



Board Agenda Item 38

DATE: April 28, 2020

TO: Board of Supervisors

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

SUBJECT: Budget Resolutions for County Service Area 2 Tenaya Estates, County Service Area 14 Belmont Manor, County Service Area 31 Shaver Lake, County Service Area 34F The Vistas, County Service Area 34G Granville, County Service Area 35AT Bretz Mountain, County Service Area 35CI Quartz Mountain, and Waterworks District 38 Sky Harbour

RECOMMENDED ACTION(S):

1. **Adopt Budget Resolution increasing FY 2019-20 appropriations for County Service Area 2 - Tenaya Estates in the amount of \$10,000 using available fund balance for operational costs (4/5 vote).**
2. **Adopt Budget Resolution increasing FY 2019-20 appropriations for County Service Area 14 - Belmont Manor in the amount of \$35,000 for operational costs and increasing FY 2019-20 estimated revenues with funds received from Settlement Agreement No. 19-518 in the amount of \$2,000,000 (4/5 vote).**
3. **Adopt Budget Resolution increasing FY 2019-20 appropriations for County Service Area 31 - Shaver Lake in the amount of \$200,000 using available fund balance for the purchase of a fire truck for the district (4/5 vote).**
4. **Adopt Budget Resolution increasing FY 2019-20 appropriations for County Service Area 34F - The Vistas in the amount of \$12,288 for operational costs and increasing FY 2019-20 estimated revenues with funds received from Subdivider Agreement 10-533 (4/5 vote).**
5. **Adopt Budget Resolution increasing FY 2019-20 appropriations for County Service Area 34G - Granville in the amount of \$168,974 for operational costs and increasing FY 2019-20 estimated revenues with funds received from Subdivider Agreement 10-534 (4/5 vote).**
6. **Adopt Budget Resolution increasing FY 2019-20 appropriations for County Service Area 35AT - Bretz Mountain in the amount of \$6,000 using available fund balance for operational costs (4/5 vote).**
7. **Adopt Budget Resolution increasing FY 2019-20 appropriations for County Service Area 35CI - Quartz Mountain in the amount of \$6,000 using available fund balance for operational costs (4/5 vote).**

Sitting as the Board of Directors for Waterworks District No. 38:

- 8. Adopt Budget Resolution increasing FY 2019-20 appropriations for Waterworks District 38 - Sky Harbour in the amount of \$140,000 using available fund balance for operational costs (4/5 vote).**

There is no Net County Cost associated with any of the recommended actions.

Approval of the recommended actions 1, 3, and 6 through 8, will increase FY 2019-20 appropriations in the amount of \$10,000 for County Service Area 2 (CSA 2), Org 9142, in the amount of \$200,000 for County Service Area 31 (CSA 31), Org 9171, in the amount of \$6,000 for County Service Area 35AT (CSA 35AT), Org 9231, in the amount of \$6,000 for County Service Area 35AT (CSA 35CI), Org 9265, and in the amount of \$140,000 for Waterworks District 38 (WWD 38), Org 9358, from available fund balances.

Approval of recommended actions 2, 4, and 5 will increase FY 2019-20 estimated revenues and appropriations for County Service Area 14 (CSA 14), Org 9154 in the amount of \$2,000,000 in estimated revenues and \$35,000 in appropriations, for County Service Area 34F (CSA 34F), Org 9324, in the amount of \$12,288 in estimated revenues and appropriations, and for County Service Area 34G (CSA 34G), in the amount of \$168,974 in estimated revenues and appropriations expenditures.

This item pertains to multiple locations in District 5.

ALTERNATIVE ACTION(S):

If the recommended actions are not approved for CSA 2, CSA 14, CSA 35AT, CSA 35CI, and WWD 38, remaining appropriations will be depleted before the end of FY 2019-20, and the districts will be unable to pay for district expenditures. If the recommended actions are not approved for CSA 34F and CSA 34G, a budget will not be established for FY 2019-20 and the districts would be unable to pay for any of their expenditures. If the recommended action is not approved for CSA 31, the district would not have the appropriations to purchase a fire truck in FY 2019-20.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended actions.

All operation, maintenance and administrative costs are paid for by the benefitted property owners within CSA 2, CSA 14, CSA 31, CSA 35AT, CSA 35CI and WWD 38 from property assessments, service fees, and interest revenue.

All operation, maintenance and administrative costs are paid for by the benefitted property owners within CSA 34F through Subdivider Reimbursement Agreement No. 19-533, in which the developer is responsible to pay for all costs associated with operation, maintenance and administration of the district, until such a time as the costs can be met by CSA 34F through assessments, service fees, and interest revenue.

All operation, maintenance and administrative costs are paid for by the benefitted property owners within CSA 34G through Subdivider Reimbursement Agreement No. 19-534, in which the developer is responsible to pay for all costs associated with operation, maintenance and administration of the district, until such a time as the costs can be met by CSA 34G through assessments, service fees, and interest revenue.

DISCUSSION:

CSA 2 was formed on December 26, 1962, to provide services for the subdivision known as Tenaya Estates located West of North Palm Avenue, East of North Fruit Avenue, North of West Escalon Avenue and South

of West Sierra Avenue in Fresno, California. The services consist of maintaining a two-and-a-half-acre community park, known as Tenaya Estates Park, which is located in the center of the Tenaya Estates Subdivision. The subdivision consists of 142 residential parcels and is funded through benefit assessments. CSA 2 experienced extraordinary expenditures at the end of FY 2018-19 related to park maintenance ADA compliance. Due to the increased costs, \$10,000 of FY 2018-19 expenditures rolled over to FY 2019-20, depleting normal operational appropriations. Staff has been in communication with the Citizens Advisory Committee and they are in support of this budget resolution. With your Board's approval of the recommended action, CSA 2's budgeted appropriations will be increased by \$10,000 using CSA 2 Org 9142 Fund 0160 available fund balance to fund operations, maintenance and administration costs.

CSA 14 was formed in 1965 to provide storm drainage facilities, potable water service, and street lighting for the subdivision of Belmont Manor located at Belmont and Leonard Avenues. CSA 14 has 41 connections and two County owned out-lots. CSA 14 does not generate sufficient revenues to cover all operational and administrative expenses. CSA 14 received a settlement in the amount of \$2,000,000 through Agreement 19-518, which incurred additional, unplanned expenses for the preparation and research of the settlement. The proposed increase in appropriations will support the operational costs associated with administering the district. With your Board's approval of the recommended action, CSA 14's budgeted appropriations will be increased by \$35,000 using funds received through agreement 19-518, to fund operations, maintenance and administration costs. An engineer's report is currently being drafted to initiate a rate adjustment procedure to better align CSA 14 annual revenues and expenses. The rate adjustment process is expected to be executed this calendar year.

CSA 31 was formed in 1978 and from inception, has contracted with the Shaver Lake Civic League for fire protection and recreational facility services to the Shaver Lake Community. Agreement No.16-397, which was approved by the Board on June 21, 2016 provides for the necessary personnel, vehicles, tools, and other facilities to deliver structural fire protection and recreational facility services to CSA 31 through June 30, 2021. Staff has been in communication with the Shaver Lake Citizens Advisory Committee and they are in support of this budget resolution. With your Board's approval of the recommended action, CSA 31's budgeted appropriations will be increased by \$200,000 using CSA 31 Org 9171 Fund 0200 available fund balance to fund the purchase of a fire truck.

CSA 34F was formed on October 8, 2019, to provide various community services for the development of The Vistas, a 10-lot subdivision that is under development, to the south of Millerton Road and west of Marina Drive in Friant, California. CSA 34F received \$12,288, through Subdivider Agreement 19-533. The proposed increase in appropriations will support the operational costs associated with administering the district. CSA 34F is undeveloped so there is no Citizens Advisory Committee for this district. Once the subdivision begins to build out and property owners take occupancy, staff will guide property owners in the formation of a Citizens Advisory Committee for CSA 34F. With your Board's approval of the recommended action, CSA 34F's budgeted appropriations will be increased by \$12,288 using funds received through Subdivider Agreement 19-533 to fund operations, maintenance and administration costs.

CSA 34G was formed on October 8, 2019, to provide various community services for the development of Granville, a 133-lot subdivision that currently services 20 water connections (model homes) to the south of Millerton Lake Road and west of Marina Drive in Friant, California. CSA 34G received \$168, 974, through Subdivider Agreement 19-534. The proposed increase in appropriations will support the operational costs associated with administering the district. CSA 34G is undeveloped so there is no Citizens Advisory Committee for this district. Once the subdivision begins to build out and property owners take occupancy, staff will guide property owners in the formation of a Citizens Advisory Committee for CSA 34G. With your Board's approval of the recommended action, CSA 34G's budgeted appropriations will be increased by \$168,974 using funds received through Subdivider Agreement 19-534 to fund operations, maintenance and administration costs.

County Service Area 35, Zone "AT" was formed in 1997 with the first budget in FY 1999-00 to maintain 1.20 miles of roadway and provide snow removal services. The Zone contains 112 parcels and is funded through

benefit assessments. CSA 35AT experienced higher than anticipated expenditures after completing an overlay on the CSA maintained portion of Bretz Mill Road. Staff has been in communication with the Citizens Advisory Committee and they are in support of this budget resolution. With your Board's approval of the recommended action, CSA 35AT's budgeted appropriations will be increased by \$6,000 using CSA 35AT Org 9231 Fund 0220 available fund balance to fund operations, maintenance and administration costs.

County Service Area 35, Zone "CI" was formed in 2006 with the first budget in FY 2007-08 to maintain 1.75 miles of roadway and provide snow removal services. The Zone contains 103 parcels and is funded through benefit assessments. CSA 35CI experienced higher than anticipated expenditures after completing an overlay on the CSA maintained portion of Bretz Mill Road. Staff has been in communication with the Citizens Advisory Committee and they are in support of this budget resolution. With your Board's approval of the recommended action, CSA 35CI's budgeted appropriations will be increased by \$6,000 using CSA 35CI Org 9265 Fund 0220 available fund balance to fund operations, maintenance and administration costs.

WWD 38 was formed on March 9, 1965, to provide community water and wastewater services for the Sky Harbour subdivision, also known as Millerton Lake Park Estates (Tract 1718). The subdivision consists of 230 parcels and is located approximately six miles north of Millerton Road off Sky Harbour Road. Of the 230 parcels, 61 are developed and receive water and sewer services through WWD 38. WWD 38 recently completed a large wastewater system upgrade. There were large unanticipated sludge pumping costs and other expenditures that were project related but not included in the project budget. These charges were not included in the FY 2019-20 adopted budget. Due to these unanticipated and unappropriated costs, appropriated expenditures for FY 2019-20 need to be increased in the amount of \$140,000. Staff has been in communication with the Citizens Advisory Committee and they are in support of this budget resolution. With your Board's approval of the recommended action, WWD 38's budgeted appropriations will be increased by \$140,000 using WWD 38 Fund 0890 available fund balance to fund operations, maintenance and administration costs.

REFERENCE MATERIAL:

BAI # 10, October 8, 2019

ATTACHMENTS INCLUDED AND/OR ON FILE:

- On file with Clerk - Resolution (Org 9142)
- On file with Clerk - Resolution (Org 9154)
- On file with Clerk - Resolution (Org 9171)
- On file with Clerk - Resolution (Org 9231)
- On file with Clerk - Resolution (Org 9265)
- On file with Clerk - Resolution (Org 9324)
- On file with Clerk - Resolution (Org 9325)
- On file with Clerk - Resolution (Org 9358)

CAO ANALYST:

Debbie Paolinelli