

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF BOARD GOVERNED COUNTY SERVICE AREAS
AND RECORD OF ACTION**

August 22, 2023

FROM

BRENDON BIGGS, Director, Department of Public Works – Special Districts

SUBJECT

Various Actions Pertaining to Increased Property Related Service Charge for County Service Area 70, Zone R-9 (Rim Forest)

RECOMMENDATION(S)

Acting as the governing body of County Service Area 70, Zone R-9 (Rim Forest):

1. Adopt the certified results of the mailed ballot property owner election held on June 9, 2023 regarding the proposed increase of an annual property related service charge from \$60 per parcel to \$194.40 per parcel, for ongoing operating and maintenance costs, with an annual inflationary increase of up to 3%, and \$307.09 per parcel, for a 10-year period to fund repayment of a loan, with interest, for a road paving project, for a total of \$501.49 per parcel per year, effective 2023-24, for road maintenance and snow removal services.
2. Adopt **Resolution No. 2023-162** that:
 - a. Repeals Resolution No. 83-192 initially establishing an annual property related service charge of \$60 per parcel for road maintenance and snow removal services for County Service Area 70, Zone R-9 (Rim Forest).
 - b. Authorizes a new annual property related service charge of \$501.49 per parcel for road maintenance and snow removal services, \$194.40 for ongoing operating and maintenance costs, with an annual inflationary increase of up to 3%, and \$307.09 for a 10-year period to fund repayment of a loan, with interest, for a road paving project, effective 2023-24, for County Service Area 70, Zone R-9 (Rim Forest).
3. Reaffirm that the Auditor-Controller/Treasurer/Tax Collector is directed to place the \$501.49 per parcel service charge on the property tax roll beginning in 2023-24, subject to California State Board of Equalization approval, to fund road maintenance and snow removal services for County Service Area 70, Zone R-9 (Rim Forest).

(Presenter: Brendon Biggs, Director, 387-7906)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

**Ensure Development of a Well-Planned, Balanced, and Sustainable County.
Provide for the Safety, Health and Social Service Needs of County Residents.**

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). All costs associated with the property related service charge increase of County Service Area 70, Zone R-9 (Rim Forest) (Zone) are being paid by the property owners within the Zone. The Zone currently generates annual revenue of \$8,460 (141 parcels at \$60 per parcel) through the existing property related service charge.

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The new service charge will generate annual revenue of \$70,710, effective 2023-24, comprised of:

- \$43,300 (141 parcels at \$307.09 per parcel) per year for 10 years to fund repayment of a loan, with interest, for a road paving project. At the conclusion of the 10-year period, this amount will be removed from the property related service charge.
- \$27,410 (141 parcels at \$194.40 per parcel, with an annual inflationary increase of up to 3%) to fund the ongoing costs for operations and maintenance. The inflationary factor is a key component to help offset the increased cost of service in future years.

BACKGROUND INFORMATION

The Zone was formed in 1983 to provide road maintenance and snow removal services for 38 parcels in the Twin Peaks area. Annexation of additional properties in 1989 (39 additional parcels) and 1990 (64 additional parcels) created the current Zone boundaries. When the Zone was formed, a \$60 per parcel annual service charge was established. However, there was no inflationary factor built into the service charge and therefore the \$60 annual charge has remained unchanged. With the annual cost of inflation over the past 40 years and the lack of a corresponding increase in revenue, services to the Zone have been increasingly reduced. This has resulted in a degrading of the road surface. Without immediate action to increase the annual service charge, the Zone's continued sustainability and solvency will become even more threatened.

Property owners residing in the Zone contacted the Department of Public Works – Special Districts (Department) staff regarding the provision for enhanced ongoing maintenance and snow removal services. Following meetings, informational letters, and public surveys, a written notice of public hearing, pursuant to Proposition 218 requirements, for the proposed increase to the property related service charge was mailed on January 27, 2023, to the record owner of each identified parcel upon which the service charge was proposed for imposition. The notice included the following:

- Amount of the charge proposed to be imposed upon each parcel;
- Basis upon which the amount of the proposed charge was calculated;
- Reason for the charge; and
- Notice of the March 14, 2023 public hearing date, time, and location on the proposed increased service charge.

Due to intense snow storms impacting the mountain communities in late February and March, the March 14, 2023 (Item No. 69) public hearing regarding the proposed increased to the Zone's property related service charge was opened and continued to April 25, 2023 (Item No. 81). This was done to allow property owners extended time to recover from the snow storms encountered in their community and further opportunity to bring any protest forward against the proposed rate increase.

On April 25, 2023 (Item No. 81), the Board of Supervisors (Board) conducted the continued public hearing upon the proposed increased property related service charge to hear and consider all protests against the proposed increase. No protests were received. Therefore, at the conclusion of the public hearing, the Board determined that a majority protest of property owners did not exist and thus adopted Resolution No. 2023-46 authorizing a mailed ballot election of property owners, pursuant to the requirements of Proposition 218 and the California Constitution, Article XIID, Section 6(c), to establish the service charge revision to \$501.49 per parcel effective 2023-24. The Resolution established June 9, 2023, as the mailed ballot election

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date to be voted on by property owners within the Zone. On July 25, 2023 (Item No. 60), an item was presented and taken off calendar, with the item to be presented at the Board meeting on August 22, 2023.

The Department is returning to the Board to adopt the certified election results for the Zone's proposed service charge. The ballots were mailed by an independent election provider on April 26, 2023, and received by June 9, 2023 (the official election date). The proposed property related service charge was approved by a majority vote of the property owners in the Zone.

Approval of this item will adopt a Resolution repealing portions of Resolution No. 83-192, related to the annual service charge of \$60 per parcel, and establish a revised service charge of \$501.49 parcel per year, effective 2023-24, for road maintenance and snow removal services. Pursuant to Board action dated April 25, 2023 (Item No. 81), the Auditor-Controller/Treasurer/Tax Collector is directed to place this service charge of \$501.49 per parcel on the property tax roll beginning in 2023-24, subject to approval from the California State Board of Equalization. This item reaffirms that action.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Aaron Gest, Deputy County Counsel, 387-5455) on June 30, 2023; Auditor-Controller/Treasurer/Tax Collector (Franciliza Zyss, Chief Deputy, 382-3176) on June 21, 2023; Finance (Tom Forster, Administrative Analyst, 387-4635) on July 3, 2023; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on July 7, 2023.

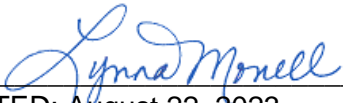
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Record of Action of the Board of Supervisors
Board Governed County Service Areas

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Curt Hagman
Ayes: Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.
Absent: Col. Paul Cook (Ret.)

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: August 22, 2023



cc: File - CSA 70 R-9 (Rim Forest) w/ attachments
JLL 08/29/2023