



Napa County

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Legislation Text

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TO: Board of Supervisors

FROM: Steven Lederer, Director of Public Works

REPORT BY: Michael Karath, Staff Services Analyst II

SUBJECT: Adoption of Resolutions approving a service plan and setting a public hearing to levy assessments within County Service Area No. 3 for Fiscal Year 2022-2023

RECOMMENDATION

Director of Public Works requests the following actions concerning County Service Area No. 3:

1. Adoption of a Resolution approving a service plan in accordance with Chapter 3.10 of the Napa County Code; and
2. Adoption of a Resolution providing for the following:
 - a. Accepting an Engineer's Report relating to the assessments to provide services;
 - b. Declaring the Board's intent to levy assessments for median landscaping, street and highway lighting, street sweeping, and structural fire protection services pursuant to the Engineer's Report;
 - c. Setting a public hearing for June 7, 2022, to consider support and opposition to the proposed assessments;
 - d. Directing the Clerk of the Board to comply with applicable notice requirements for the proposed assessments; and
 - e. Designating the Director of Public Works as the County staff member to answer questions regarding the assessments and protest proceedings.

EXECUTIVE SUMMARY

Pursuant to Proposition 218, the County Service Area No. 3 Engineer's Report is being submitted which includes the methodology for determining the assessments and an estimated budget for the enhanced services which provide fire protection services, street lighting, street sweeping, and median landscaping.

Other actions related to the CSA No. 3 budget and assessments for Fiscal Year 2022-2023, requiring Board approval are noted below:

- Adoption of a resolution identifying the enhanced services identified in the service plan within each benefit zone for Fiscal Year 2022-2023, which include; structural fire protection, median landscaping, street and highway lighting, and street sweeping; and
- Adoption of a resolution to (1) declare the County's intent to levy the assessments for Fiscal Year

2022-2023; (2) set a time to hold a public hearing to consider any support or opposition to the proposed levy; and (3) designate the Napa County Public Works Director as the person to answer questions regarding the assessments.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	County Service Area No. 3
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	Levy of assessments is necessary to continue providing the enhanced services.
Is the general fund affected?	Yes
Future fiscal impact:	These actions are necessary to collect from the benefited properties the funds needed to provide these enhanced services within County Service Area No. 3 without having to either discontinue these services or use General Fund revenues to pay the cost. Authorization and budget are approved each fiscal year.
Consequences if not approved:	County Service Area No. 3 will have neither spending authority nor assessment revenue raising authority to provide the specified miscellaneous enhanced services during Fiscal Year 2022-2023.
County Strategic Plan pillar addressed:	Healthy, Safe, and Welcoming Place to Live, Work, and Visit, Effective and Open Government
Additional Information:	Click or tap here to enter text.

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed activities are not a project pursuant to CEQA Guidelines section 15378, whereby CEQA is inapplicable, or categorically exempt from CEQA as the operation, repair, maintenance or minor alteration of existing public facilities involving negligible or no expansion of existing or former use, pursuant to CEQA Guidelines section 15301.

BACKGROUND AND DISCUSSION

In March 1979, the Napa County Board of Supervisors adopted Resolution of Formation No. 79-28, by which County Service Area No. 3 (CSA No. 3) was formed. CSA No. 3, which is located within the Napa County Airport Industrial Area, was formed in response to a property owners' petition seeking the delivery of County services not otherwise provided to residents in the unincorporated areas of the County. Currently, CSA No. 3 provides structural fire protection, median landscaping, street lighting, and street sweeping within the service area.

Funding for the delivery of services to CSA No. 3 derives from assessments levied upon properties within the service area in proportion to the level of benefits provided for each property. In 1997, voting was conducted pursuant to the requirements of Proposition 218, wherein property owners within the service area were asked to vote on the methodology used to determine assessments. The property owners approved the assessment methodology, set assessments for Fiscal Year 1997-

1998, and approved the concept of cost of living increases for future years. Thereafter, the budget and assessments for CSA No. 3 have been approved by the Board of Supervisors each fiscal year in conformance with the requirements of Proposition 218, County Service Area Law, and the methodology approved by the voters of CSA No. 3 in 1997. CSA No. 3 was formed with the knowledge that the initial assessment revenue would not be sufficient to cover the CSA No. 3 cost responsibility for fire protection. This has resulted in the Countywide Fire Fund subsidizing the shortfall. It is anticipated that ultimately sufficient revenue will be available to pay for CSA No. 3 expenses and retire the Fire Fund subsidy as more commercial square footage is developed within CSA No. 3. There is also the provision for annual rate increases based upon the *'Engineering News Record'* Construction Cost Index (CCI). The percentage change in the CCI from March 2021 to March 2022 was 15.15%. The annual fire service subsidy is tracked in the Engineer's Report so that when assessment levels exceed the CSA No. 3 allocable costs, such excess revenues will reimburse the Countywide Fire Fund when permissible by law.

In 2009, the County Fire Department added three additional engineers. This increase in staffing was in response to recommendations from the Insurance Services Organization (ISO) for minimum staffing and response levels. Properties being assessed within CSA No. 3 are charged only for those costs which are over and above what the Countywide Fire Fund is currently paying to serve the southern Napa County area. Over the long term, it is expected that the same 66.7% - 33.33% cost sharing between Countywide Fire Fund and CSA No. 3 will continue.

A printed copy of the Engineer's report will be provided to the Board of Supervisors, Clerk of the Board, and the County Executive Officer in advance of this agenda date and will be available to the public. There will be two public notices published in advance of the hearings on the assessment scheduled for June 7, 2022. There will also be a CSA No. 3 meeting held on May 26, 2022, at 10:00 a.m. to allow feedback from any interested party within CSA No. 3. Property owners are notified by mail regarding this meeting.

SUPPORTING DOCUMENTS

Engineer's Report

Resolutions

CEO Recommendation: Approve