



Board Agenda Item 89

DATE: June 20, 2017

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Adoption of Fiscal Year 2017-18 Budgets Based on Previously Approved Fees, Assessments, Charges and State or Federal Grants for County Service Areas, a Highway Lighting District, County Maintenance Districts, and County Waterworks Districts.

RECOMMENDED ACTION(S):

Sitting as the Board of Supervisors and as the Board of Directors for Waterworks District Nos. 37, 38, 40, 41, and 42:

Adopt Resolution approving FY 2017-18 budgets based on previously approved fees, assessments, charges, State or Federal grants, and recovered costs for County Service Areas, a Highway Lighting District, Maintenance Districts, and Waterworks Districts; and direct Department of Public Works and Planning staff to include the rates on the Master Schedule of Fees, Charges, and Recovered Costs for administrative purposes.

The purpose of this agenda item is to adopt the budgets for County Service Areas (CSAs), a Highway Lighting District (HLD), Maintenance Districts (MDs), and Waterworks Districts (WWDs) for FY 2017-18. The budgets are based on previously approved rates of engineer's reports and Proposition 218 hearings.

ALTERNATIVE ACTION(S):

There are no viable alternative actions.

FISCAL IMPACT:

There is no net County cost associated with the recommended action. All costs for the operations and maintenance of the districts will be paid by the benefitting properties. The carryover funds, interest, annual assessments, fees, State or Federal grants, and charges will provide the funding that is needed to operate each district.

DISCUSSION:

This agenda item is to consider the adoption of budgets for 37 CSAs, six WWDs, five MDs, one HLD, and 78 road zones in CSA 35 based on previously approved fees, assessments, and engineer's reports. These 127 districts serve in excess of 30,000 residents throughout the unincorporated area of Fresno County. Services provided include one or more of the following: community water, community sewer, street lighting, snow removal, storm drainage, structural fire protection, first responder medical services, landscaping, refuse collection, park maintenance, wetlands monitoring, open space maintenance, and road maintenance.

The proposed operating budgets and capital assets are based on the revenues from fees and assessments for services, interest, and in some cases a portion of property taxes. Because reserves may be used for unanticipated cost increases, additional State required monitoring, equipment replacement, major emergencies, or future projects recommended by the property owners, some of these budgets are expected to be amended during FY 2017-18. All budgets are projected using existing fee structures, historic expenditures, and anticipated capital expenditures.

Various proposed budgets also include capital projects which are expected to be commenced or continued in FY 2017-18. These capital projects are funded through district reserves, donations accepted by the County on the district's behalf, State Revolving Fund loans which have been previously approved by the property owners and will be repaid through assessments adopted by the Board through the Proposition 218 process, or through State or Federal grants awarded to the districts and accepted on their behalf by the County. The districts with planned capital projects in FY 2017-18 include: CSA 1 - Tamarack, CSA 5 - Wildwood, CSA 32 - Cantua Creek, CSA 34 - Millerton New Town, CSA 44C - River View Estates, CSA 44D - Monte Verdi, CSA 47 - Quail Lakes, CSA 49 - O'Neil Farming, WWD 38 - Sky Harbor, WWD 40 - Shaver Springs, and WWD 41W - Shaver Lake.

It is recommended that the Board adopt the Resolution approving the district budgets for FY 2017-18 based on the fees, charges, assessments, and recovered costs, and direct staff to include these rates in the Master Schedule of Fees, Charges and Recovered Costs.

A copy of the districts' budgets is on file with the Clerk to the Board and posted on the Department's website. The Citizens Advisory Committee (CAC) members with an e-mail address on file were notified and some CACs have reviewed their budgets at a regularly scheduled meeting.

Staff anticipates a potential of eleven Proposition 218 proceedings in FY 2017-18. These districts have experienced unanticipated operation and maintenance expenses, require capital replacement items, or have not conducted hearings for fee increases for an extended period of time. These districts include: CSA 1 - Tamarack, CSA 14 - Belmont Manor, CSA 30 - El Porvenir, CSA 32 - Cantua Creek, CSA 35F - Sierra Highlands, CSA 44C - Riverview Ranch, CSA 34C - Bella Vista, CSA 43W - Raisin City, CSA 49 - O'Neil Farming, WD 41W - Shaver Lake (water), and WWD 42 - Alluvial/Fancher.

On September 12, 2016, the Board adopted Resolution No. 16-389 that established a policy for cash-flow loans to CSAs and WWDs. At this time, there are no active cash-flow loans to report on.

On February 7, 2017, the Board adopted Resolution No. 17-121 that established a policy for a CSA revolving fund. At this time, there are no active revolving fund loans to report on.

REFERENCE MATERIAL:

Advance Agenda Material, June 5, 2017

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Resolution

CAO ANALYST:

John Hays