

COUNTY SERVICE AREA NO. 35 – ZONE AJ

ENGINEER’S REPORT

Date: September 11, 2016

ENGINEER’S REPORT SUPPORTING A PROPOSED ROAD MAINTENANCE BENEFIT ASSESMENT FOR COUNTY OF FRESNO COUNTY SERVICE AREA NO. 35, ZONE AJ (EAST RENO AVENUE)

The undersigned submits this written Engineer’s Report to the Department of Public Works and Planning as follows:

1. **Engineer’s Report:** This Engineer’s Report supports a proposed road maintenance assessment by the County of Fresno, in County Service Area No. 35, in and around Zone AJ.
2. **Authorization:** This Engineer’s Report is submitted under the County Service Area law found in Title 3, Division 2, Part 2, Chapter 2.5 of the Government Code (beginning with section 25210), particularly Government Code section 25215.3, the Benefit Assessment Act of 1982 found in Title 5, Division 2, Part 1, Chapter 6.4 of the Government Code (beginning with section 54703), particularly Government Code section 54716, and Article XIID, Section 4, of the California Constitution.
3. **Purpose of the Assessment:** The express purpose for which this benefit assessment is proposed is to establish a source of funding to provide road maintenance for East Reno Avenue. Parcels which receive special benefit of East Reno Avenue, for the purposes of this report, is defined specifically referring to access rights of a parcel to East Reno Avenue and that any access to East Reno Avenue is equal access; and therefore the proportionate share for which each parcel shall contribute to road maintenance assessment. Currently Twenty-six (26) existing parcels within Zone AJ are specially benefitted by the road maintenance as conferred by the existing Zone AJ Engineer’s Report dated January 27, 2015. Additionally one (1) parcel, which will receive benefit of East Reno Avenue, upon recordation of Parcel Map 8114 (splitting parcel APN 580-010-22 into two separate parcels for which 1 APN is not assigned until recordation). Therefore these Twenty-seven (27) parcels together are receiving a special benefit and will be assessed based on the proportionate special benefit to each. These parcels collectively hereafter are referred to as Zone AJ and collectively herein shall also be referred to as the Assessed Parcels. The assessment includes the cost for the County to maintain East Reno Avenue, including administrative costs, and the cost of the County liability insurance to insure the road.
4. **Current Funding:** There is no other funding from the County for maintenance as East Reno Avenue is not included in the County’s maintained road system. Therefore only revenue from Zone AJ is used for road maintenance. As of the date of this report there is \$65,814.09 in cash reserves (after appropriations) in the Zone AJ fund. The County cannot provide funds from the General Fund or the Road Fund for the maintenance of East Reno Avenue.
5. **Determination of Necessity:** The level of road maintenance services which can be provided by the revenue raised from the proposed benefit assessment is estimated to be adequate to meet the requirements of providing for the maintenance of the road to a level determined by the Director of Public Works & Planning of the County of Fresno for the period specified herein. The entire budget to maintain the road, and for the administrative costs of Zone AJ, will be adjusted by the proposed benefit assessment.
6. **Limitation upon Expending Assessment Proceeds:** Any funds collected from the benefit assessment proposed herein shall be expended only for East Reno Avenue road maintenance services to benefit the Assessed Parcels,

including administrative costs of Zone AJ. Any unexpected funds raised by the assessment remaining at the end of the fiscal year shall be carried over for the same purpose in the next fiscal year.

7. Levy: A benefit assessment to raise revenue to fund road maintenance services is hereby proposed to be levied upon real property that receives a special benefit from the maintenance of East Reno Avenue.
8. Assessment: The assessment for the first fiscal year and the maximum assessment of each year thereafter.

- a) The proposed assessment will be levied in fiscal year 2017-2018 in the amount of \$341.34 per Assessed Parcel and may be increased for inflation at a rate not to exceed the San Francisco-Oakland-San Jose Price Index (SFCPI-U) and in no case exceeding 3% over the prior year's assessment. The proposed assessment for year 1 (FY 2017-18) is derived from the following formula:

$$\text{Assessment}_{(2017-18)} = (16 \text{ Year Maint. Cost}) / \text{Number of Parcels}$$

For each year thereafter, the assessment may be adjusted for inflation at a rate not to exceed the San Francisco-Oakland-San Jose Price Index (SFCPI-U), and in no case exceeding 3% over the prior year's assessment.

The proposed assessment at any given year other than year 1 is derived from the following formula:

$$\text{Assessment}_{(\text{Budget Year})} = ((16 \text{ Year Maint. Cost}) / \text{Number of Parcels}) * (1.03)^{(\text{Budget Year} - 1)}$$

**The assessment formula is valid for reapportionment revisions to the assessed parcels receiving equal benefit provided that the "maintenance costs" do not change for the reapportionment.*

A sixteen year maintenance cycle will be used, which generally is consistent with industry standards pertaining to roads of similar size and locations. After the sixteenth year (fiscal year 2033-2034), the yearly assessment will remain at the same amount as the sixteenth year assessment unless the property owners approve a new assessment in a proceeding compliant with Proposition 218. The Assessed Parcels will pay 100% of the costs associated with the maintenance of East Reno Avenue, including the administrative costs of Zone AJ. See attached Exhibit "A" for the projected Zone AJ road maintenance budget. The maximum property assessments chargeable each year to each of the Assessed Parcels are as follows:

| Budget | Maximum Annual Assessment Per Parcel | Total Assessment |
|------------------------------|--------------------------------------|------------------|
| 1 | \$341.34 | \$9,216.18 |
| 2 | \$351.58 | \$9,492.67 |
| 3 | \$362.13 | \$9,777.45 |
| 4 | \$372.99 | \$10,070.77 |
| 5 | \$384.18 | \$10,372.89 |
| 6 | \$395.71 | \$10,684.08 |
| 7 | \$407.58 | \$11,004.60 |
| 8 | \$419.81 | \$11,334.74 |
| 9 | \$432.40 | \$11,674.78 |
| 10 | \$445.37 | \$12,025.02 |
| 11 | \$458.73 | \$12,385.78 |
| 12 | \$472.49 | \$12,757.35 |
| 13 | \$486.67 | \$13,140.07 |
| 14 | \$501.27 | \$13,534.27 |
| 15 | \$516.31 | \$13,940.30 |
| 16 | \$531.80 | \$14,358.51 |
| 17 & after | \$531.80 | \$14,358.51 |
| Total for years 1 through 16 | | \$185,769.45 |

- b) The lien will be that prescribed by law.

- c) The assessment schedule (Exhibit "A") is based on each of the Assessed Parcels having special benefit for access rights to East Reno Avenue. Therefore, each parcel which receives an equal special benefit for the road access shall also receive an equal share of road maintenance service being provided. There is no general benefit derived by the proposed road maintenance because East Reno Avenue provides access to only the Assessed Parcels. The assessment is equal to the special benefit derived by each identified lot in relationship to the entirety of the estimated cost of the road maintenance service being provided as each parcel shares equal parcel access rights of East Reno Avenue. No assessment exceeds the reasonable cost of the proportional special benefit conferred on each lot as the estimated maintenance cost is divided equally between equally benefited parcels. The projected cost of road maintenance was prepared by the assessment engineer and provides for maintenance of the existing pavement within a sixteen year period. The proposed assessment also includes the estimated cost to maintain the existing road surface and drainage facilities each year. The maintenance plan is shown in detail in Exhibit "A" with projected costs for providing the maintenance plan and the cost of County liability insurance to insure the road.

The estimated cost for each item shown in the road maintenance plan and projected cost budget is based on industry standard data and visual observations of the existing road surface per a site inspection performed on February 23, 2016. The total estimated cost for each fiscal year budget is divided by the Assessed Parcels to calculate an equal per lot assessment for each fiscal year.

It is noted that a portion of the existing roadway, located at the west end, which is currently being assessed and is to be County maintained has a section of roadway that is impeded by a private gate, which was not installed by the County. Generally that portion of said road which generally lies approximately 20' west of the easterly property line for APN 580-010-43S and 580-10-14S has been illegally gated without permit. The assessments made herein are based on the expectation that the County will work with the property owner to remove the private gate such that full public access is restored throughout the dedicated road. Additionally, APN 580-010-18S takes access by way of a constructed driveway to East Reno Avenue through a dedicated or prescriptive easement through APN 580-010-16S and therefore is included herein.

9. Collection: The collection of the proposed assessment shall be by the County of Fresno on behalf of County Service Area No. 35, Zone AJ, in the same manner, and subject to the same penalties, as other fees, charges, and taxes fixed and collected by the County. The County's reasonable cost to collect the assessment each year is included in the road maintenance projected cost budget in Exhibit "A" and is part of the yearly County Administrative Fee line item shown in the projected cost budget for each year.
10. Contents Article XIID: This written Engineer's Report, pursuant to Article XIID, Section 4 of the California Constitution, contains all of the following:
- a) The attached Exhibit "A" identifies the projected maintenance budget cost and yearly assessment schedule for all Assessed Parcels, which are listed on page 1 of Exhibit "B".
 - b) The attached Exhibit "B" identifies and describes all lots which have a special benefit conferred on them and on which the assessment will be imposed.
 - c) It is my determination that the equal special benefit derived by each identified lot in relationship to the entirety of the cost of the road maintenance service to be provided is as set forth in Exhibit "A".
 - d) It is my determination that no assessment is imposed on any lot which exceeds the reasonable cost of the equal special benefit conferred on that lot.

- e) It is my determination that the only benefits assessed are special and that general benefits have been separated from the special benefits conferred on each lot.
- f) It is my determination that no lot owned by any public agency, the State of California or the United States but not identified and described on the attached Exhibit "B", receives any special benefit from the proposed assessment.

11. Under current law, distinct procedures must be followed by the County to determine a "majority protest" exists at the close of public hearing of protests, summarized as follows:

a) The Property Owner Assessment Ballot Procedure

The County shall give notice by mail to the record owner of each of the Assessed Parcels. The notice must include the total amount of the proposed assessment chargeable to the entire district, the amount chargeable to the record owner's parcel, the duration of the payments, the reason for the proposed assessment, and the basis upon which the amount of the proposed assessment was calculated. The notice shall also include the date, time, and location of a public hearing on the proposed assessment. Each notice shall also include, in a conspicuous place, a summary of the County's procedures for the completion, return and tabulation of an assessment ballot, and a statement that the proposed assessment will not be imposed if the ballots submitted in opposition to the proposed assessment exceed the ballots submitted in support, with ballots equally weighted according to each parcels special benefit for each affected property. The notice shall be sent at least 45 days before the public hearing on the proposed assessment. The face of the envelope enclosing the notice and ballot shall say, in no smaller than 16-point bold type: "OFFICIAL BALLOT ENCLOSED".

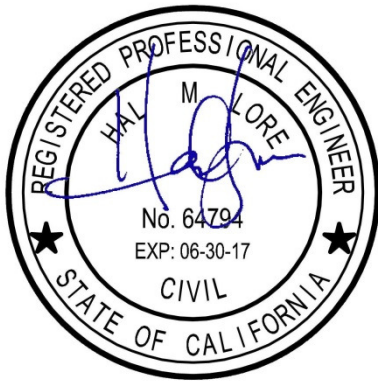
An assessment ballot shall be enclosed with each notice, along with a self-addressed return envelope by which the assessment ballot may be returned to the Clerk to the Board of Supervisors from each record owner. This assessment ballot may be used by the owner or owners of any parcel to express either support for or opposition to the proposed assessment. The assessment ballot shall include a place where the person returning the assessment ballot may indicate his or her name, a reasonable identification of the parcel, and his or her support or opposition to the proposed assessment. The assessment ballot instructions shall describe the alternative methods for submitting the ballot either by mail or by personal delivery, either prior to or at the time of the public hearing of protests.

Immediately following the close of the public hearing of protests, the returned assessment ballots shall be tabulated, both in support of and in opposition to the assessment, with assessment ballots bearing equal weight, and the results will be announced; provided that, in the event the clerk requires opportunity to determine whether any assessment ballot has been properly signed by an owner or authorized representative of any owner, the Board of Supervisors reserves the right to continue the matter of announcing results to provide the clerk with such opportunity.

In the event that assessment ballots in opposition exceed assessment ballots in support, there will be a "majority protest" and the Board of Supervisors will be precluded from proceeding with the proposed assessment. In such case the existing Benefit Assessment for Service Area No. 35, Zone AJ shall remain in its present form.

12. General Rules Regarding Protests

- a) All written protests must be filed with the Clerk to the Board of Supervisors at or before the time fixed for the hearing. Written protests may be withdrawn in writing at any time prior to conclusion of the hearing.
- b) Property owners wishing to preserve the opportunity to file a lawsuit challenging the assessment, if levied must file a written protest and state therein the specific grounds of protest. Any grounds of protest not stated in a written protest filed prior to the close of the public hearing of protests are deemed waived in any subsequent lawsuit and may not be raised in such lawsuit.
- c) The validity of the assessment announced by the Board of Supervisors shall not be contested in any action or proceeding unless the action or proceeding is commenced within thirty days after the assessment is announced and adopted (Fresno County Ordinance Code Section 4.28.040).
- d) Based on the foregoing the undersigned registered engineer submits this written Engineer's Report for consideration of support or opposition by the Assessed Parcels and the Board of Supervisors.



Hal Lore, PE - Lore Engineering, Inc.

EXHIBIT "A"
Page 1 of 4
COUNTY SERVICE AREA NO. 35 ZONE AJ & PARCEL MAP NO. 8114
FOR TWENTY-SEVEN (27) ASSESSED PARCELS
PROJECTED SIXTEEN YEAR ROAD MAINTENANCE COST

Zone AJ currently contains approximately 0.99 mile of road, constructed to Fresno County Public Road Standards, generally between the connection point of Auberry Road (to the east) to the easterly property line of APN's 580-010-43S and 580-010-14S.

Pursuant to conditions of approval for Parcel Map 8114 the County has requested a proceeding for a new assessment for the cost of maintaining the road. The new assessment hereby accounts for the annexation of parcel(s) currently not within Zone AJ and new parcels that will be created by subdivision in association with Parcel Map 8114. The approximate age of East Reno Avenue (not including expansions or extensions) is approximately 20 years old and no records can be found for prior pavement overlay improvements since its initial construction.

Approximately 0.64 mile of East Reno Avenue is currently in good condition with no visible maintenance needs. Approximately 0.35 mile of East Reno Avenue starting approximately 200 feet to the east of westerly property line of APN 580-010-22 to the point of connection to Auberry Road is currently in need of immediate improvement. Maintenance herein is called for 0.35 mile of roadway which would partially involve reconstruction of the road section and other portions crack sealed in the 1st year and the entire 0.99 mile to be overlaid in 16th year, the latter being part of the 16-year maintenance cycle. Minor maintenance shall be provided annually or in extraordinary circumstances major maintenance may be needed for emergency repair, as determined by County Public Works engineering and management personnel.

Public Works engineering and management personnel will be available to assist the property owners with problems pertinent to the provision of road maintenance service through Zone AJ. Sufficient funds have been apportioned within the benefit to cover the cost of quarterly mailings of financial reports to all specially benefitted property owners of the Assessed Parcels.

The County proposes to assess the specially benefitted properties \$341.34 per parcel in years one to sixteen plus optional limited increases for inflation after year one. Assessments shall be used for total maintenance and operation expenses, including administrative costs for Zone AJ, liability insurance, either by the County's self-insurance program or by commercial carrier, engineering services provided for road maintenance overlay or design within the 16 year period and/or emergency maintenance responses e.g., washouts. The contingency fund is fifteen percent of the annual budget for the and is maintained to cover unforeseen expenses. The annual cost and anticipated improvement estimates were prepared based upon industry standard methods with standard economic and experience cost factors, to afford reasonable assurance that the work can be performed within the budget estimate.

EXHIBIT "A" - PAGE 2 OF 4**COUNTY SERVICE AREA NO. 35, ZONE AJ & PARCEL MAP NO. 8114
PROJECTED 1st YEAR ROAD MAINTENANCE COST****FOR TWENTY-SEVEN (27) ASSESSED PARCELS
0.35 MILE OF ROAD IMPROVEMENTS**

~ Total Reno Avenue Road Length: 5,227.2 LF (0.99 Mile)

~ 1st year new pavement improvements consist of pavement grinding, compaction and replacement for: 1,060 LF (0.20) Mile , Std Width 20'

~ 1st year pavement repair consists crack sealing for: 800 LF (0.15) Mile

| Item | Description | Quantity | Unit | Unit Cost | Cost |
|--|--|----------|------|---------------------|-------------|
| Section 1.0: Non-construction related maintenance | | | | | |
| 1 | Annual cleaning & maintain drainage facilities | 1 | LS | \$250.00 | \$250.00 |
| 2 | Sign repair and/or miscellaneous | 1 | LS | \$150.00 | \$150.00 |
| 3 | County Service Area administration (1) | 1 | LS | \$1,445.00 | \$1,445.00 |
| 4 | Insurance | 1 | Mile | \$500.00 | \$500.00 |
| | | | | Subtotal | \$2,345.00 |
| Section 2.0: Construction related maintenance | | | | | |
| 1 | Mobilization | 1 | LS | \$2,000.00 | \$2,000.00 |
| 2 | Traffic Control | 1 | LS | \$3,000.00 | \$3,000.00 |
| 3 | Existing Pavement Grinding w/ 6" Subgrade Compaction (0.20 Mile) | 2346.7 | SY | \$4.00 | \$9,386.67 |
| 4 | 0.20' Hot Mix Asphalt Pavement (0.20 Mile) per County Std A-15 (2) | 316.8 | TON | \$90.00 | \$28,512.00 |
| 5 | Existing Pavement Crack Seal (0.15 Mile) | 1760.0 | SY | \$3.00 | \$5,280.00 |
| (1) | Direct County Charges: County Service Area, Administration Costs, Postage | | | Subtotal | \$48,178.67 |
| (2) | Wedge grinds at existing driveways omitted due to complete pavement removal and reconstruction | | | 10% Contingency | \$4,817.87 |
| | | | | Total | \$52,996.53 |
| | | | | Total Section 1 & 2 | \$55,341.53 |
| Section 3.0: Current Fund Financials | | | | | |
| A. | Current Cash Reserves | | | | \$65,587.72 |
| B. | Estimated Amount Currently Due to Fund After Appropriations | | | | \$231.37 |
| C. | Total Cash Reserves Available for Use | | | | \$65,819.09 |
| Section 4.0: 1st Year Budget Summary | | | | | |
| A. | Total Cash Reserves Available for Use | | | | \$65,819.09 |
| B. | Estimated 1st Year Maintenance Costs | | | | \$55,341.53 |
| C. | Total Estimated Reserves Post Construction | | | | \$10,477.56 |

EXHIBIT "A" - PAGE 3 OF 4

**COUNTY SERVICE AREA NO. 35, ZONE AJ & PARCEL MAP NO. 8114
PROJECTED 16 YEAR ROAD MAINTENANCE COST**

**FOR TWENTY-SEVEN (27) ASSESSED PARCELS
0.99 MILE OF ROAD IMPROVEMENTS**

~ Total Reno Avenue Road Length: 5,227.2 LF (0.99 Mile), 104,540 sf with Standard Width 20'

| Item | Description | Quantity | Unit | Unit Cost | 1yr Cost | 16yr Cost Equiv. |
|--|---|----------|------|------------------------------------|------------|---------------------|
| Section 1.0: Non-construction related maintenance | | | | | | |
| 1 | Annual cleaning & maintain drainage facilities | 1 | LS | \$250.00 | \$250.00 | \$4,000.00 |
| 2 | Sign repair and/or miscellaneous | 1 | LS | \$150.00 | \$150.00 | \$2,400.00 |
| 3 | County Service Area administration (1) | 1 | LS | \$1,445.00 | \$1,445.00 | \$23,120.00 |
| 4 | Insurance | 1 | Mile | \$500.00 | \$500.00 | \$8,000.00 |
| | | | | Subtotal | \$2,345.00 | \$37,520.00 |
| Section 2.0: Construction related maintenance | | | | | | |
| 1 | Mobilization | 1 | LS | \$2,000.00 | | \$2,000.00 |
| 2 | Traffic Control | 1 | LS | \$3,000.00 | | \$3,000.00 |
| 3 | Clear & Grub Shoulders & Grading | 1 | DAY | \$5,000.00 | | \$5,000.00 |
| 4 | Existing AC Grind at Driveways | 1 | DAY | \$5,000.00 | | \$5,000.00 |
| 5 | Tack Coat | 1 | LS | \$1,500.00 | | \$1,500.00 |
| 6 | 0.125' Hot Mix Asphalt Pavement Overlay | 980.1 | TON | \$90.00 | | \$88,209.00 |
| (1) | Direct County Charges: County Service Area, Administration Costs, Postage | | | Subtotal | | \$104,709.00 |
| | | | | 15% Contingency | | \$15,706.35 |
| | | | | Total | | \$120,415.35 |
| | | | | Total Section 1 & 2 | | \$157,935.35 |
| | | | | Avg. Annual Cost over 16 yr Period | | \$9,870.96 |
| Section 3.0: Current Fund Financials | | | | | | |
| A. | Current Cash Reserves After First Year | | | | | \$10,477.56 |
| B. | Annual Cash Reserve Prorated for 16 Years | | | | | \$654.85 |
| Section 4.0: Year 2 through 16 Budget Summary | | | | | | |
| A. | Avg. Annual Cost over 16 yr Period | | | | | \$9,870.96 |
| B. | Less Annual Cash Reserve Prorated for 16 Years | | | | | -\$654.85 |
| C. | Total Avg. Annual Maintenance Cost (unfactored for inflation) | | | | | \$9,216.11 |
| D. | Final Estimated Avg. Annual Maintenance Cost Per Lot (27 Lots) - (unfactored for inflation) | | | | | \$341.34 |

EXHIBIT "A"

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COUNTY SERVICE AREA NO. 35, ZONE AJ & PARCEL MAP NO. 8114

IDENTIFICATION OF EACH PARCEL TO ASSESS
FOR ROAD MAINTENANCE OF EAST RENO AVENUE
FOR TWENTY-SEVEN (27) ASSESSED PARCELS

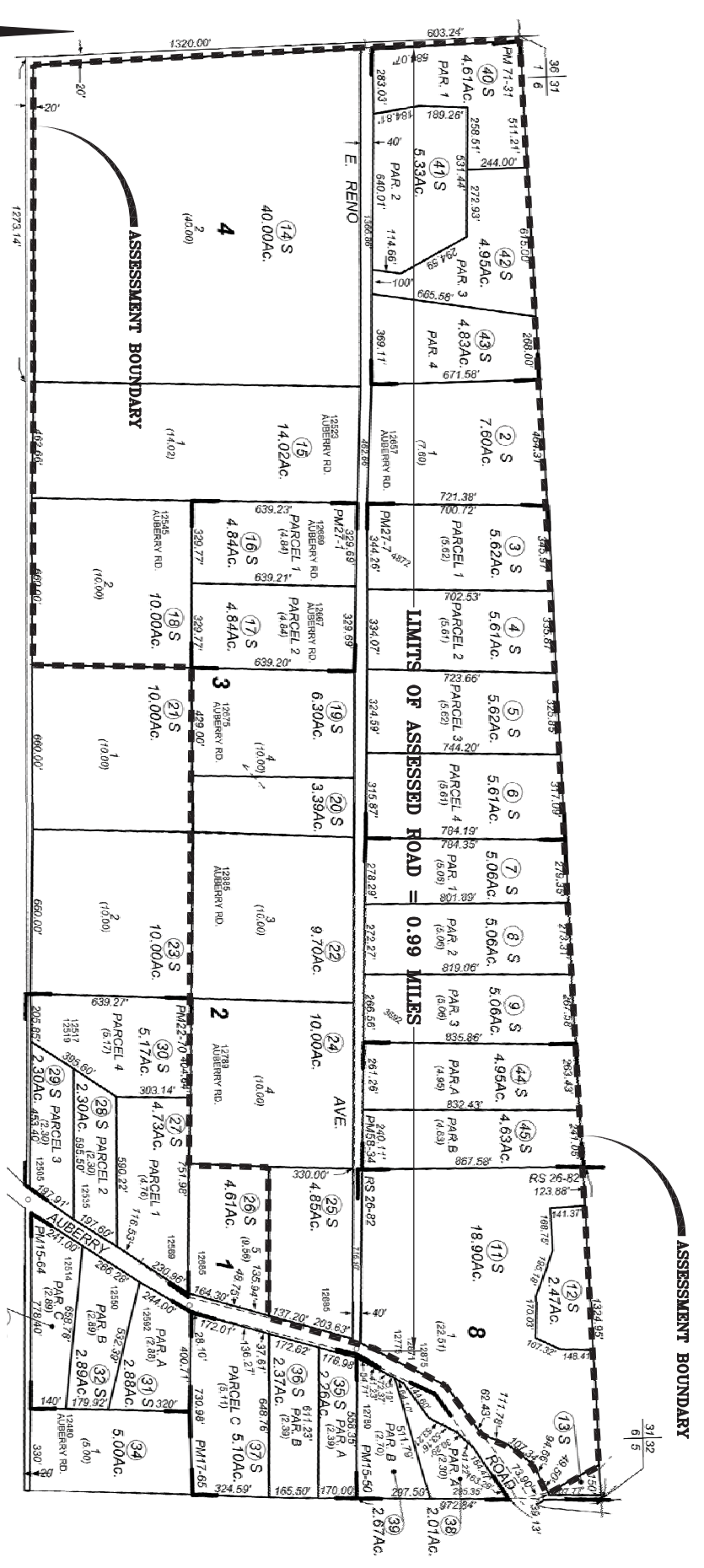
The existing twenty-seven parcels located within Zone AJ that currently have access rights to East Reno Avenue along with the one new parcel being created by Parcel Map 8114 which shall also obtain access rights to East Reno Avenue, collectively these parcels are receiving a special benefit from the maintenance of East Reno Avenue and will all share equally in the maintenance costs of East Reno Avenue. Parcel Map 8114 is a new subdivision of one existing parcel APN 580-010-22 into two parcels; this Parcel Map is not yet recorded and does not have adjustments in Assessor's Parcels Numbers (APN) for identification of the involved lots. Therefore, the assessment for the developing parcel (APN: 580-010-22) will be assessed the equivalent of two parcels until the parcel map is approved and individual APN's are assigned, which at that time each lot shall be assessed individually.

EXHIBIT "B"

Page 1 of 1

COUNTY SERVICE AREA NO. 35, ZONE AJ & PARCEL MAP NO. 8114
ASSESSED PARCEL LIST

| Number | Parcel APN |
|--------|--|
| 1 | 580-010-02S |
| 2 | 580-010-03S |
| 3 | 580-010-04S |
| 4 | 580-010-05S |
| 5 | 580-010-06S |
| 6 | 580-010-07S |
| 7 | 580-010-08S |
| 8 | 580-010-09S |
| 9 | 580-010-11S |
| 10 | 580-010-12S |
| 11 | 580-010-14S |
| 12 | 580-010-15 |
| 13 | 580-010-16S |
| 14 | 580-010-17S |
| 15 | 580-010-18S |
| 16 | 580-010-19S |
| 17 | 580-010-20S |
| 18 | 580-010-22 (+1 parcel per Parcel Map 8114) |
| 19 | 580-010-24 |
| 20 | 580-010-25S |
| 21 | 580-010-40S |
| 22 | 580-010-41S |
| 23 | 580-010-42S |
| 24 | 580-010-43S |
| 25 | 580-010-44S |
| 26 | 580-010-45S |



PROJECT TITLE:

COUNTY SERVICE AREA NO. 35
ZONE AJ



LORE ENGINEERING, INC.
6220 DEWITT AVENUE SUITE 110
CLOVIS, CA 93612

(559) 297-5200 - TEL
(559) 297-5205 - FAX

SHEET NO:

EX-1

SHEET TITLE:

ASSESSMENT BOUNDARY LIMITS

SCALE:

DESIGNED BY:

DRAWN BY:

DATE:

PROJECT:

NTS

H.L.

H.L.

08/15/16

TM.1501