



Board Agenda Item 38

DATE: March 17, 2026

TO: Board of Supervisors

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

SUBJECT: Resolution Initiating Standby Charge Assessment Proceeding for Fresno County
Service Area No. 44A (Millerton Lake Mobile Home Village)

RECOMMENDED ACTION(S):

- 1. Adopt and authorize the Chairman to execute Resolution initiating an assessment proceeding under the Uniform Standby Charge Procedures Act for a standby charge assessment, effective July 1, 2026, for sewer services for County Service Area No. 44A, also known as Millerton Lake Mobile Home Village; and**
- 2. Direct the Clerk of the Board to mail notices to the record property owners of the parcels to be assessed, in accordance with Section 6 of the Resolution.**

Approval of the recommended action No. 1 will initiate a proceeding to impose a standby charge assessment for sewer services in County Service Area No. 44A (CSA 44A), which is also known as Millerton Lake Mobile Home Village. A public meeting was held on February 26, 2026, at 6:00 P.M. to discuss the proposed assessment with property owners within CSA 44A. A public hearing shall be scheduled for June 2, 2026 at 9:30 A.M., or as soon after as practicable, to conduct a majority protest hearing under Proposition 218, so that property owners within CSA 44A may indicate their support for, or opposition to, the proposed standby charge assessment.

A detailed Engineer's Report supporting the proposed standby charge assessment is on file with the Clerk of the Board. Exhibit A of this agenda item is a map of CSA 44A, showing the parcels that would be affected by the proposed standby charge assessment. There is no Net County Cost (NCC) associated with the recommended action. All associated costs are paid for by the standby charge assessment levied on the benefitted properties within CSA 44A. This item pertains to a location in District 5.

ALTERNATIVE ACTION(S):

There is no viable alternative action as operating costs have exceeded revenues since 2020 and reserves have been depleted.

FISCAL IMPACT:

There is no NCC associated with the recommended actions. All costs associated with the request are paid for by the standby charge assessment levied on the benefitted properties within CSA 44A, Org 9247.

DISCUSSION:

Background

CSA 44A was formed in 1992 to provide sewer services to the Millerton Lake Mobile Home Village. CSA 44A serves 104 parcels, of which 99 are developed and receiving sewer services.

The last Proposition 218 hearing, by which the sewer annual service charges were increased, was conducted on March 6, 2007. The sewer annual service charge was increased to a total of \$580 per year for developed single family residential parcels (One Equivalent Dwelling Unit (EDU)). The annual service charges were determined based on services, supplies, and labor costs at the time with no adjustments for inflation.

The costs of operating CSA 44A facilities have exceeded revenues since 2020 and will continue to do so unless the proposed standby charge assessment is levied. From fiscal years 2020-21 through 2024-25, the average annual operation and maintenance budget was \$106,013, while revenues averaged \$56,943. As a result, cash reserves have been depleted. Revenues need to be increased to not only meet expenses, but also, in accordance with Board of Supervisors (Board) policy adopted November 7, 2006, to build a cash reserve of a minimum of 50% of the average of the last three fiscal years' annual operation costs.

On February 26, 2026, Department of Public Works and Planning staff met CSA 44A community members and discussed the need to initiate the Proposition 218 process to increase revenue due to the deficiency in funds to operate and maintain the CSA 44A facilities. Department staff informed the CSA 44A community members that Staff would prepare documents and recommend to the Board a Proposition 218 proceeding to levy a standby charge assessment that is designed to generate revenue sufficient to maintain and appropriately fund the community sewer system. Department staff will meet with the CSA 44A community members again on May 7, 2026, to review the proposed standby charge assessment and the Proposition 218 process for a standby charge assessment.

Proposed Standby Charge Assessment

The proposed standby charge assessment for CSA 44A sewer facilities is designed to recover the following costs:

- the collection, treatment, and disposal of raw sewage;
- costs associated with administering assessments, financial audit requirements, liability insurance and other administrative costs;
- an operations and maintenance reserve; and
- repayment of past charges incurred, but not yet paid

The calculation of the proposed standby charge assessment in the Engineer's Report begins with the total annual cost of services. The total cost is then allocated to each parcel in proportion to their EDU. The method is used because the level of special benefit provided by each of the services is equal per "dwelling unit." Each of the residential parcels in CSA 44A is assigned one EDU.

The proposed total annual assessment per EDU, for the first year, FY 2026-27, is \$1,754.28.

The maximum total amount to be collected from all 99 assessed properties in the first year (FY 2026-27) is \$173,673.42.

The maximum total annual amount for all 99 assessed properties in CSA 44A for the following nine years will be:

- | | |
|---------------|--------------|
| 1. FY 2027-28 | \$177,327.13 |
| 2. FY 2028-29 | \$181,090.46 |

3. FY 2029-30	\$184,966.69
4. FY 2030-31	\$188,959.21
5. FY 2031-32	\$143,247.21
6. FY 2032-33	\$147,482.87
7. FY 2033-34	\$151,845.60
8. FY 2034-35	\$156,339.22
9. FY 2035-36	\$160,967.64

The maximum assessment for each year, as presented above, includes a maximum inflation factor of 3%.

Summary of the Proposition 218 Procedures

The process of levying the standby charge assessment on real property within CSA 44A must conform to the requirements of Proposition 218, California Constitution as Articles XIII C and XIII D. The particular requirements applicable to standby charge assessments are in Article XIII D, Section 4. The proceeding must also comply with the Uniform Standby Procedures Act, found in the Government Code beginning at Section 54984.

Under Proposition 218, a notice, including a standby charge assessment ballot, will be mailed to all of the property owners within the District no later than 45 days before the public protest hearing scheduled for June 2, 2026.

Engineer's Report

The Engineer's Report is on file with the Clerk of the Board and available for public inspection in its entirety.

Standby Charge Assessment Ballot Measure

Owners of property within CSA 44A will be given the opportunity, in a standby charge assessment ballot proceeding, also called a "public protest proceeding," to indicate their support of, or opposition to, in a single standby charge assessment ballot measure, the proposed standby charge assessment to provide for the cost of local utility sewer services.

Standby Charge Assessment Ballot Process

For the standby charge assessment, a single standby charge assessment ballot per parcel within CSA 44A, along with a detailed notice and related standby charge assessment ballot instructions, will be mailed by the Clerk of the Board to the record property owners identified in the Engineer's Report as receiving a special benefit from sewer services. For an assessment ballot to be counted, it must be properly executed and delivered before or on the Board's public hearing date of 9:30 A.M. on June 2, 2026 as follows:

- (a) By U.S. mail so that it is received by the Clerk of the Board no later than 9:30 A.M. on June 2, 2026; or
- (b) otherwise delivered to the Clerk of the Board no later than 9:30 A.M. on June 2, 2026; or
- (c) delivered at the Board's public hearing itself on June 2, 2026, before the close of public testimony during the hearing.

Standby charge assessment ballots will remain unopened and in the charge of the Clerk of the Board until they are opened and tabulated by the Board's designated officials (e.g., Director of Public Works and Planning, or designees), after the conclusion of public testimony at the recommended June 2, 2026 Board public hearing, assuming that the Board concludes the public hearing on that day.

Substitute standby charge assessment ballots will also be made available for owners who previously

returned their standby charge assessment ballot (or substitute standby charge assessment ballot) and then wish to change or withdraw their standby charge assessment ballot (or substitute standby charge assessment ballot). Substitute standby charge assessment ballots will also be made available for owners who state that they did not receive or lost their standby charge assessment ballot, or that their standby charge assessment ballot (or substitute standby charge assessment ballot) is unusable.

If more than one of the record owners of an identified parcel wishes to submit a standby charge assessment ballot, they may do so prior to the conclusion of public testimony at the Board's public hearing, but only by using the County-provided co-owner standby charge assessment ballot for such purpose. Co-owner standby charge assessment ballots will indicate the amount of the proposed standby charge assessment to be imposed upon the identified parcel, but there shall be allocated to each properly completed and timely submitted co-owner standby charge assessment ballot the standby charge assessment in proportion to the respective record ownership interests or, if the ownership interests are not shown on the record, as established to the satisfaction of the Board by documentation provided by the record owner(s).

In either case, such co-owner standby charge assessment ballots and substitute standby charge assessment ballots, will be provided once the property owner executes an appropriate County request form, also to be made available upon request to the Clerk of the Board, to ensure orderly standby charge assessment ballot proceedings. Standby charge assessment ballots substitute standby charge assessment ballots and co-owner standby charge assessment ballots will have the same standby charge assessment ballot measure.

All properly completed and timely returned standby charge assessment ballots will be tabulated at the conclusion of the Board's public hearing. The standby charge assessment shall not be imposed if the standby charge assessment ballots submitted in opposition to the proposed standby charge assessment exceed 50% of the validated ballots submitted.

Proposed Resolution to Initiate

Approval of the recommended action will initiate the process to impose a standby charge assessment for sewer services. In general, by approving the resolutions, the Board makes key findings, determinations, and authorizations as follows:

- (a) Describes the reason for the standby charge assessment and the parcels to be assessed.
- (b) States that an Engineer's Report under Article XIIID Section 4 of the California Constitution and Government Code Section 54984.3 and 54717 is on file with the Clerk of the Board.
- (c) Declares the proposal to levy and collect assessments in CSA 44A for the cost of local utility sewer services.
- (d) Authorizes and directs the Director of Public Works and Planning (Director) or designees, to prepare the standby charge assessment ballots and standby charge assessment ballot instructions, any materials for the change, withdrawal, or substitution of standby charge assessment ballots, including substitute standby charge assessment ballots and substitute standby charge assessment ballot instructions, any materials for co-owner standby charge assessment ballots, including co-owner standby charge assessment ballots, and any other forms and materials, as the Director, or designees, deem necessary or appropriate, with respect to the submission of standby charge assessment ballots by record property owners of the parcels to be assessed, under Section 53753 of the California Government Code.
- (e) Authorizes and directs the Director, or designee, to prepare a notice of the public hearing, and specifies that the notice shall also contain information required by Proposition 218, as well as a standby charge assessment ballot and standby charge assessment ballot instructions.

- (f) Authorizes and directs the Clerk of the Board to sign and mail, postage prepaid, in the United States mail, no later than April 3, 2026, the notice to the record property owners of the parcels to be assessed. On the face of the envelope in which each notice is sent, there shall appear, in no smaller than 16-point bold type, the words "OFFICIAL BALLOT ENCLOSED." Upon the Clerk of the Board's completion of the mailing of the notices, the Clerk is directed to file with the Board an affidavit setting forth the time and manner of the compliance with the requirements of this resolution for mailing the notices.
- (g) Designates and authorizes the Director, or designees, who may be any employees of Department of Public Works and Planning that he appoints, to tabulate the assessment ballots submitted, and not withdrawn, in support of or in opposition to the proposed standby charge assessment. Each of those persons may, in their discretion appoint assistants, including, but not limited to, any employees of the County Administrative Office, including further any employees of the Office of the Clerk of the Board, to perform such tabulation of standby charge assessment ballots. The Board also finds and determines that each of such persons is an impartial person who does not have a vested interest in the outcome of imposing the proposed standby charge assessment proceeding.
- (h) Provides that if the Board imposes the proposed standby charge assessment, the resolution imposing the assessment shall provide that the amount of the standby charge assessment will change in successive years through Fiscal Year 2035-36 as stated in Exhibit B to the resolution, and Exhibit A to the Engineer's Report, until the standby charge assessment is reduced or terminated, or there is a new proceeding to increase any or all of the assessments. If new or increased assessments are proposed, the Board will comply with the notice, protest, and hearing procedures in Government Code Section 53753.
- (i) Provides that if the Board imposes the proposed standby charge assessment, the resolution imposing the standby charge assessment shall provide that the standby charge assessment will be collected annually at the same time, and in the same manner, and subject to the same penalties, as the general taxes of the County.
- (j) Provides that if the Board imposes the proposed standby charge assessment, the resolution imposing the standby charge assessment shall provide that the Director is authorized and directed to timely deliver, or cause their designee to timely deliver, to the Auditor-Controller/Treasurer-Tax Collector, for each fiscal year for which the standby charge assessment is levied by this resolution, a true and complete roll of the standby charge assessment in the amounts provided by Exhibit B to the levying resolution, and Exhibit A to the Engineer's Report.
- (k) Provides that the Resolution shall take effect immediately upon its adoption.

REFERENCE MATERIAL:

BAI #16, November 7, 2006

ATTACHMENTS INCLUDED AND/OR ON FILE:

Exhibit A - Location Map
On file with Clerk - Resolution of Initiation
On file with Clerk - Engineer's Report

CAO ANALYST:

Maria Valencia