



Agenda Item # _____

Staff Report

City of Manhattan Beach

TO: Honorable Mayor Aldinger and Members of the City Council

THROUGH: Geoff Dolan, City Manager

FROM: Bruce Moe, Finance Director
Henry Mitzner, Controller

DATE: May 6, 2008

SUBJECT: Consideration of Resolution Ordering Plans, Specifications, Cost Estimates and Engineer's Report for Annual Street Lighting Assessment

RECOMMENDATION:

Staff recommends that the City Council adopt Resolution No. 6135, ordering the preparation of plans, specifications, cost estimates and the engineer's report pursuant to the Landscaping and Lighting Act of 1972 for the annual renewal of the Landscaping and Lighting District for fiscal year 2008-2009.

FISCAL IMPLICATION:

The assessment engineering cost for the Landscaping and Lighting District is \$9,000 and is budgeted in the Public Works department.

It is important to note that because assessments have been fixed for many years, 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 is forced to subsidize the City's street lighting. Using current costs, that subsidy now totals \$175,000 per year. A Proposition 218 vote is required to raise the assessments.

DISCUSSION:

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 the Downtown. 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 Council Meeting of June 17, 2008.

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. For FY 2008-2009, the preliminary total assessment

remains unchanged at \$379,000 (the assessments cannot be changed without a Proposition 218 vote). Because the assessments are fixed, and costs continue to escalate (in particular electricity and gas) the annual subsidy provided by the General Fund to the Street Lighting will increase from \$131,000 in fiscal 2007-2008 to \$175,000 in fiscal 2008-2009. The fiscal 2007-2008 opening fund balance of the Street Lighting Fund is \$0 and the subsidies are required to match the excess of expenditures over revenues. The subsidies by function are general street lighting (\$108,000) and Streetscape (\$67,000).

The first step in this annual process is for Council to pass a Resolution of Initiation tonight, which authorizes the preparation of an Engineering report on the District. Then, on May 20, 2008, the Engineering Report will be submitted to Council, along with a Resolution of Intention, which authorizes proceedings for the annual levy and collection of assessments. Finally, on June 17, 2008, the public hearing will be held after which Council will be asked to adopt a resolution providing for the levy and collection of street lighting assessments for the fiscal year 2008-2009.

Attachment: A - Resolution No.6135

RESOLUTION NO. 6135

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH, CALIFORNIA, ORDERING THE PREPARATION OF PLANS, SPECIFICATIONS, COST ESTIMATE, DIAGRAM, ASSESSMENT AND REPORT PURSUANT TO PROVISIONS OF DIVISION 15, PART 2, OF THE STREETS AND HIGHWAYS CODE OF THE STATE OF CALIFORNIA FOR PROCEEDINGS FOR ANNUAL ASSESSMENT LEVY AFTER FORMATION OF MAINTENANCE DISTRICT

WHEREAS, this City Council has conducted proceedings for the formation of a maintenance district pursuant to the terms and provisions of the "Landscaping and Lighting Act of 1972," being Division 15, Part 2 of the Streets and Highways Code of the State of California, in what is known and designated as LANDSCAPING AND STREET LIGHTING MAINTENANCE DISTRICT NO. 99 (hereinafter referred to as the "District"); and

WHEREAS, at this time, this City Council is desirous to take proceedings for the annual levy of the assessments as required following the formation of said District; and

WHEREAS, these proceedings for the annual levy of assessments shall relate to the fiscal year commencing July 1, 2008 and ending June 30, 2009; and

WHEREAS, the provisions of said Division 15, Part 2 require a written "Report" consisting of the following:

1. Plans and specifications for the works of improvement;
2. An estimate of the costs for maintaining the improvement for the ensuing fiscal year;
3. A diagram of the area proposed to be assessed;
4. An assessment of the estimated costs for the maintenance work for said fiscal year.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH, CALIFORNIA, AS FOLLOWS:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. That a map entitled "Street Lighting Maintenance District No. 99" be submitted to the City Council, showing the boundaries of the proposed area to be assessed and showing the works of improvement to be maintained, is hereby approved and adopted by this City Council, and a copy shall be on file in the Office of the City Clerk and open for public inspection. The proposed parcels and properties within said area are those to be assessed to pay certain of the costs and expenses for said maintenance work.

SECTION 3. That the proposed maintenance work within the area proposed to be assessed shall be for certain lighting improvements, as said maintenance work is set forth in the "Report" to be presented to this City Council for consideration.

SECTION 4. That in all zones within the District, except Zone 10, the costs of the proposed maintenance for the above-referenced fiscal year shall be spread amongst the property owners within the District based upon an Equivalent Dwelling Unit parcel method. The costs in Zone 10 will be allocated based upon an adjusted front footage method as used in previous years.

SECTION 5. That the assessment engineering firm of Harris & Associates Inc., is hereby ordered to prepare and file with the City Council a "Report" relating to said annual assessment and levy in accordance with the provisions of Article IV, commencing with section 22565 of Chapter 1 of the Streets and Highways Code of the State of California.

SECTION 6. That upon completion, said "Report" shall be filed with the City Clerk, who shall then submit the same to this City Council for its consideration pursuant to Sections 22623 and 22624 of said Streets and Highways Code.

SECTION 7. The City Clerk shall make this Resolution reasonably available for public inspection within thirty (30) days of the date this Resolution is adopted.

SECTION 8. The City Clerk shall certify to the adoption of this Resolution and thenceforth and thereafter the same shall be in full force and effect.

PASSED, APPROVED AND ADOPTED this 6th day of May, 2008.

Ayes:
Noes:
Absent:
Abstain:

Mayor, City of Manhattan Beach, California

ATTEST:

City Clerk