated to the Lighting District fund (640618101.5351); \$10,000 from the Street Light Energy Fees anticipated revenue (1221.4336.0001) will be appropriated to (320317221.5351) for street light maintenance; and a transfer of \$27,079 from fund balance (221.4999) will be appropriated to (640618101.5351) to cover the additional operating shortfall. The transfers will leave approximately \$166,178.77 in restricted fund balance.

Revenue

*Annual Assessments	\$1,109,966
*Energy Charge	\$ 10,000
*Interest	\$ 3,000
*Transfer from Gas Tax	\$ 390,000
*Transfer from Fund Balance	<u>\$ 27,079</u>
Balance	\$1,540,045

Expenses

*Personnel	\$ 47,154
*Material/Operating	\$ 9,000
*Utilities/Traffic Signals	\$ 815,000
*Radio Network	\$ 1,600
*Interfund	\$ 6,728
*Debt	\$ 250,563
*Transfer to Street Lighting Maintenance	<u>\$ 410,000</u>
Balance	\$1,540,045

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

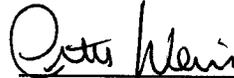
Staff recommends that the City Council adopt the following resolutions for the Oceanside Lighting District, Assessment District No. 2-1991, initiating the proceedings for the renewal thereof: 1) directing the City Engineer to prepare a Engineer's Report for the renewal thereof; 2) approving the Engineer's Report as prepared or modified; 3) declaring intent to levy and collect assessments for FY 2012-13 and setting a public hearing for June 6, 2012, at 5:00 p.m. to confirm the assessments.

PREPARED BY:

SUBMITTED BY:



Rosa A. Jones
Contract/Lease Coordinator



Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs-Lawrence, Deputy City Manager



Douglas E. Eddow, Real Property Manager



Scott O. Smith, City Engineer



Teri Ferro, Financial Services Director



Attachments: Resolutions

1 RESOLUTION NO.

2 A RESOLUTION OF THE CITY COUNCIL OF THE CITY
3 OF OCEANSIDE, CALIFORNIA, DIRECTING THE CITY
4 ENGINEER TO PREPARE A REPORT ON THE FISCAL
5 YEAR 2012-2013 RENEWAL OF THE OCEANSIDE
6 LIGHTING DISTRICT, ASSESSMENT DISTRICT NO. 2-
7 1991

8 WHEREAS, the City Council of the City of Oceanside, pursuant to the
9 Landscaping and Lighting Act of 1972, hereinafter referred to as the "Act", adopted
10 Resolution No. R91-211, which ordered the formation of the Oceanside Lighting
11 District, Assessment District No. 2-1991;

12 WHEREAS, pursuant to the Act, the City Engineer is required to prepare a
13 Report on the Oceanside Lighting District and present it to the City Council for
14 examination;

15 WHEREAS, the ongoing administration and maintenance of the improvements
16 and appurtenant structures within the City-maintained portions of the Oceanside
17 Lighting District will require assessments to be levied on the assessable lots or parcels
18 of land within the district;

19 WHEREAS, pursuant to the Act, the levy of any annual assessment after the
20 formation of such an assessment district must be initiated by City Council adoption of a
21 resolution directing the City Engineer to prepare and file a Report in accordance with
22 the provisions of Article 4 of Chapter 1 of the Act; and

23 WHEREAS, pursuant to the Act, said resolution generally must describe any
24 proposed new improvements or substantial changes in existing district improvements
25 planned for the fiscal year for which the resolution applies.

26 NOW, THEREFORE, the City Council of the City of Oceanside does resolve as
27 follows:

28 SECTION 1. That no new improvements or substantial changes in existing
improvements are planned for fiscal year 2012-2013 within the Oceanside Lighting
District, except for the anticipated removal of certain deteriorated street lights in the

1 development covered by the Rancho Del Oro Specific Plan (S-1-84), The amount of
2 proposed assessment rate shall not exceed the maximum assessment rate authorized
3 to be levied in the district for the 2011-2012 fiscal year, and as to the affected lots in
4 Rancho Del Oro, noted above, the assessments shall be decreased according to the
5 diminution in benefit resulting from the removal of the street lights.

6
7 SECTION 2. That the City Engineer is directed to prepare a Report on the
8 Oceanside Lighting District in accordance with Section 22565 et. seq. of the California
9 Streets and Highways Code. Said Report shall be filed with the City Clerk for
10 submission to the City Council and contain a full and detailed description of the
11 boundaries of the assessment district, the proposed assessments to be levied on each
12 assessable lot or parcel of land within the district and the improvements to be
13 maintained.

14 PASSED AND ADOPTED by the City Council of the City of Oceanside,
15 California, this _____ day of _____, 2012, by the following vote:

16 AYES:
17 NAYS:
18 ABSENT:
19 ABSTAIN:

20
21 _____
MAYOR OF THE CITY OF OCEANSIDE

22
23 ATTEST:

24 APPROVED AS TO FORM:
25 OFFICE OF THE CITY ATTORNEY

26 _____
City Clerk

27 _____
City Attorney

28 Resolution directing the City Engineer to prepare a report the
Fiscal year 2012-2013 renewal of the Oceanside Lighting District,
Assessment District No. 1-1988

1 RESOLUTION NO.

2 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
3 OCEANSIDE, CALIFORNIA, APPROVING THE CITY
4 ENGINEER'S MODIFIED ENGINEER'S REPORT REGARDING
5 THE 2012-2013 FISCAL YEAR RENEWAL OF THE OCEANSIDE
6 LIGHTING DISTRICT, ASSESSMENT DISTRICT NO. 2-1991

7 WHEREAS, pursuant to the Landscaping and Lighting Act of 1972, Part 2 of
8 Division 15 of the Streets and Highways Code of California, Section 22500 et. seq.,
9 hereinafter referred to as the "Act", the City Council of the City of Oceanside
10 adopted Resolution _____ directing the City Engineer to prepare a report
11 on the Oceanside Lighting District, Assessment District No. 2-1991 for fiscal year
12 2012-2013;

13 WHEREAS, the City Engineer has prepared said Report as directed, presented
14 it to the City Council for examination and was approved by City Council by
15 Resolution _____;

16 WHEREAS, the City Engineer has prepared and filed a Modified Engineer's
17 Report and said Modified Report was presented to and examined by this City
18 Council;

19 NOW, THEREFORE, the City Council of the City of Oceanside does resolve as
20 follows:

21 SECTION 1. That the Modified Report is approved as submitted and is ordered
22 to be filed in the Office of the City Clerk of the City of Oceanside.

23 SECTION 2. That the City Clerk of the City of Oceanside is directed to endorse
24 upon the Modified Engineer's Report for the Oceanside Lighting District its approval
25 and the date thereof.

26 SECTION 3. That the Modified Engineer's Report shall be the Report utilized
27 for the 2012-2013 fiscal year renewal proceedings of the Oceanside Lighting
28 District and shall take precedence over the report approved by City Council
Resolution _____.

10/11/12

PASSED AND ADOPTED by the City Council of the City of Oceanside,
California, this _____ day of _____, 2012, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

Mayor of the City of Oceanside

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

Antonio Hamilton, A.S.T.

City Attorney

ATTEST:

City Clerk

**Resolution approving the City Engineer's Modified Engineer's Report
regarding the 2012-2013 fiscal year renewal of the Oceanside
Lighting District, Assessment District No. 2-1991**

ENGINEER'S REPORT
OCEANSIDE LIGHTING DISTRICT
ASSESSMENT DISTRICT NO. 2-1991
FISCAL YEAR 2012-2013

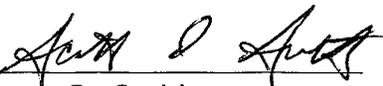
As directed by the City Council of the City of Oceanside, I, Scott O. Smith, City Engineer, respectfully submit the following Report regarding the 2012-2013 fiscal year renewal of the Oceanside Lighting District. This Report is made pursuant to Article 4 of Chapter 1 of the Landscaping and Lighting Act of 1972, being Part 2 of Division 15 of the Streets and Highways Code of the State of California. This Report consists of four parts (Exhibits "A" through "D") defined as follows:

Exhibit "A" - Specifications for the improvements to be administered, operated, maintained and modified or upgraded. The plans for these improvements are part of this report and on file in the Public Works Department.

Exhibit "B" - Cost estimate for the administration, operation, maintenance and modification or upgrade of the improvements outlined in Exhibit "A".

Exhibit "C" - An assessment roll showing the proposed amount to be specifically assessed against each lot or parcel of real property within the assessment district. San Diego County Assessor's Parcel Number describes each parcel and each parcel has been assigned said number for the purposes of this proceeding. The amount assessed is based on Exhibit "B".

Exhibit "D" - Diagram showing the boundaries of the assessment district, parcels of real property within the district, and the location of the improvements. County Assessor's Number keys the diagram to Exhibit "C". The assessment roll and maps of the San Diego County Assessor shall govern for all details concerning the description, lines and dimensions of any lot or parcel shown.



Scott O. Smith
City Engineer

OCEANSIDE LIGHTING DISTRICT
ASSESSMENT DISTRICT 2-1991
FISCAL YEAR 2010-2011

SPECIFICATIONS FOR THE STREET LIGHTING ELECTRICAL SERVICE

SECTION I. CLASSIFICATION

All streetlights in the Oceanside Lighting District shall be categorized into two classifications, as follows:

- A. Class A street lights shall include all street lamps installed on overhead serviced wooden standards.
- B. Class B street lights shall include all street lamps which are now installed, or are to be installed, on underground serviced non-wooden standards.

SECTION II. SCOPE OF WORK

1. Work To Be Done:

A. The work to be done consists of the furnishing of all current necessary for the illumination of the existing Class A and Class B streetlights.

B. The Contractor shall furnish all transformers, lines, switching equipment and such other materials and devices to provide current of the proper requirements to Class A and Class B street lighting circuits.

2. Electrical Current:

The current supplied shall not vary more than 5% plus or minus from that for which the system was designed. The service locations for all Class A and Class B street lighting circuits are shown on plans on file in the Office of the City Engineer.

3. Lamps to Be Lighted:

The Contractors shall furnish current, as hereinbefore specified, to all lamps that are shown on the plans for the lighting district and to provide switching service for lighting said lamps from 15 minutes after sunset to 30 minutes before sunrise every day of the year.

SECTION III. SUPERVISION

The work to be done and the service to be rendered herein provided for shall be done under the general supervision of the Public Works Director. Additionally, the Public

Works Director will provide notification in writing of any imperfect work or insufficient service that needs correction.

MAINTENANCE AND ADMINISTRATIVE EXPENSES SUMMARY	Approved Expenses FY 11-12	Projected Expenses FY 12-13	
<u>EXPENSES</u>	<u>Combined per Year</u>	<u>Combined per Year</u>	
1. Personnel	\$44,909	\$47,154	
2. Operating Expenses			
a. Materials	\$0	\$0	
b. Professional Services	\$8,500	\$8,500	
c. Advertising	\$500	\$500	
Sub-Total Operating Expenses	<u>\$9,000</u>	<u>\$9,000</u>	
3. Utilities			
3a. Street Lights	\$675,000	\$675,000	
3b. Traffic Signals	\$140,000	\$140,000	
3c. Energy Contingency			
Sub-Total Utilities	\$815,000	\$815,000	
4. Non-Capital Improvements	\$0	\$0	
5. Interfund	\$6,532	\$6,728	
6. Radio Network	\$1,600	\$1,600	
7. Debt Service	\$250,827	\$250,563	
8. Lighting District Overlay Costs	\$0	\$0	
9. Transfer to Street Lighting Maintenance	<u>\$410,000</u>	<u>\$410,000</u>	(1)
TOTAL EXPENSES	\$1,537,868	\$1,540,045	
TOTAL EXPENSES (W/O ENERGY RES.)	\$1,537,868		

REVENUE SUMMARY	Approved Revenue 2011-12	Projected Revenue FY 12-13	
<u>REVENUE</u>	<u>Combined per Year</u>	<u>Combined per Year</u>	
Total Annual Assessments	\$1,109,966	\$1,109,966	
Transfer from Gas Tax	\$390,000	\$390,000	(2)
18-Month Energy Fees	\$10,000	\$10,000	
Transfer from Fund Balance	\$24,902	\$27,079	(3)
Fund Balance Interest	<u>\$3,000</u>	\$3,000	
TOTAL REVENUE	\$1,537,868	\$1,540,045	

ASSESSMENT UNIT SUMMARY	Approved FY 11-12	Projected FY 12-13	
No. of Assessment Units			
Local	580,458	580,458	
Non-Local	1,187,287	1,187,287	
Weighted Average per Assessment Unit			
Local	1.2628	1.2628	
Non-Local	0.3175	0.3175	
Annual Assessment			
Per Single Family Residence	\$15.80	\$15.80	
Per Condominium Unit	\$12.84	\$12.84	

<u>FUND BALANCE ACCOUNT</u>		
Fund Balance	as of 3/1/2012)	\$193,358
Transfer from Fund Balance		\$27,089
Estimated ending Fund Balance		\$166,269

Footnotes

- (1) A total of \$410,000 will be transferred to the Transportation Division to offset Street Light Maintenance costs.
- (2) A total of \$390,000 will be transferred from the Gas Tax Fund to cover the anticipated shortfall for FY 2012-13.
- (3) \$27,079 if needed may be transferred from the Fund Balance to cover an additional shortfall.

**EXHIBIT "C" CONTAINS THE
PROPOSED AMOUNT TO BE
ASSESSED ON EACH LOT AND
PARCEL WITHIN THE DISTRICT.**

**EXHIBIT "C" IS MADE A PART OF
THE PRELIMINARY ENGINEER'S
REPORT PER COUNCIL ACTION ON
May 2, 2012.**

OCEANSIDE LIGHTING DISTRICT ASSESSMENT DISTRICT NO. 2-1991

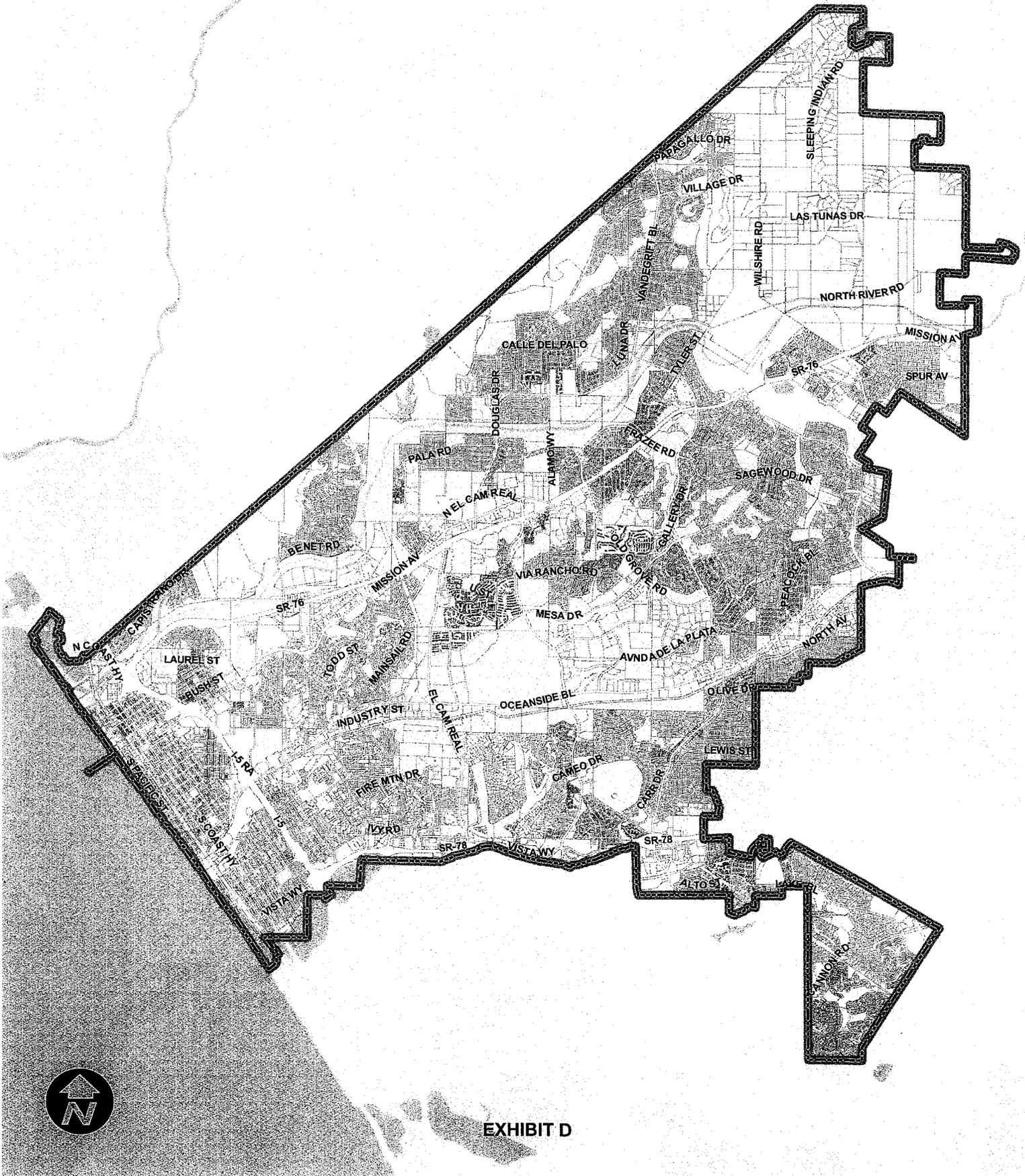


EXHIBIT D

1 RESOLUTION NO.

2 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
3 OCEANSIDE, CALIFORNIA, DECLARING ITS INTENTION
4 TO LEVY AND COLLECT ASSESSMENTS WITHIN THE
5 OCEANSIDE LIGHTING DISTRICT, ASSESSMENT
6 DISTRICT NO. 2-1991, FOR FISCAL YEAR 2012-2013 AND
7 SETTING A PUBLIC HEARING ON THE PROPOSED
8 ASSESSMENTS

9 WHEREAS, pursuant to the Landscape and Lighting Act of 1972, the City
10 Council of the City of Oceanside adopted Resolution No. _____ directing
11 the City Engineer to prepare a Report on the Oceanside Lighting District for fiscal year
12 2012-2013;

13 WHEREAS, said Report, on file with the City Clerk of the City of Oceanside,
14 contains a full and detailed description of the boundaries of the assessment district,
15 the proposed assessments to be levied against each assessable lot or parcel of land
16 within the district, and a description of the improvements to be maintained or modified;

17 WHEREAS, the amount of the proposed assessment rate is the same or less
18 than the amount of the assessment rate authorized to be levied for the 2011-2012
19 fiscal year;

20 WHEREAS, the City Council of the City of Oceanside adopted Resolution No.
21 _____ approving the aforementioned Report either as filed or modified by
22 this Council;

23 WHEREAS, the levy of the proposed assessment is exempt from the provisions
24 of Article XIID of the California Constitution (Proposition 218) pursuant to Section 5
25 Subsection (a) and/or (b) of that Article; and

26 WHEREAS, the ongoing operation, maintenance and renovation of the
27 improvements will require assessments to be levied on the assessable lots and
28 parcels of land within this district.

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1 NOW, THEREFORE, the City Council of the City of Oceanside does resolve as
2 follows:

3 SECTION 1. That it is the intent of this Council to levy and collect
4 assessments for fiscal year 2012-2013 within the Oceanside Lighting District,
5 Assessment District No. 2-1991, the general location of said district is all that real
6 property within and having the same boundaries as the City of Oceanside.

7 SECTION 2. That the proposed assessments shall be used to pay the
8 district administrative costs and the maintenance and material costs incurred to
9 maintain street lighting and appurtenant structures within the boundaries of the
10 Oceanside Lighting District.

11 SECTION 3. That the proposed assessments shall not be used to maintain
12 improvements that are not within the boundaries of the Oceanside Lighting District,
13 Assessment District No. 2-1991.

14 SECTION 4. That this City Council sets a public hearing on the proposed
15 assessments for June 6, 2012, at 5:00 PM, or as soon thereafter as possible, in the
16 City Council Chambers located at 300 N. Coast Highway, Oceanside, California.

17 Any interested person(s) will be heard at this public meeting. Prior to the
18 conclusion of this hearing, anyone may file with the City Clerk a written protest
19 regarding the proposed assessments. Said protest must state why the protest is being
20 made and contain a description sufficient to identify the property owned by the
21 protesting party.

22 SECTION 5. That the City Clerk of the City of Oceanside is directed to give
23 notice of this public hearing as required by Section 22626 of the Street and Highways
24 Code.

25 ///
26 ///
27 ///
28 ///

1 PASSED AND ADOPTED by the City Council of the City of Oceanside,
2 California, this _____ day of _____, 2012, by the following vote:

3 AYES:

4 NAYS:

5 ABSENT:

6 ABSTAIN:

7
8
9 _____
10 Mayor of the City of Oceanside

11 APPROVED AS TO FORM:
12 OFFICE OF THE CITY ATTORNEY

13
14 
15 _____
16 City Attorney

17 ATTEST:

18 _____
19 City Clerk

20
21
22 **Resolution declaring its intent to levy and collect assessments**
23 **for fiscal year 2012-2013 within the Oceanside Lighting District,**
24 **Assessment District No. 2-1991**
25
26
27
28