

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: Board of Supervisors

BOARD AGENDA # \*A-5

Urgent

Routine

AGENDA DATE February 2, 2010

CEO Concurs with Recommendation YES  NO

(Information Attached)

4/5 Vote Required YES  NO

SUBJECT:

Approval to Authorize the Chairman of the Stanislaus County Board of Supervisors to Sign and Submit Property Owner Ballots in Support of the Street Lighting Assessment for the Keyes Community Services District for those Properties Owned by Stanislaus County

STAFF RECOMMENDATIONS:

Authorize the Chairman of the Stanislaus County Board of Supervisors to sign and submit property owner ballots in support of the Street Lighting Assessment for the Keyes Community Services District for those properties owned by Stanislaus County.

FISCAL IMPACT:

Currently five ballots have been received. If the majority vote "Yes" on the assessment increase the increase will take effect in Fiscal Year 2010-2011. The fiscal impact will be on the property owned by Stanislaus County and will range from \$232.80 in FY 2010-2010 to \$255.45 in FY 2015-2014 and all subsequent years. The assessment will impact the budget of the Department of Environmental budget.

BOARD ACTION AS FOLLOWS:

No. 2010-058

On motion of Supervisor O'Brien, Seconded by Supervisor Chiesa

and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Monteith, DeMartini, and Chairman Grover

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

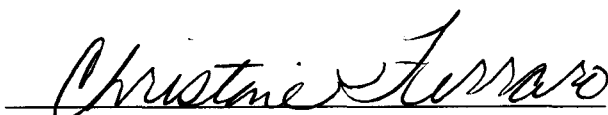
1) X Approved as recommended

2) \_\_\_\_\_ Denied

3) \_\_\_\_\_ Approved as amended

4) \_\_\_\_\_ Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

SUBJECT: Approval to Authorize the Chairman of the Stanislaus County Board of Supervisors to Sign and Submit Property Owner Ballots in Support of the Street Lighting Assessment for the Keyes Community Services District for those Properties Owned by Stanislaus County

Page 2

**DISCUSSION:**

Proposition 218 was a statewide initiative approved by the voters in November 1996. It requires that property owners through a ballot procedure approve certain assessments and increases in those assessment districts. Since the County is an owner of properties within the Keyes Community Services District it is therefore eligible to vote in the ballot process for this district. This item authorizes the Chairman of the Board to be the authority authorized to cast the ballots of support on behalf of the County.

**POLICY ISSUE:**

This item comes under the Board of Supervisors' Priority for a Safe Community.

**STAFFING IMPACTS:**

None

**CONTACT PERSON:**

Christine Ferraro Tallman, Clerk of the Board Telephone: 209 525-4494

ATTACHMENTS AVAILABLE  
FROM YOUR CLERK

\_\_\_\_\_  
(Date)

045066059000  
STANISLAUS COUNTY OF  
3800 CORNICOPIA WAY  
MODESTO CA 95358



**NOTICE TO PROPERTY OWNERS OF PUBLIC HEARING ON  
PROPOSED STREET LIGHTING ASSESSMENT  
(PROPOSITION 218)**

Public Hearing Date: February 23, 2010  
Public Hearing Time: 6:00 p.m.  
Public Hearing Location: Keyes Community Services District  
5601 - 7th Street  
Keyes, CA 95328

Dear Parcel Owner:

The Keyes Community Services District ("District") is a governmental agency which maintains and operates public street lighting within the community of Keyes. Currently the District owns and/or operates 161 street lights within Keyes. The District's operation of street lighting is financed by local landowners through district charges collected annually from the property owners. It does not receive any portion of your property taxes.

1) History of Street Lighting Charge

The District was created and organized in 1957 primarily for the operation of public street lighting. Since its creation, the District has added the services of sewer and water to the properties within Keyes. In order to fund the operation of the public street lighting, the District has been levying an annual charge against each property in Keyes by way of an invoice mailed in January of each calendar year. The current street lighting charge of \$10 per parcel per year was approved 17 years ago in 1992. Though the costs of operating the public street lighting in Keyes, including the cost of electricity, have increased significantly since 1992, the annual street lighting charge has not. As a result, for numerous years that annual street lighting charge has not been enough to pay for the operation of the street lighting. To pay the shortfall, the District has offset the difference between the street lighting charges collected and the operation costs using the District's general fund. However, District no longer has any general funds available to continue offsetting the shortfall. Currently there are two ways in which the annual street lighting charge can be increased: a special tax or property assessments. A special tax requires a 2/3rds majority vote of the voters in Keyes. Property assessments require a majority vote of the property owners in accordance with Article XIID Section 4 to the California State Constitution ("Proposition 218"). There are currently 1,235 parcels that would be subject to the assessment

In June of 2008, the District asked the voters of Keyes in Measure P to pass a special tax increasing the annual street lighting charge to \$20 per year parcel per year for 3 years and then \$25 per year thereafter. The increase in charges would have reduced the amount of general funds that the District would need to offset the annual shortfall. Though 55% of the voters voted yes, Measure P still failed since it needed a 2/3rds majority vote to pass. Thus, the current street lighting charge per parcel is still \$10 per year.

2) The reasons for the assessment

The reason for the street lighting assessment is to fund the entire costs associated with the operations of the District in providing public street lighting, including maintenance, the cost of electricity, repair and replacement. The current revenue from the \$10 per parcel street lighting charge amounts to less than 1/4th of the total street lighting operations costs. Since the District no longer has any general funds available to continue offsetting the street lighting shortfall, its only option is to increase the annual charge on each property within the District in order to raise the necessary revenue to keep the street lights on at night. Absent the increase, the District will not be able to operate a large majority of the existing public street lighting. And while the District has recently increased sewer and water rates in compliance with Proposition 218, those increases were strictly for sewer and water service and cannot be used for public street lighting.

In October of 2009, the District was prepared to turn off the street lights since it simply had no revenue to continue to pay to keep the street lights on. With the aid of the County of Stanislaus, the District was able to obtain a short term, one time grant to keep the street lights on while the District seeks this Proposition 218 assessment. Absent said grant, the street lights would not currently be on.

If the street lighting assessment is approved, the District will cease levying the current \$10 annual street lighting charge beginning in 2011 and only levy the street lighting assessment proposed herein. It will not be collecting both.

3) The total amount of the assessment for the entire District.

In accordance with state law, the District's engineer has prepared a report ("Report") on file with the District calculating the basis for the proposed assessment which is the subject of this notice, together with a description of the Districts boundaries. The Report is the basis for the amount of assessments that will be levied through this Proposition 218 assessment. A copy of the report is available for review at the District office. The total amount of the street lighting assessment for the entire District per year is proposed to be as follows:

2010/2011 Assessment Year	-	\$57,500.00
2011/2012 Assessment Year	-	\$58,800.00
2012/2013 Assessment Year	-	\$60,200.00
2013/2014 Assessment Year	-	\$61,600.00
Subsequent Assessment Years	-	\$63,100.00

4) The total amount of the Street Lighting Assessment that will be charged to each parcel, including yours.

The total annual street lighting assessment for each parcel, including yours, will be as follows:

2010/2011 Assessment Year	-	\$46.56
2011/2012 Assessment Year	-	\$47.61
2012/2013 Assessment Year	-	\$48.74
2013/2014 Assessment Year	-	\$49.88
Subsequent Assessment Years	-	\$51.09

This amount has been calculated by dividing the total annual assessment for each year by the total number of parcels in the District. It is anticipated that the aforementioned street lighting assessments will meet 100% of the District's budget needs for operating the public street lights in Keyes.

5) How will the assessment be collected and how long will they last.

The assessments collection will commence in 2010/2011 and continue annually thereafter in the amounts set forth above. Unlike the current \$10 street lighting charge, the proposed street lighting assessment will be collected through the Stanislaus County Assessors Office with your real property tax bill.

6) Summary of voting procedures.

Along with this notice is a ballot. The ballot shows your parcel number(s) and the amount of the proposed annual assessment. Please check "YES" or "NO", indicating your approval or disapproval for the proposed assessment. You must completely and clearly fill out and sign the ballot where indicated in order for your vote to be counted. Please return it to the District in accordance with the instructions on the ballot.

The District Board of Directors has set the following date, time and location for the Proposition 218 protest hearing:

Proposition 218 Protest Hearing

Date: February 23, 2010

Time: 6:00 p.m.

Location: Keyes Community Services District Office  
5601 7th Street  
Keyes California, 95328

At that hearing, the ballots will be counted; only the properly filled out ballots actually returned will be counted; each ballot per property is a vote. If you have more than one parcel in the District, you will cast a separate ballot for each parcel. Tenants of property in the District do not get to vote. Only property owners can cast a vote for their property.

If the total of "NO" votes received is greater than the total of "YES" votes received, there will be no assessment, and the District will receive no revenues from these assessments. Since your District receives no funds from the city, county, state or federal governments, the District's revenues will then be only the current street lighting charge.

The District will additionally hold an information meeting, for the purpose of explaining the proposed street lighting assessment, and answering any questions you may have, at 6:00 p.m. on January 26, 2010, at the District office at the address noted above.