

**Item 7.2 Cover sheet – Resolution # 2021-09 Atwood III FY 21-22
Intention to Levy Assessments; Engineer’s Report; Notice of
Hearing**

Auburn Area Recreation and Park District Acquisition and Development Meeting May 2021; Board of Directors Meeting May 27, 2021

THE ISSUE

Shall the Auburn Area Recreation and Park District (ARD) Board approve Resolution #2021-09, a resolution declaring the Board’s intention to levy the continued assessments for fiscal year 2021-22, preliminarily approve the Engineer’s Report for the Atwood Ranch III Landscaping and Lighting Assessment District, and provide for the notice of a public hearing on June 24, 2021, regarding levying the continued annual assessments for fiscal year 2021-22?

BACKGROUND

In 2004, after gaining property owner ballot support, the benefit assessments were first established to provide funding for the installation, maintenance, and servicing of landscaping, park, and recreation facilities in the Auburn Area Recreation and Park District (Atwood Ranch III).

- **Balloting Conducted:** November-December 2004
- **Ballot Results:** 100.0 % of the weighted returned ballots were in support of the proposed assessment
- **Board Approval of 1st Year Assessment Levies:** December 16, 2004
- **Fiscal Year 2005-06 Approved Rate:** \$148.62 per single-family equivalent benefit unit (SFE)
- **Annual CPI:** In each subsequent year, the maximum assessment rate increases by the annual change in the Consumer Price Index, not to exceed 5% per year.
- **Fiscal Year 2020-21 Approved Rate:** \$185.54 per single-family equivalent benefit unit (SFE)
- **Fiscal Year 2021-22 Proposed Rate:** \$190.03 per single-family equivalent benefit unit (SFE)

SCI has reviewed the Assessment District’s compliance with the recent court decisions such as Silicon Valley Taxpayers Association v. Santa Clara County Open Space Authority, Dahms v. Downtown Pomona Property, Bonander v. Town of Tiburon, and Golden Hill Neighborhood Association v. City of San Diego. Some enhancements and revisions to the Engineer’s Report have been made to ensure the District’s assessments are fully compliant with these decisions and the requirements of Proposition 218. These revisions do not modify the underlying assessment methodology or basis for the assessments.

On June 8, 2009, the 4th Court of Appeal amended its original opinion upholding a benefit assessment for property in the downtown area of the City of Pomona (Dahms v. Downtown Pomona Property). On July 22, 2009, the California Supreme Court denied review. On this

date, Dahms became good law and binding precedent for assessments. In Dahms, the court upheld an assessment that was 100% special benefit on the rationale that the services funded by the assessments, including landscaping maintenance, were directly provided to property in the assessment district. Dahms establishes legal validation for zero or minimal general benefits from assessments that fund services directly provided within the assessment district and implies greater flexibility for assessments than Silicon Valley Taxpayers Association v. Santa Clara County Open Space Authority (2008). As an integral part of the scope of work, SCI will work with District to review the implications of Dahms and other recent or pending court decisions.

PROPOSED FY 2021-22 BUDGET, SERVICES & IMPROVEMENTS

2 Year Profit/loss history

Summary of revenue and cost	FY 2021-22	FY 2020-21
Revenue	\$27,174	\$26,532
Costs:		
Services	\$21,210	\$20,360
Repayment to General Fund	\$3,000	\$3,000
Incidentals	\$4,695	\$4,578

- **Parks maintained:**
 - a. Maintenance of a neighborhood park and tot lot and adjacent former “natural turf” area within the development area known as Atwood Ranch III
- **Other Services:**
 - a. Maintenance of trails in the wetlands preserve area
 - b. Monitoring of 10.69 acres of wetlands preserve area with associated riparian scrubland, seeps, floodplains, and drainage areas to a stormwater detention area
 - c. Reporting once yearly to the Army Corps of Engineers, including biology reports and project management reports. (Additional special visits were required during previous fiscal years.)

PROPOSED RATE AND CPI HISTORY

The assessment is subject to an annual adjustment tied to the Consumer Price Index-U for the San Francisco Bay Area as of December of each succeeding year (the “CPI”), with a maximum annual adjustment not to exceed 5%. Any change in the CPI in excess of 5% shall be cumulatively reserved as the “Unused CPI” and shall be used to increase the maximum authorized assessment rate in years in which the CPI is less than 5%. The maximum authorized assessment rate is equal to the maximum assessment rate in the first fiscal year the assessment

was levied adjusted annually by the minimum of 1) 5% or 2) the change in the CPI plus any Unused CPI as described above.

The maximum possible assessment rate for Fiscal Year 2020-21 was \$221.10 per single family equivalent benefit unit based on the preceding annual adjustments. The annual change in the CPI from December 2019 to December 2020 was 2.00%. Therefore, the maximum authorized assessment rate for Fiscal Year 2021-22 has been increased from \$221.10 to \$225.52 per single-family equivalent benefit unit. However, the estimate of cost and budget in the Engineer's Report proposes assessments for fiscal year 2021-22 at the rate of \$190.03 per single-family equivalent benefit unit, which is less than the maximum authorized assessment rate. The total amount of revenues that the assessments would generate in fiscal year 2021-22 at the proposed rate of \$190.03 is approximately \$27,174.

Explanation for increased assessment in 2013/2014 and 2014/2015

As evidenced in the profit/loss history for the Auburn Area RPD, costs to provide maintenance within the Assessment District increased significantly in Fiscal Year 2013-14. This escalation of the expenses was directly related to the increase in labor costs necessary to maintain the park and preserve. It necessitated increases to the assessment rates for Fiscal Years 2013-14 and 2014-15. Specifically, the Auburn Area RPD experienced higher labor costs due to:

- Increased time eliminating weeds in an effort to keep a fire break along the houses that border the preserve.
- Increased costs in removing invasive Himalayan blackberry bushes in the preserve.
- Increased costs eliminating weeds in the preserve. These weeds have increased in size and quantity due to better fuel load reduction management.
- Increased time removing weeds from the landscape areas.
- Increased maintenance time in new landscaped area, mowing turf areas.
- Weed control in new bark areas.
- Removal of invasive tree species.

Explanation for decreased assessment in 2016/17

In Fiscal Year 2015-16 the maintenance costs for the Assessment District were reduced significantly due to the following factors:

- Reduction in maintenance in the nature preserve: per the Management Plan for the nature preserve, the Auburn Area RPD is permitted to mow the property once every five years. The RPD had previously been mowing and string trimming the preserve on an annual basis. Beginning in Fiscal Year 2015-16, the RPD modified that activity to comply with the Plan and began only mowing/trimming a 25' wide strip against all houses. This 25' strip was negotiated with the Placer County Resources Conservation District, the agency that holds the conservation easement on the property. This reduction in mowing/trimming led to reduced maintenance costs.
- Reduction in water use based on California's drought: the RPD irrigates the lawn and adjacent landscaping with potable water. The state-mandated reduction has resulted in less water usage.

In addition, because maintenance needs and requirements may fluctuate over time, in accordance with Proposition 218 the assessments may increase in any given fiscal year up to the maximum allowable rate, even following a year in which a lower rate was assessed.

Explanation for Fund Balance Shortfall

In Fiscal Year 2019-20, the Auburn Area RPD experienced a depletion of the beginning fund balance for the Assessment District, which was caused by the following projects that were undertaken:

- Replacement of previously planted shrubs and bushes that had died
- Repairs to the walking pathway due to root intrusion and uplifting, creating a safety hazard
- Upon notification of a requirement from Cal Fire, defensible space in the nature preserve was increased from 25 feet to 100 feet

These projects resulted in much higher labor and park improvement costs, including equipment rentals, which will have to be repaid over time from the Assessment District to the RPD's General Fund. The necessity to repay the funds borrowed from the General Fund is a significant factor requiring the assessment rate increase in Fiscal Year 2021-22.

Notification for the hearing on June 24, 2021, is done through a public notice in the Auburn Journal.

The following table summarizes the maximum authorized assessment rates and CPI history:

Fiscal Year	Max CPI Allowed	Max Rate allowed
FY 05-06		\$148.62
FY 06-07	1.95%	\$151.51
FY 07-08	3.44%	\$156.73
FY 08-09	3.84%	\$162.74
FY 09-10	0.01%	\$162.76
FY 10-11	2.61%	\$167.01
FY 11-12	1.52%	\$169.55
FY 12-13	2.92%	\$174.50
FY 13-14	2.22%	\$178.37
FY 14-15	2.57%	\$182.96
FY 15-16	2.67%	\$187.84
FY 16-17	3.17%	\$193.80
FY 17-18	3.53%	\$200.64
FY 18-19	2.94%	\$206.54
FY 19-20	4.49%	\$215.81
FY 20-21	2.45%	\$221.10
FY 21-22	2.00%	\$225.52

The following list details the revenues and rates since the first year the assessments were levied.

Fiscal Year	Rate / SFE	Annual Revenues
FY 05-06	\$148.62	\$21,252
FY 06-07	\$148.62	\$21,252
FY 07-08	\$148.62	\$21,252
FY 08-09	\$148.62	\$21,252
FY 09-10	\$148.62	\$21,252
FY 10-11	\$148.62	\$21,252
FY 11-12	\$148.62	\$21,252
FY 12-13	\$148.62	\$21,252
FY 13-14	\$162.72	\$23,269
FY 14-15	\$182.12	\$26,043
FY 15-16	\$182.12	\$26,043
FY 16-17	\$155.10	\$22,179
FY 17-18	\$155.10	\$22,179
FY 18-19	\$168.28	\$24,064
FY 19-20	\$176.68	\$25,265
FY 20-21	\$185.54	\$26,532
FY 21-22	\$190.03	\$27,174

RECOMMENDATION

ARD staff recommends approving Resolution #2021-09, a resolution declaring the Board's intention to levy the continued assessments for fiscal year 2021-22, preliminarily approve the Engineer's Report for the Atwood Ranch III Landscaping and Lighting Assessment District, and provide for the notice of a public hearing on June 24, 2021, regarding levying the continued annual assessments for fiscal year 2021-22.

The A&D Committee recommends the same.

FISCAL IMPACT

The fiscal impacts of the projected budget are spelled out on pages eight through nine of the Engineer's Report.

ATTACHMENTS

Atwood III Landscape and Lighting Engineer's Report for FY 21/22

Resolution #2021-09



FY 2021-22

Engineer's Report

Auburn Area Recreation and Park District
Landscaping and Lighting Assessment District
Atwood Ranch II

April 2021
Preliminary Report

Engineer of Work:



SCI Consulting Group
Public Finance Consulting Services

4745 Mangels Boulevard
Fairfield, California 94534
707.430.4300
www.sci-cg.com

Auburn Area Recreation and Park District

Board of Directors

Scott R. Holbrook, Chairman
H. Gordon Ainsleigh, Director
Jim Ferris, Director
James A. Gray, Director
Mike Lynch, Director

District Administrator

Kahl Muscott

Administrative Services Manager

Veona Galbraith

Clerk/Secretary of the Board and to the District Administrator

Pat Larson

District Legal Counsel

Derek Cole

Engineer of Work

Lead Assessment Engineer, John Bliss, M. Eng., P.E.
SCI Consulting Group

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Executive Summary

Assessment Background

The Auburn Area Recreation and Park District, Atwood Ranch III Landscaping and Lighting Assessment District (the "Assessment District"), was formed by a mailed ballot proceeding in 2004 to provide funding for the maintenance and improvement of the neighborhood park facilities and wetlands preserve areas adjacent to the properties in the Atwood Ranch III subdivision that forms the Assessment District (the "Improvements"). The Atwood Ranch III subdivision is located south of Atwood Road, generally to the northwest of the intersection of Bean Road and Kemper Road. The subdivision is comprised of 143 single-family residences. This Assessment District formation resulted from agreements or conditions of development approval between the Auburn Area Recreation and Park District ("RPD") and the property owner, Morrison Homes, Inc., whereby the RPD and property owner agreed on neighborhood park maintenance to improve the appeal of the community, and maintenance of wetlands preserve areas pursuant to Army Corps of Engineers mandates.

Assessment Process

In 2004, the Auburn Area Recreation and Park District Board of Directors (the "Board") conducted an assessment ballot proceeding pursuant to the requirements of Article XIII D of the California Constitution ("The Taxpayer's Right to Vote on Taxes Act") and the Landscaping and Lighting Act of 1972. During this ballot proceeding, property owners in the Assessment District were mailed a notice and ballot for the proposed Assessment District. A 45-day period was provided for balloting, and a public hearing was conducted on December 16, 2004. After the close of the public input portion of the public hearing, all ballots returned within the 45-day balloting period were tabulated.

The tabulation results determined that the assessment ballots submitted in opposition to the proposed assessments did not exceed the assessment ballots submitted in favor of the assessments (with each ballot weighted by the proportional financial obligation of the property for which the ballot was submitted).

As a result, the Board gained the authority to approve the levy of the assessments for Fiscal Year 2005-06 and to continue to levy them in future years. The initial, maximum assessment rate balloted and established in Fiscal Year 2005-06 was \$148.62 per single-family equivalent benefit unit. The levies were submitted to the Placer County Auditor for inclusion on the property tax rolls for Fiscal Year 2005-06. The assessments may be

continued in future years and may be increased in future years by an annual adjustment tied to the Consumer Price Index for the San Francisco Bay Area as of December of each succeeding year, with the maximum annual adjustment not to exceed 5%. Any change in the CPI in excess of 5% shall be cumulatively reserved as the "Unused CPI" and may be used to increase the maximum authorized assessment rate in years in which the CPI is less than 5%. The maximum authorized assessment rate is equal to the maximum assessment rate in the first fiscal year the assessment was levied, adjusted annually by the minimum of 1) 5% or 2) the change in the CPI plus any Unused CPI as described above. Based on the preceding annual adjustments, the maximum possible assessment rate for Fiscal Year 2019-20 was \$215.81 per single-family equivalent benefit unit. The annual change in the CPI from December 2018 to December 2019 was 2.45%. Therefore, the maximum authorized assessment rate for Fiscal Year 2021-22 has been increased from \$215.81 to \$221.10 per single-family equivalent benefit unit. However, the estimate of cost and budget in this Engineer's Report proposes assessments for Fiscal Year 2021-22 at the rate of \$185.54 per single-family equivalent benefit unit, which is less than the maximum authorized assessment rate.

Engineer's Report and Continuation of Assessments

In each subsequent year for which the assessments will be continued, the Board must direct the preparation of an Engineer's Report, budgets, and proposed assessments for the upcoming fiscal year. After the Engineer's Report is completed, the Board may preliminarily approve the Engineer's Report and proposed assessments and establish the date for a public hearing on the continuation of the assessments. This Report was prepared pursuant to the direction of the Board by Resolution No. 2020-03 adopted on February 27th, 2020.

This Engineer's Report ("Report") was prepared to establish the budget for the continued improvements and services that would be funded by the proposed 2021-22 assessments, determine the benefits received from the assessments, and the method of assessment apportionment to lots and parcels within this area. This Report and the proposed assessments have been made pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (the "Act") and Article XIII D of the California Constitution (the "Article"). This Report is the detailed Engineer's Report required by the Article and the Report required by Section 22565 of the Act.

Following the submittal of this Report to the Board for preliminary approval, the Board may, by Resolution, call for the Public Hearing on the continued assessments for park maintenance and improvements. This hearing is scheduled for June 25th, 2020, at 6:00 p.m. After the close of the hearing, the Board may take action to approve the continuation of the assessments for Fiscal Year 2021-22. If the assessments are so

confirmed and approved, the levies will be submitted to the County Auditor/Controller in June 2020 for inclusion on the property tax roll for Fiscal Year 2021-22.

The maintenance of 10.69 acres of wetland preserves was provided by the developer for the first five years after the Assessment District was formed in Fiscal Year 2005-06. Following that time period, the wetlands preserve areas maintenance services were to be provided by the Auburn Area Recreation and Park District. Maintenance of the wetlands preserve areas is now provided by the Auburn Area RPD.

Legal Analysis

Proposition 218

This assessment was formed consistent with Proposition 218, The Right to Vote on Taxes Act, which was approved by the voters of California on November 6, 1996 and is now Article XIII C and XIII D of the California Constitution. Proposition 218 provides for benefit assessments to be levied to fund the cost of providing services, improvements, as well as maintenance and operation expenses to a public improvement that benefits the assessed property.

Proposition 218 describes several important requirements, including a property-owner balloting, for the formation and continuation of assessments, and these requirements are satisfied by the process used to establish this assessment.

Silicon Valley Taxpayers' Association, Inc. v. SCCOSA

In July of 2008, the California Supreme Court issued its ruling on the Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority ("SVTA vs. SCCOSA"). This ruling is the most significant court case in further legally clarifying the substantive assessment requirements of Proposition 218. Several of the most important elements of the ruling included further emphasis that:

- Benefit assessments are for special, not general, benefit
- The services and/or improvements funded by assessments must be clearly defined
- Special benefits are directly received by and provide a direct advantage to property in the assessment district

Dahms v. Downtown Pomona Property

On June 8, 2009, the 4th Court of Appeal amended its original opinion upholding a benefit assessment for property in the downtown area of the City of Pomona. On July 22, 2009, the California Supreme Court denied review. On this date, Dahms became good law and binding precedent for assessments. In Dahms, the Court upheld an assessment that was 100% special benefit (i.e., 0% general benefit) on the rationale that the services and improvements funded by the assessments were directly provided to property in the assessment district. The Court also upheld discounts and exemptions from the assessment for certain properties.

Bonander v. Town of Tiburon

On December 31, 2009, the 1st District Court of Appeal overturned a benefit assessment approved by property owners to pay for placing overhead utility lines underground in an area of the Town of Tiburon. The Court invalidated the assessments on the grounds that the assessments had been apportioned to assessed property based in part on relative costs within sub-areas of the assessment district instead of proportional special benefits.

Beutz v. County of Riverside

On May 26, 2010, the 4th District Court of Appeals issued a decision on the Steven Beutz v. County of Riverside (“Beutz”) appeal. This decision overturned an assessment for park maintenance in Wildomar, California, primarily because the general benefits associated with improvements and services were not explicitly calculated, quantified, and separated from the special benefits.

Golden Hill Neighborhood Association v. City of San Diego

On September 22, 2011, the San Diego Court of Appeal issued a decision on the Golden Hill Neighborhood Association v. City of San Diego appeal. This decision overturned an assessment for street and landscaping maintenance in the Greater Golden Hill neighborhood of San Diego, California. The Court described two primary reasons for its decision. First, like in *Beutz*, the Court found the general benefits associated with services were not explicitly calculated, quantified, and separated from the special benefits. Second, the Court found that the City had failed to record the basis for the assessment on its own parcels.

Compliance with Current Law

This Engineer's Report is consistent with the requirements of Article XIII C and XIII D of the California Constitution and with the *SVTA* decision because the improvements to be funded are clearly defined; the benefiting property in the Assessment District enjoys close and unique proximity, access, and views to the Improvements; the Improvements serve as an extension of usable land area for benefiting properties in the Assessment District, and such special benefits provide a direct advantage to property in the Assessment District that is not enjoyed by the public at large or other property. In addition, the improvements are directly available to and will directly benefit property in the Assessment District; and the improvements provide a direct advantage to property in the Assessment District that would not be received in the absence of the Assessments.

This Engineer's Report is consistent with *Beutz, Dahms, and Greater Golden Hill* because the Services will directly benefit property in the Assessment District, and the general benefits have been explicitly calculated and quantified and excluded from the assessments. Moreover, while *Dahms* could be used as the basis for a finding of 0% general benefits, this Engineer's Report establishes a more conservative measure of general benefits.

The Engineer's Report is consistent with *Bonander* because the Assessments have been apportioned based on the overall cost of the improvements and proportional special benefit to each property.

Plans & Specifications

Following is a description of the Services that are provided for the benefit of property in the Assessment District. This Assessment District was created as a condition of development for the corresponding developments. Accordingly, prior to these developments, the level of service in these areas was effectively zero. The formula below describes the relationship between the final level of improvements, the baseline level of service (pre-development) had the assessment not been instituted, and the enhanced level of improvements funded by the assessment.

Final Level of Service	=	Baseline Level of Service (zero, pre-development)	+	Enhanced Level of Service
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The work and improvements (“Improvements”) proposed to be undertaken by the Auburn Area Recreation & Park District and the Atwood Ranch III Landscaping and Lighting Assessment District (the “Assessment District”) and the costs thereof paid from the levy of the annual assessments provide special benefit to Assessor Parcels within the Assessment District as defined in the Method of Assessment herein. Consistent with the Landscaping and Lighting Act of 1972 (the “Act”), the work and improvements are generally described as follows:

Installation, maintenance, and servicing of public improvements, including but not limited to labor, materials, supplies, utilities, and equipment, as applicable, for property within the Assessment District that is owned or maintained by the Auburn Area Recreation & Park District. Any plans and specifications for these improvements will be filed with the District Administrator of the Auburn Area Recreation & Park District and are incorporated herein by reference.

As applied herein, “maintenance” means the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including repair, removal, or replacement of all or any part of any improvement; providing for the life, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury; the removal of trimmings, rubbish, debris, and other solid waste; the cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

“Servicing” means the furnishing of electric current, or energy, gas, or other illuminating agents for any public lighting facilities or for the lighting or operation of any other improvements, or water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other improvements.

Fiscal Year 2021-22 Estimate of Cost and Budget

Atwood Ranch III Landscaping and Lighting Assessment District

Description of Improvements

Within the Assessment District, the existing and proposed improvements are generally described as maintenance of a neighborhood park and tot lot within the development area known as Atwood Ranch III, as well as trails in the wetlands preserve area; irrigation and turf of a small grass area adjacent to the tot lot; monitoring of 10.69 acres of wetlands preserve area (located within the area currently known as Lots B and C) with associated riparian scrubland, seeps, floodplains and drainage areas to a stormwater detention area; and reporting once yearly to the Army Corps of Engineers, including biology reports and project management reports.

Figure 1 – Estimate of Cost

Beginning Fund Balance, June 30, 2021¹	(\$4,400.00)
Equipment Replacement Reserve Balance, June 30, 2021¹	\$8,366.00
Installation, Maintenance & Servicing Costs	
Maintenance Labor (Incl. Roll-Ups)	\$8,000.00
Water Costs	\$4,210.00
Park Improvements (turf, shrubs, walkways, irrigation)	\$5,000.00
Preserve Monitoring	\$4,000.00
Repayment to General Fund ³	\$3,000.00
Subtotal - Installation, Maintenance and Servicing	\$24,210.00
Administrative Costs	
County Collection Charges	\$270.00
Insurance	\$702.00
Administration Costs	\$3,723.00
Subtotal - Administration	\$4,695.00
Totals Installation, Maintenance, Servicing and Administration	\$28,905.00
Total Benefit of Improvements	\$28,905.00
Equivalent Dwelling Units (EDU)	143
Benefit Received per Equivalent Dwelling Unit	\$202.13
Less:	
Contribution from Other Sources for General Benefit	(\$1,730.70)
Net Cost Installation, Maintenance, Servicing and Administration	\$27,174.30
Budget Allocation to Property	\$27,174.30
Equivalent Dwelling Units (EDU)	143
Assessment per Equivalent Dwelling Unit	\$190.03

Budget Notes:

^{1,3} In Fiscal Year 2019-20, the Auburn Area RPD experienced a depletion of the beginning fund balance for the Assessment District, which was caused by the following projects that were undertaken:

- Replacement of previously planted shrubs and bushes that had died
- Repairs to the walking pathway due to root intrusion and uplifting, creating a safety hazard
- Upon notification of a requirement from Cal Fire, defensible space in the nature preserve was increased from 25 feet to 100 feet

These projects resulted in much higher labor and park improvement costs, including equipment rentals, which will have to be repaid over time from the Assessment District to the RPD's General Fund. The necessity to repay the funds borrowed from the General Fund is a major factor requiring the assessment rate increase in Fiscal Year 2021-22.

² The item "Equipment Replacement Reserve Balance" refers to funds maintained for future replacement of playground equipment and picnic tables.

Historical Notes:

The maintenance of 10.69 acres of wetland preserves was provided by the developer for the first five years after the Assessment District was formed, beginning in Fiscal Year 2005-06. The wetlands preserve area maintenance is now provided by the Auburn Area RPD.

Beginning in 2012, the Auburn Area RPD, by agreement with the Homeowners' Association, commenced maintenance of additional improvements installed and paid for by the HOA in the former "natural turf" area adjacent to the tot lot, including installation and maintenance of irrigation and turf.

In 2015 the Auburn Area RPD entered into another agreement with the Homeowners' Association to make a one-time contribution of \$2,500 towards further maintenance of the wetlands preserve area, particularly to eliminate issues of stagnant water.

Because maintenance needs and requirements may fluctuate over time, in accordance with Proposition 218 the assessments may increase in any given fiscal year up to the maximum allowable rate, even following a year in which a lower rate was assessed.

Method of Apportionment

Method of Apportionment

This section of the Engineer's Report includes an explanation of the benefits to be derived from the installation, maintenance, and servicing of neighborhood park improvements and wetlands preserve areas; and the methodology used to apportion the total assessment to properties within the Atwood Ranch III Landscaping and Lighting Assessment District.

The Atwood Ranch III Landscaping and Lighting Assessment District consists of all Assessor Parcels within the boundaries as defined by the Assessment Diagram included within this Report, and the Assessor Parcel Numbers listed within the included Assessment Roll. The method used for apportioning the assessments is based upon the proportional special benefits to be derived by the properties in the Atwood Ranch III Landscaping and Lighting Assessment District, over and above general benefits conferred on real property or to the public at large. The apportionment of special benefit is a two-step process: the first step is to identify the types of special benefit arising from the improvements, and the second step is to allocate the assessments to property based on the estimated relative special benefit for each type of property.

Discussion of Benefit

In summary, the assessments can only be levied based on the special benefit to property. This benefit is received by property over and above any general benefits. Moreover, such benefit is not based on any one property owner's use of the Assessment District's neighborhood parks or wetland preserves or a property owner's specific demographic status. With reference to the requirements for assessments, Section 22573 of the Landscaping and Lighting Act of 1972 states:

"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements."

Proposition 218, as codified in Article XIID of the California Constitution, has confirmed that assessments must be based on the special benefit to property:

"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

The following benefit categories summarize the types of special benefit to residential, commercial, industrial, and other lots and parcels resulting from the installation, maintenance, and servicing of lighting improvements to be provided with the assessment proceeds. These categories of special benefit are derived from the statutes passed by the California Legislature and other studies which describe the types of special benefit received by property from maintenance and improvements such as those proposed by the Auburn Area Recreation & Park District and the Atwood Ranch III Landscaping and Lighting Assessment District. These types of special benefit are summarized as follows:

- A. Proximity to improved park areas within the Assessment District.
- B. Access to improved park areas within the Assessment District.
- C. Improved Views within the Assessment District.
- D. Extension of a property's outdoor areas and green spaces for properties within close proximity to the Improvements.
- E. Creation of individual lots for residential use that, in the absence of the assessments, would not have been created.

In this case, the recent the SVTA v. SCCOSA decision provides enhanced clarity to the definitions of special benefits to properties in three distinct areas:

- Proximity
- Expanded or improved access
- Views

The SVTA v. SCCOSA decision also clarifies that a special benefit is a service or improvement that provides a direct advantage to a parcel and that indirect or derivative advantages resulting from the overall public benefits from a service or improvement are general benefits. The SVTA v. SCCOSA decision also provides specific guidance that park improvements are a direct advantage and special benefit to property that is proximate to a park that is improved by an assessment:

The characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g., proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g., general enhancement of the district's property values).

Proximity, improved access, and views, in addition to the other special benefits listed above, further strengthen the basis of these assessments.

Benefit Factors

The special benefits from the Improvements are further detailed below:

Proximity to improved park areas within the Assessment District

Only the specific properties within proximity to the Improvements are included in the Assessment District. Therefore, property in the Assessment District enjoys unique and valuable proximity and access to the Improvements that the public at large and property outside the Assessment District do not share.

In the absence of the assessments, the Improvements would not be provided, and the park areas in the Assessment District would be degraded due to insufficient funding for maintenance, upkeep, and repair. Therefore, the assessments provide Improvements that are over and above what otherwise would be provided. Improvements that are over and above what otherwise would be provided do not by themselves translate into special benefits, but when combined with the unique proximity and access enjoyed by parcels in the Assessment District, they provide a direct advantage and special benefit to property in the Assessment District.

Access to improved park areas within the Assessment District

Since the parcels in the Assessment District are nearly the only parcels that enjoy close access to the Improvements, they directly benefit from the unique close access to improved park areas provided by the Assessments. This is a direct advantage and special benefit to property in the Assessment District.

Improved views within the Assessment District

The RPD, by maintaining these park areas, provides improved views to properties in the Assessment District. The properties in the Assessment District enjoy close and unique proximity access and views of the Improvements; therefore, the improved and protected views provided by the Assessments are another direct and tangible advantage that is uniquely conferred upon property in the Assessment District.

Extension of a property's outdoor areas and green spaces for properties within proximity to the Improvements

In large part, because it is cost-prohibitive to provide large open land areas on property in the Assessment District, the residential and other benefiting properties in the Assessment District do not have large outdoor areas and green spaces. The park areas within the Assessment District provide additional outdoor areas that serve as an effective extension of the land area for proximate properties because the Improvements are uniquely proximate and accessible to property in close proximity to the Improvements. The Improvements, therefore, provide an important, valuable and desirable extension of usable land area for the direct advantage and special benefit of properties with good and close proximity to the Improvements.

Creation of Individual Lots for Residential Use That, in the absence of the Assessments, would not have been Created

Typically, the original owner/developer of the property within the Assessment District agreed to the assessments. As parcels were sold, new owners were informed of the assessments through the title reports, and in some cases, through Department of Real Estate "White Paper" reports that the parcels were subject to assessment. Purchase of property was also an "agreement" to pay the assessment. Moreover, in the absence of the assessments, the lots within the Assessment District would not have been created. These lots, and the improvements they support, are a special benefit to the property owners.

General versus Special Benefit

The proceeds from the Atwood Ranch III Landscaping and Lighting Assessment District would be used to fund improvements and increased levels of maintenance to the amenities adjoining the properties in the Assessment District. In the absence of the Atwood Ranch III Landscaping and Lighting Assessment District, such improvements would not be provided, and the properties would not be subdivided and improved to the same extent. The Assessment District is specifically proposed to provide additional and improved public resources in the Assessment District. The park improvements provided by the Atwood Ranch III Landscaping and Lighting Assessment District increase recreational opportunities to the homes within the Atwood Ranch III development, providing benefit to the development itself and are deemed to be of special benefit. In the absence of the assessments, these public resources would not be created, and revenues would not be available for their continued maintenance and improvement. Therefore, the assessments solely provide special benefit to property in the Assessment District over and above the general benefits conferred by the general facilities of the Assessment District.

Although these Improvements may be available to the general public at large, the park area within the Assessment District is specifically designed, located, and created to provide additional and improved public resources for property inside the Assessment District and not the public at large. Other properties that are either outside the Assessment District or within the Assessment District and not assessed do not enjoy the unique proximity, access, views, and other special benefit factors described previously. These Improvements are of special benefit to properties located within the Assessment District because they provide a direct advantage to properties in the Assessment District that would not be provided in the absence of the Assessments.

There is no widely accepted or statutory formula for calculating general benefit. General benefits are benefits from improvements or services that are not special in nature, are not "particular and distinct," and are not "over and above" benefits received by other properties. The SVTA vs. SCCOSA decision provides some clarification by indicating that general benefits provide "an indirect, derivative advantage" and are not necessarily proximate to the improvements.

In the 2009 Dahms case, the Court upheld an assessment that was 100% special benefit on the rationale that the services funded by the assessments were directly provided within the assessment district. It is also important to note that the improvements and services funded by the assessments in Pomona are similar to the improvements and services funded by the Assessments described in this Engineer's Report, and the Court found these improvements and services to be 100% special benefit. Also similar to the assessments in Pomona, the Assessments described in this Engineer's Report fund improvements and services directly provided within the Assessment District, and every benefiting property in the Assessment District enjoys proximity and access to the Improvements. Therefore, Dahms establishes a basis for minimal or zero general benefits from the Assessments.

Although the analysis used to support these assessments concludes that the benefits are solely special, as described above, consideration is made for the suggestion that a portion of the benefits is general. General benefits cannot be funded by these assessments - the funding must come from other sources.

One measure of general benefits from park and recreation Improvements is the percentage of time such park and recreation Improvements are used by individuals who are not residents, employees, customers, or property owners in the Assessment District. Field surveys conducted by SCI in many other similar communities in California have found that for similar local parks such as those within the Assessment District, typically 5% of the park users do not live or work within the Assessment District. This is a measure of the general benefits to the public at large.

5%	(General Benefit)
+ 95%	(Special Benefit)
= 100%	(Total Benefit)

The maintenance and servicing of these improvements are also partially funded, directly and indirectly, from other sources, including the Auburn Area Recreation and Park District and Placer County, as well as other public agencies. This funding comes in the form of grants, special programs, and general funds, as well as direct maintenance and servicing of facilities (e.g., curbs, gutters, streets, drainage systems, etc.). This funding from other sources more than compensates for general benefits, if any, received by the properties within the assessment district. The sum total of this contribution exceeds the 5% minimum needed to offset any general benefit, as noted above.

Method of Assessment

The second step in apportioning assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a single-family home, or, in other words, on the basis of Equivalent Dwelling Units ("EDU"). This EDU methodology is commonly used to distribute assessments in proportion to estimated special benefit and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. For the purposes of this Engineer's Report, all properties are designated an EDU value, which is each property's relative benefit in relation to a single-family home on one parcel. In this case, the "benchmark" property is the single-family detached dwelling which is one Equivalent Dwelling Unit or one EDU.

Assessment Apportionment

The proposed assessments for the Atwood Ranch III Landscaping and Lighting Assessment District would provide direct and special benefit to properties in this Assessment District. Atwood Ranch III is a residential single-family development project consisting of 143 single-family homes. As such, each residential property receives similar benefit from the proposed improvements. Therefore, the Engineer has determined that the appropriate method of apportionment of the benefits derived by all parcels is on a dwelling unit basis. All improved properties or properties proposed for development are assigned an EDU factor equal to the number of dwelling units developed or planned for the property. The assessments are listed on the Assessment Roll in Appendix A.

Appeals and Interpretation

Any property owner who feels that the assessment levied on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment may file a written appeal with the District Administrator or his or her designee. Any such appeal is limited to the correction of an assessment during the then-current or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the District Administrator or his or her designee will promptly review the appeal and any information provided by the property owner.

If the District Administrator or his or her designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the District Administrator or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any property owner who disagrees with the decision of the District Administrator or her or his designee may refer their appeal to the District Board of Directors ("Board"), and the decision of the District Board shall be final.

Assessment

WHEREAS, the District Board of Directors of the Auburn Area Recreation & Park District, County of Placer, California, by its Resolution No. 2021-02 adopted on February 25, 2021, ordered the initiation of proceedings for the continuation of the assessments for the Atwood Ranch III Landscaping and Lighting Assessment District for Fiscal Year 2021-22, pursuant to the provisions of the Landscaping and Lighting Act of 1972 and Article XIII D of the California Constitution (collectively “the Act”); and

WHEREAS, said Resolution directed the undersigned Engineer of Work to prepare and file a report presenting an estimate of costs, a diagram for the Assessment District, and an assessment of the estimated costs of the improvements upon all assessable parcels within the Assessment District, to which Resolution and the description of said proposed improvements therein contained, reference is hereby made for further particulars.

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under said Act and the order of the Board of said Auburn Area Recreation & Park District, hereby make the following assessment to cover the portion of the estimated cost of said improvements, and the costs and expenses incidental thereto to be paid by the Assessment District.

As required by the Act, an Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of the Atwood Ranch III Landscaping and Lighting Assessment District. The distinctive number of each parcel or lot of land in the said Atwood Ranch III Landscaping and Lighting Assessment District is its Assessor Parcel Number appearing on the Assessment Roll.

The amount to be paid for said improvements and the expense incidental thereto, to be paid by the Atwood Ranch III Landscaping and Lighting Assessment District for the Fiscal Year 2021-22, is generally as follows in Figure 2 on the next page.

Figure 2 – Assessment Estimate of Cost, Fiscal Year 2021-22

Item	FY 2021-22 Budget
Park Maintenance & Improvements	\$17,210
Preserve Maintenance and Monitoring	\$4,000
Repayment to General Fund	\$3,000
Incidental Expenses	\$4,695
TOTAL BUDGET	\$28,905
Less:	
Contribution from Other Sources for General Benefit	(\$1,731)
NET AMOUNT TO ASSESSMENTS	\$27,174

And I do hereby assess and apportion said the net amount of the cost and expenses of said improvements, including the costs and expenses incident thereto, upon the parcels and lots of land within the Atwood Ranch III Landscaping and Lighting Assessment District, in accordance with the special benefits to be received by each parcel or lot from the improvements, and more particularly set forth in the Cost Estimate, and Method of Assessment hereto attached and by reference made a part hereof.

The assessments are made upon the parcels or lots of land within the Atwood Ranch III Landscaping and Lighting Assessment District, in proportion to the special benefits to be received by the parcels or lots of land from said improvements.

The assessment is subject to an annual adjustment tied to the Consumer Price Index-U for the San Francisco Bay Area as of December of each succeeding year (the "CPI"), with a maximum annual adjustment not to exceed 5%. Any change in the CPI in excess of 5% shall be cumulatively reserved as the "Unused CPI" and shall be used to increase the maximum authorized assessment rate in years in which the CPI is less than 5%. The maximum authorized assessment rate is equal to the maximum assessment rate in the first fiscal year; the assessment was levied adjusted annually by the minimum of 1) 5% or 2) the change in the CPI plus any Unused CPI as described above.

Property owners in the Assessment District, in an assessment ballot proceeding, approved the initial fiscal year benefit assessment for special benefits to their property, including the CPI adjustment schedule, so the assessment may continue to be levied annually and may be adjusted by up to the maximum annual CPI adjustment without any additional assessment ballot proceeding. In the event that in future years the assessments are levied

at a rate less than the maximum authorized assessment rate, the assessment rate in a subsequent year may be increased up to the maximum authorized assessment rate without any additional assessment ballot proceeding.

Based on the preceding annual adjustments, the maximum possible assessment rate for Fiscal Year 2020-21 was \$221.10 per single-family equivalent benefit unit. The annual change in the CPI from December 2019 to December 2020 was 2.00%. Therefore, the maximum authorized assessment rate for Fiscal Year 2021-22 has been increased from \$221.10 to \$225.52 per single-family equivalent benefit unit. However, the estimate of cost and budget in this Engineer's Report proposes assessments for Fiscal Year 2021-22 at the rate of \$190.03 per single-family equivalent benefit unit, which is less than the maximum authorized assessment rate.

Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of Placer for Fiscal Year 2021-22. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of said County.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Roll the amount of the assessment for the Fiscal Year 2021-22 for each parcel or lot of land within the said Atwood Ranch III Landscaping and Lighting Assessment District.

Dated: April 30, 2021

Engineer of Work



By

A handwritten signature in blue ink that reads "John W. Bliss".

John W. Bliss, License No. C52091

Assessment Diagram

The boundaries of the Atwood Ranch III Landscaping and Lighting Assessment District are displayed on the following Assessment Diagram.

Appendix A – Assessment Roll, FY 2021-22

The Assessment Roll (a listing of all parcels assessed within the Atwood Ranch III Landscaping and Lighting Assessment District, and the amount of the assessments) will be filed with the Clerk of the Board and is, by reference, made part of this Report and is available for public inspection during normal office hours.

Each lot or parcel listed on the Assessment Roll is shown and illustrated on the latest County Assessor records, and these records are, by reference, made part of this Report. These records shall govern for all details concerning the description of the lots or parcels.

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RESOLUTION NO. 2021-09

**A RESOLUTION OF INTENTION TO CONTINUE ASSESSMENTS
FOR FISCAL YEAR 2021-22, PRELIMINARILY APPROVING
ENGINEER'S REPORT, AND PROVIDING FOR NOTICE OF HEARING
FOR THE AUBURN AREA RECREATION AND PARK DISTRICT, ATWOOD RANCH III
LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT**

WHEREAS, on January 27, 2005, by its Resolution No. 2005-01, after receiving a weighted majority of 100% of ballots in support of the proposed assessment, this Board ordered the formation of and levied the first assessment within the Atwood Ranch III Landscaping and Lighting Assessment District of the Auburn Area Recreation and Park District (the "District") pursuant to the provisions of Article XIID of the California Constitution, and the Landscaping and Lighting Act of 1972 (the "Act"), Part 2 of Division 15 of the California Streets and Highways Code (commencing with Section 22500 thereof); and

WHEREAS, the first Engineer's Report for Fiscal Year 2005-06 described how the assessment district would be established, determined the uses of the assessment funds, established the methodology by which the assessments would be applied to properties in the District, established that the assessment is subject to an annual adjustment tied to the annual change in the Consumer Price Index for the San Francisco Bay Area, and stated that the assessment would continue year-to-year until terminated by the District Board of Directors; and

WHEREAS, although the methodology by which the assessments are applied to properties in the District does not change from year to year, a new Engineer's Report is prepared each year in order to establish the CPI adjustment for that year; the new maximum authorized assessment rate for that year; the budget for that year; and the amount to be charged to each parcel in the District that year, subject to that year's assessment rate and any changes in the attributes of the properties in the District, including but not limited to use changes, parcel subdivisions, and/or parcel consolidations; and

WHEREAS, by Resolution No. 2021-22, the Board ordered the preparation of an Engineer's Report for the Atwood Ranch III Landscaping and Lighting Assessment District (the "District") for fiscal year 2021-22; and

WHEREAS, pursuant to said Resolution, the Engineer's Report was prepared by SCI Consulting Group, Engineer of Work, in accordance with 22565, *et. seq.*, of the Streets and Highways Code (the "Report") and Article XIID of the California Constitution; The Report has been made, filed with the Clerk of the Board and duly considered by the Board and is hereby deemed sufficient and preliminarily approved. The Report shall stand as the Engineer's Report for all subsequent proceedings under and pursuant to the foregoing resolution.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Auburn Area Recreation and Park District, (the "Board"), State of California, that it is the intention of this Board to continue and to collect assessments within the District for fiscal year 2021-22. It is proposed that Atwood Ranch III Landscaping and Lighting Assessment District undertake the following

improvements: installation, maintenance and servicing of public facilities. Installation will include but not be limited to, playground equipment, irrigation and sprinkler systems, landscaping, turf, park grounds, park facilities, landscape corridors, trails, ponds, wetlands preserve areas, fencing, piers, signage, benches, tables, and all necessary appurtenances, and labor, materials, supplies, utilities and equipment, as applicable, for property owned or maintained by the Auburn Area Recreation and Park District. Maintenance means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of said improvements, including repair, removal, or replacement of all or part of any improvement; providing for the life, growth, health and beauty of landscaping; and cleaning, sandblasting and painting of walls and other improvements to remove or cover graffiti, and monitoring of wetlands preserve areas. Servicing means the furnishing of electric current or energy for the operation or lighting of any improvements, and water for irrigation of any landscaping or the maintenance of any other improvements.

BE IT FURTHER RESOLVED that the assessment is subject to an annual adjustment tied to the Consumer Price Index-U for the San Francisco Bay Area as of December of each succeeding year (the "CPI"), with a maximum annual adjustment not to exceed 5%. Any change in the CPI in excess of 5% shall be cumulatively reserved as the "Unused CPI" and shall be used to increase the maximum authorized assessment rate in years in which the CPI is less than 5%. The maximum authorized assessment rate is equal to the maximum assessment rate in the first fiscal year the assessment was levied adjusted annually by the minimum of 1) 5%, or 2) the change in the CPI plus any Unused CPI as described above.

BE IT FURTHER RESOLVED that property owners in the Assessment District, in an assessment ballot proceeding, approved the initial fiscal year benefit assessment for special benefits to their property including the CPI adjustment schedule. Therefore, the assessment may be continued annually and may be adjusted by up to the maximum annual CPI adjustment without any additional assessment ballot proceeding. In the event that in future years the assessments are levied at a rate less than the maximum authorized assessment rate, the assessment rate in a subsequent year may be increased up to the maximum authorized assessment rate without any additional assessment ballot proceeding.

BE IT FURTHER RESOLVED that based on the preceding annual adjustments, the maximum possible assessment rate for Fiscal Year 2020-21 was \$221.10 per single family equivalent benefit unit. The annual change in the CPI from December 2019 to December 2020 was 2.00%. Therefore, the maximum authorized assessment rate for Fiscal Year 2021-22 has been increased from \$221.10 to \$225.24 per single family equivalent benefit unit. However, the estimate of cost and budget in this Engineer's Report proposes assessments for fiscal year 2021-22 at the rate of \$190.03 per single family equivalent benefit unit, which is less than the maximum authorized assessment rate.

BE IT FURTHER RESOLVED, by the Governing Board of the Auburn Area Recreation and Park District that a Public Hearing shall be held on June 24, 2021 at 6:00 p.m. at Board Room of the District Office, 471 Maidu Drive, Auburn, CA to consider the ordering of the improvements and the continuation of the proposed assessments. In the event that the Shelter in Place order is still in effect, the Auburn Area Recreation and Park District Board meeting will be held remotely in accordance with Governor Gavin Newsom's Executive Order N-25-20, issued March 12, 2020, and Government Code Section 54954(e). In an effort to improve access to public information, residents

may access meetings remotely, by accessing the link <http://www.auburnrec.com/board-meetings.php> and following the link listed under "Agendas 2021" for the Zoom link. Prior to the conclusion of the hearing, any interested person may file a written protest with the Board, or, having previously filed a protest, may file a written withdrawal of that protest. A written protest shall state all grounds of objection. A protest by a property owner shall contain a description sufficient to identify the property owned by such owner. Such protest or withdrawal of protest should be mailed to Auburn Recreation and Park District, 471 Maidu Drive, Auburn, CA 95603-5723. Notice of the hearing is to be given by publishing a notice once, at least ten (10) days prior to the date of the hearing above specified, in a newspaper circulated in the Auburn Area Recreation and Park District.

DULY AND REGULARLY ADOPTED by the Governing Board of the Auburn Area Recreation and Park District this 27th day of May, 2021 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Kahl Muscott
District Administrator

H. Gordon Ainsleigh
Chair, Board of Directors

Item 8.1 Cover Sheet – Resolution #2021-10 Moving Residual Funds to the Future Capital Construction Fund and UAL at CalPERS

Auburn Area Recreation and Park District May, 2021 Standing Finance Committee meeting; May 2021 Board of Directors meeting.

The Issue

Shall the Auburn Area Recreation and Park District (ARD) Board of Directors approve Resolution #2021-10 transferring FY 20/21 surplus/residual funds split between the Future Capital Construction Fund and the UAL (Unfunded Accrued Liability) with CalPERS?

Background

The FY 20/21 Finances showed a surplus (“residual”) of \$120,000. Typically, year-end surpluses are transferred to a reserve fund.

The ARD Board Procedures and Responsibilities manual states the following:

Section II – Responsibilities and Duties of the Board

Board Responsibilities

7. Review, evaluate and approve the following:

H. Recommend budgetary items for fiscal Capital Outlay Budget for new projects

Board Duties

4. To review, approve and oversee the budget and financial reports

Due to changes in ARD’s Future Capital Construction reserve needs we will be underfunded in the year ’24-25 by \$85,000. The transfer will help balance that year’s needed funds.

ARD has an ongoing UAL with CalPERS that we are trying to pay down. \$35,000 towards that debt will help towards funding the Pension Liability balance.

Recommendation for the Standing Finance Committee:

The Standing Finance Committee recommends the Board of Directors approve and adopt Resolution #2021-10, transferring \$85,000 to the Future Capital Construction Reserve Fund, and \$35,000 to pay down our UAL at CalPERS.

Alternatives available to the Finance Committee:

- 1) Transfer the total \$120,000 to the Equipment Replacement Reserves Fund and push out projects.
- 2) Transfer the total \$120,000 to the Future Capital Construction Reserves Fund.
- 3) Transfer the total \$120,000 to the UAL or 115 Trust and push out projects.

Fiscal Impact

Should the residual funds from year end 2020-21 be transferred into the Future Capital Construction reserves, the fund will increase by \$85,000. The current balance is \$920,574. The transfer would bring the balance to \$1,005,574.

Should the residual funds from year end 2020-21 be transferred into the UAL at CalPERS, the liability will decrease by \$35,000 as well as future additional payment projections. The current UAL is \$1,134,820 less the \$140,000 not applied yet is \$994,820. The residual transfer would bring the balance to \$959,820.

Attachments

Resolution #2021-10

RESOLUTION NUMBER 2020 - 10

A RESOLUTION OF THE GOVERNING BOARD OF DIRECTORS OF THE AUBURN AREA RECREATION AND PARK DISTRICT APPROVING THE TRANSFER OF FUNDS IN THE AMOUNT OF \$120,000 FROM THE GENERAL FUND TO THE FUTURE CAPITAL CONSTRUCTION RESERVES IN THE AMOUNT OF \$85,000 AND TO THE UNFUNDED ACCRUED LIABILITY AT CALPERS IN THE AMOUNT OF \$35,000.

WHEREAS, in May of 2021, the Auburn Area Recreation & Park District Board of Directors agreed the residual funds in the amount of \$120,000, from the year end 2020-2021 Financials should be transferred from the General Fund, and;

WHEREAS, \$85,000 to be transferred into the Future Capital Construction reserves, and;

WHEREAS, \$35,000 to be made available to send to CalPERS to reduce the Pension UAL (Unfunded Accrued Liability);

THEREFORE, the Auburn Area Recreation and Park District Board of Directors does hereby resolve the following:

That the Auburn Area Recreation and Park District Board of Directors hereby transfers \$120,000.00 from the General Fund to the Future Capital Construction Reserves in the amount of \$85,000 and the pension UAL at CalPERS in the amount of \$35,000.

APPROVED, PASSED, AND ADOPTED ON May 27, 2021 by the following roll call vote:

Ayes:

Noes:

Absent:

Abstain:

H. Gordon Ainsleigh
Chairman of the Governing Board

ATTEST:

Clerk to the Governing Board

Item 8.2 Cover Sheet – Additional Work Cost Proposal for Richardson & Company, LLP

Auburn Area Recreation and Park District May, 2021 Standing Finance Committee meeting; Board of Directors meeting, May, 2021.

The Issue

Shall the Auburn Area Recreation and Park District (ARD) Board of Directors approve an Additional Work Cost amendment to Richardson & Company's original contract?

Background

In October of 2019 the Board of Director's contracted with Richardson & Company, LLP to perform the District audits for the years ending March 2020, March 2021 & March 2022.

The contract is for the following:

	2019-20	2020-21	2021-22
Richardson & Company, LLC	\$12,600	\$11,900	\$12,100

During the first audit for 2019-20, Richardson & Company determined that the Friends of Auburn Recreation, (the 501C3) should be incorporated into ARD's audit as well, causing more work for the firm.

We also added the OPEB calculation when we added the CalPERS Health Insurance to our Balance Sheet. Since Richardson & Company were unaware of this liability, they had not included it as a part of their original contract quote.

Richardson & Company, LLC are requesting an addendum to the original contract for additional work cost as follows:

	2019-20	2020-21	2021-22
Richardson & Company, LLC	\$1,800	\$1,500	\$1,760

Recommendation for the Standing Finance Committee:

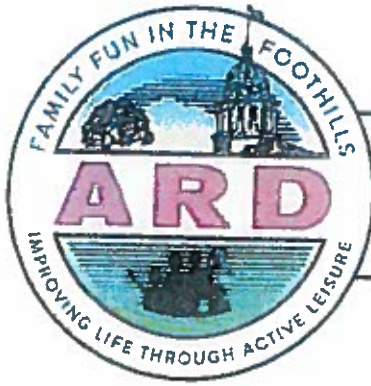
The Finance Committee recommends the Board of Directors to approve the additional work cost proposal not to include the audit for the 501C3. (\$1200, \$1000, \$1250)

Fiscal Impact

\$3,450.00 over 3 years
(\$2,200.00 for fiscal year 2020-21 and \$1,250.00 for fiscal year 2021-22)

Attachments

Additional Work Cost Proposal



RICHARDSON & COMPANY, LLP

Additional Work Cost Proposal

Since our original estimate did not include the District's other post-employment benefit plan (OPEB) and the Friends of ARD, both of which are required to be reported within the District's financial statements, we are proposing the following fee adjustments for this additional work. The OPEB work is higher in 2020 and 2022 since those are the years we are required to test the census data used by the actuaries in the calculation. These fees are based on an hourly rate of \$100 per hour, which is a discount from our standard billing rates.

Fees for Related Services:

	<u>2020</u>	<u>2021</u>	<u>2022</u>
OPEB plan audit and footnote disclosure	\$ 1,200	\$ 1,000	\$ 1,250
Friends of ARD audit	<u>600</u>	<u>500</u>	<u>510</u>
Total	<u>\$ 1,800</u>	<u>\$ 1,500</u>	<u>\$ 1,760</u>

Item 8.3 Cover sheet – Amending 2021/2022 Project List and CIP

Auburn Area Recreation and Park District Acquisition and Development Committee May, 2021; ARD Board of Directors Meeting May, 2021

The Issue

Shall the Auburn Recreation District amend the existing 2021/2022 Project List and Capital Improvement Project List (CIP)?

Background

An amendment to the FY 2021/2022 Project List is being proposed for the following reasons:

1) To reflect the recent ARD Board approval to move forward with the replacement of the Meadow Vista Park playground. This will be done by adding the project to the FY 2021/2022 list and delaying a project in later years, per a request from Placer County. This delay will help free up some funding in the Placer County Area #5 fund.

The proposed delay to the Regional Park tennis court path of travel project (from FY 22/23 to FY 24/25) will postpone ARD's request of \$20,000 from Placer County Mitigation Funds by two years.

2) To increase the funding for the remainder of Phase I and Phase II of the Auburn Bike Park. This increase of \$35,000 is recommended to be paid for with the \$85,000 that is being proposed to be added from the FY 20/21 budget surplus.

This increase will cover the additional costs for Phase I and Phase II that includes:

- Building a roadway and proper drainage to Phase II
- Pipe gates to control access at Phase II
- Trucking costs for the donated dirt
- A water system for Phase I. The current system requires dragging very long and heavy hoses to water the course is problematic for our volunteers. This part of the project was originally going to be a donated irrigation system, however after analysis by staff and a contractor it was determined that this design would not work.

3) Sealing the Discovery Club Modular #2 building at Skyridge Elementary. This past winter, a leak developed in the roof. Staff attempted to fix the leak, however the problem is beyond staff's ability to repair. Jesse got three quotes to reseal the roof and apply rust-proofing to the metal roof. The cost for this repair is \$10,850, which is proposed to be paid for with Future Capital Construction funding.

4) Trail improvement/signage at the 24 acres. This project was included as part of the FY 21/22 budget, to paid for from the General Fund. Staff is adding it to the project list for clarity. This project is provide signage and some minor trail improvements on the 24 Acres if ARD does not receive the Prop 68 grant.

District Policy, Section H states:

3. Project List: The yearly Project List may include all funded items from that Fiscal Year's Capital Improvement Plan plus all planned General Fund projects costing an estimated \$5,000 or more. The Project List may be amended throughout the year if a project is

identified after the creation and approval of the list. The Project List should be presented to the Board for approval by May of each Fiscal Year.

Recommendation for Board of Directors

The A&D Committee sent a positive recommendation to the Board to approve amending the FY 2021/2022 Project List and CIP.

Staff agrees with this recommendation.

Fiscal Impact

The estimated costs and proposed funding for each project are included on the project list.

Attachments

FY 2021/2022 Project List (with updates highlighted in yellow)

FY 2022/2023 – 2024/2025 Project Lists (with updates highlighted in yellow)

Existing (approved) FY 21/22 Project List and 5 year CIP

Auburn Recreation District Five Year Project List

Green = moved from a previous year
 Yellow = updated number or new project to list

Project List

2021/2022

Estimated balance

PROJECT	Est. Cost	Spent from General Funds or Grants in Prior Year(s)	Gen. Fund	ADA	Reserve	Cnty. Mil.	City Mit.	Grants	Mt. Vernon proceeds
35,032 1,005,574 842,287 226,495 302,000 415,000									
<i>Recreation Park</i>									
Rec Field infield renovation	25,000				10,000	15,000			
James Bermuda Outfield	42,000				20,000	22,000			
Wheelchair Swing	60,000					25,000	30,000	5,000	
Rec Shop Floor Repairs	10,000				10,000				
<i>Meadow Vista</i>									
ADA Signage	1,200			1,200					
Parking lot reseal/repaint	15,000				15,000				
Pathway repairs	15,000				15,000				
Pickleball court crack repairs	5,000		5,000						
New playground	120,000				60,000	60,000			
<i>Ashford Park</i>									
New irrigation pump	45,000	28,000							
<i>Overlook Park</i>									
Restroom ADA Upgrades	15,000			15,000					
<i>Regional Park/24 Acres</i>									
24 acres Planning/CEQA	120,000	(46,734)			73,266				
24 acre construction docs	110,000				110,000				
Dry Creek playground replace	177,000							177,000	
Pickleball court crack repairs	4,500		4,500						
Trail improvements/signage	10,000		10,000						
<i>CVCC</i>									
Bike Park Phase II	117,175				77,540			39,635	
ADA Door	5,000			5,000					
<i>Placer Hills Park</i>									
Parking Lot repairs	30,000		30,000						
<i>Skyridge Elementary</i>									
Modular #2 roof repair	10,850				10,850				
<i>Multiple Parks</i>									
Energy Efficiency Upgrades	2,131,500								
TOTAL	3,089,225	-18,734	49,500	21,200	401,656	122,000	30,000	221,635	0
Estimated Balance Remaining			13,832	603,918	720,287	196,495	80,365	415,000	

Equip Rsrv.
17,000

Loan
2,131,500

Note: Assumes \$50,000/year in County Mitigation Fees
 Note: Assumes \$50,000/year in ADA reserve funds
 Note: Assumes \$10,000/year in city mitigation
 Note: Assumes \$25,000 added to FCC per year
 Note: Placer County to use approx. \$350,000
 Note: Assumes \$177,000 Grant, \$5,000 donation, and 120,000 InKind for Bike Park

Proposed

Auburn Recreation District Five Year Project List

Green = moved from a previous year

Project List

2022/2023

Estimated balance

PROJECT	Est. Cost	Spent from General Funds or Grants in Prior Year(s)	Gen. Fund	ADA	Reserve	Cnty. Mit.	City Mit.	Grants	Mt. Vernon proceeds
<p>18,832 628,918 770,287 206,495 1,415,000 415,000</p>									
Recreation Park									
Locker room floor	25,000				25,000				
Regional Park									
Tennis/pickleball courts surfaces	200,000				200,000				
Ashford Park									
Pond mucking	100,000			100,000					
Walking pathway extension, Dry Creek end	265,000								
24 Acre Development	2,275,000				445,000			1,415,000	415,000
Kiosks	10,000			10,000					
Pond leak Repair	95,000			95,000					
Canal Repair	40,000			40,000					
Overlook Park									
Levee Repairs and paving	20,000			20,000					
Railhead Park									
Interpretive Signage (2 x \$5K)	10,000			10,000					
Parking lot repair/reseal	15,000			15,000					
Christian Valley Park									
Tutor Toiler Roof	45,000		45,000						
TOTAL	3,030,000	0	45,000	0	490,000	445,000	0	1,415,000	415,000
<p>18,832 138,918 325,287 206,495 0 0 0</p>									
<p>Estimated Balance Remaining</p>									

Move to Reserve Funding

Note: Assumes \$50,000/year in County Mitigation Fees
 Note: Assumes \$5000/year in ADA reserve funds
 Note: Assumes \$10,000/year in city mitigation
 Note: Assumes \$25,000 added to FCC per year
Note: Assumes \$1.415m in Statewide Park Program grant
 Note: Placer County to use approx. \$350,000

Proposed

Auburn Recreation District Five Year Project List

Green = moved from a previous year

Project List

2023/2024

Estimated balance

23,832 163,918 375,287 216,495 **Changed** 80,000

PROJECT	Est. Cost	Spent from General Funds or Grants in Prior Year(s)	Gen. Fund	ADA	Reserve	Cnty. Mit.	City Mit.	Grants	In Kind
<i>Recreation Park</i>									
Spray park (replace splash pool)	300,000		20,000		75,000	60,000	65,000	80,000	
North (Front) Playground	120,000						120,000		
North Playground, Path of Travel	30,000						30,000		
<i>Regional Park</i>									
Breezeway Painting	40,000		20,000		20,000				
<i>Meadow Vista Park</i>									
TOTAL	480,000	0	40,000	0	95,000	60,000	215,000	80,000	0
Estimated Balance Remaining				23,832	68,918	315,287	1,495	0	0

- Note: Assumes \$50,000/year in County Mitigation Fees
- Note: Assumes \$5000/year in ADA reserve funds
- Note: Assumes \$10,000/year in city mitigation
- Note: Assumes \$25,000 added to FCC per year
- Note: **Placer County to use approx. \$350,000**
- Note: Assumes \$80,000 Grant

Proposed

Auburn Recreation District Five Year Project List

Green = moved from a previous year

2024/2025

Estimated balance

PROJECT	Est. Cost	Spent from General Funds or Grants in Prior Year(s)	Gen. Fund	ADA	Reserve	Cnty. Mit.	City Mit.	Grants	In Kind
<i>Meadow Vista Park</i>									
Pond island renovation	100,000				100,000				
<i>Regional Park</i>									
Tennis Court Path of Travel	41,500		3,000	18,500		20,000			
TOTAL	141,500	0	3,000	18,500	100,000	20,000	0	0	0
Estimated Balance Remaining				10,332	-6,082	345,287	11,495	0	0

- Note: Assumes \$50,000/year in County Mitigation Fees
- Note: Assumes \$5000/year in ADA reserve funds
- Note: Assumes \$10,000/year in city mitigation
- Note: Assumes \$25,000 added to FCC per year
- Note: Assumes \$50,000/year in Equipment Reserve funds

Proposed

Auburn Recreation District Five Year Project List

Project List

2021/2022

Estimated balance

PROJECT	Est. Cost	Spent from General Funds or Grants in Prior Year(s)	Gen. Fund	ADA	Reserve	Cnty. Mit.	City Mit.	Grants	Mt. Vernon proceeds
Recreation Park									
Rec Field infield renovation	26,000				10,000	15,000			
James Bernuda-Dunfield	42,000				20,000	22,000			
Wingchairs Swing	60,000								
Rec Shop Floor Repairs	10,000				10,000		30,000	5,000	
Meadow Vista									
AIDA Signage	1,200			1,200					
Parking lot reseal/stripes	15,000				15,000				
Pathway repairs	15,000				15,000				
Pickleball court crack repairs	5,000		5,000						
Ashford Park									
New irrigation pump	45,000	28,000							
Overlook Park									
Rt-stream ADA Upgrades	15,000			15,000					
Regional Park									
24 acre Planning/CEQA	320,000	(46,734)			75,266				
24 acre construction docs	110,000				110,000				
Dry Creek playground replace	177,000							177,000	
Pickleball court crack repairs	4,500		4,500						
CVCC									
Bike Park Phase II	200,000	(40,150)							
ADA Door	5,000			5,000	39,842			120,000	
Placer Hills Park									
Parking Lot repairs	30,000		30,000						
Multiple Parks									
Energy Efficiency Upgrades	2,131,500								
TOTAL	3,011,200	-58,892	30,500	21,200	293,108	62,000	30,000	302,000	0
Estimated Balance Remaining				13,832	630,573	780,287	196,495	0	-415,000

Equip Rsv. 17,000

Loan 2,131,500

Existing / Approved

Note: Assumes \$50,000/year in County Mitigation Fees
 Note: Assumes \$5000/year in ADA reserve funds
 Note: Assumes \$10,000/year in city mitigation
 Note: Assumes \$25,000 added to FCC per year
Note: Placer County to use approx. \$350,000
 Note: Assumes \$177,000 Grant, \$5,000 donation, and 120,000 in-kind for Bike Park

Auburn Recreation District Five Year Project List

Project List

Green = moved from a previous year
 Pink = new project to list

2022/2023

Estimated balance

PROJECT	Est. Cost	Spent from General Funds or Grants in Prior Year(s)	Gen. Fund	ADA	Reserve	Cnty. Mit.	City Mit.	Grants	Mt. Vernon proceeds
Recreation Park									
Locker room Floor	25,000				25,000				
Regional Park									
Tennis/pickleball courts surfaces	200,000				200,000				
Tennis Court Path of Travel	41,500		3,000	18,500		20,000			
Fond mucking	100,000				100,000				
Walking pathway extension, Dry Creek end	265,000								
2.4 Acre Development	2,275,000								
Kiosks	10,000					445,000		1,415,000	415,000
Fond leak Repair	95,000				10,000				
Canal Repair	40,000				95,000				
Ashford Park									
Levee Repairs and paving	20,000				40,000				
Overlook Park									
Interpretive Signage (2 x \$5K)	10,000				20,000				
Railhead Park									
Parking lot repair/resurf	15,000				10,000				
Christian Valley Park									
Tutor Totter Roof	45,000		45,000						
TOTAL	3,071,500	0	48,000	18,500	490,000	465,000	0	1,415,000	415,000
Estimated Balance Remaining				332	165,573	365,287	206,495	0	0

Move to Reserve Funding

265,000

Note: Assumes \$50,000/year in County Mitigation fees

Note: Assumes \$5000/year in ADA reserve funds

Note: Assumes \$10,000/year in city mitigation

Note: Assumes \$25,000 added to FCC per year

Note: Assumes \$1.415m in Statewide Park Program grant

Note: Placer County to use approx. \$350,000

Existing Approved

Auburn Recreation District Five Year Project List

Project List

Green = moved from a previous year
 Pink = new project to list

2023/2024

Estimated balance

PROJECT	Est. Cost	Spent from General Funds or Grants in Prior Year(s)	Gen. Fund	ADA	Reserve	Cnty. Mit.	City Mit.	Grants	In Kind
<i>Recreation Park</i>									
Spray park (replace splash pool)	300,000		20,000		75,000	60,000	65,000	80,000	
North (Front) Playground	120,000						120,000		
North Playground, Path of Travel	30,000						30,000		
<i>Regional Park</i>									
Breezeway Painting	40,000		20,000						
TOTAL	490,000	0	40,000	0	95,000	60,000	215,000	80,000	0
Estimated Balance Remaining				5,332	95,573	355,287	1,495	0	0

Changed 80,000

- Note: Assumes \$50,000/year in County Mitigation Fees
- Note: Assumes \$50,000/year in ADA reserve funds
- Note: Assumes \$10,000/year in city mitigation
- Note: Assumes \$25,000 added to FCC per year
- Note: **Placer County to use approx. \$350,000**
- Note: **Assumes \$80,000 Grant**

Existing / Approved

Auburn Recreation District Five Year Project List

Green = moved from a previous year
 Pink = new project to list

2024/2025

Estimated balance

PROJECT	Est. Cost	Spent from General Funds or Grants in Prior Year(s)	Gen. Fund	ADA	Reserve	Cnty. Mit.	City Mit.	Grants	In Kind
Meadow Vista Park									
Pond/Island renovation	100,000				100,000				
TOTAL	100,000	0	0	10,332	100,000	0	0	0	0
Estimated Balance Remaining				10,332	20,573	405,287	11,495	0	0

- Note: Assumes \$50,000/year in County Mitigation Fees
- Note: Assumes \$5000/year in ADA reserve funds
- Note: Assumes \$10,000/year in city mitigation
- Note: Assumes \$25,000 added to FCC per year
- Note: Assumes \$50,000/year in Equipment Reserve funds

Existing Approved

Item 9.1 Discussion Item - Cover sheet – Curt Smith Memorial Bench at the Auburn Bike Park

Auburn Area Recreation and Park District (ARD) Board of Directors meeting, May, 2021

The Issue

Shall the Auburn Area Recreation and Park District (ARD) Board of Directors add a memorial bench at the Auburn Bike Park for former ARD Director Curt Smith? The Acquisition and Development Committee requested that this item be considered.

Background

Curt Smith served as an ARD Board member from 2006 until his passing in 2015. It has been suggested that the ARD Board consider adding a memorial bench at the Auburn Bike Park in memory of Curt.

After Curt's passing, there was an effort to install a memorial rock at the Railhead Park playground. That rock is still not in place.

Per ARD Policy:

D. Criteria for creating non-living memorials in an individual's name:

1. The memorial should be a non-living, low maintenance improvement, which should serve a purpose to the District, for example, a bench with a plaque. All costs of the improvement shall be the responsibility of the donor. The donor may submit information and recommendation to the District Administrator regarding relevant history of the person to be memorialized, type of improvement desired and verbiage requested. Final decisions regarding the improvement, including, but not limited to, materials, equipment, location and labor will be made by the District.

Recommendation for the Board of Directors

Review and discuss.

Fiscal Impact

There would be no fiscal impact to ARD. The bench and cost to install it would need to be covered by donations from the Board and community.

The cost for a memorial bench is approximately \$2,000. The cost for install could be as much as \$1,500, however other groups that have installed memorial benches at ARD were able to get the installation donated.

Attachments

N/A

Item 9.2 Discussion Item - Cover sheet – Electric Charging Stations and Electric Vehicle Fleets

Auburn Area Recreation and Park District Policy Committee; May, 2021; Board of Directors meeting May, 2021

The Issue

A discussion about electric vehicles and electric vehicle charging stations.

Background

Auburn City Councilwoman and ARD liaison Rachel Radell-Harris shared information at the April, 2021 Board of Directors meeting about grants that are coming available for electric vehicle charging stations. Rachel also spoke about new laws that will require public and private fleets to switch to electric.

Staff met with Rachel to discuss these items. The following is a brief synopsis:

Electric Vehicle Charging Stations

Rachel suggested that ARD consider installing Level 2 chargers. Rachel does not recommend that ARD make these free for the users. Rachel feels that these Level 2 chargers will be adequate for what most of our park users will need – the ability to top off the battery, as opposed to a rapid, full charge from a DC Fast Charger. These DC Fast Chargers are generally found right off of a freeway.

Rachel explained that there is grant money coming available through the CALeVIP Inland Counties Incentive Program. This incentive program will provide a rebate up to \$3,500/connector. Each charging station generally has two connectors (\$7,000 rebate). The cost to install a charging station depends on the location (distance to existing power, necessary ADA upgrades, possible additional lighting, etc.). Rachel put ARD staff in touch with a local engineer that specializes in review and providing specs and diagrams on how/where to install charging stations.

Applications for the Inland Counties Incentive Program were submitted for four parks – Recreation Park, Regional Park, Ashford Park and Meadow Vista Park. Rachel recommends applying for all possible sites. ARD can always withdraw their application, if desired.

Clean Fleet Regulations

A new law, which should go into effect in Fall, 2021, will require all public and private fleets to begin purchasing only electric vehicles (with a few exceptions for police, fire, etc.). A high level summary of the proposed new law follows:

The regulation applies to:

- Vehicles with a gross vehicle weight over 8,500 lbs (Medium-Duty and Heavy-Duty)
- Private, Public, Drayage

- Does not cover: transit vehicles subject to the ICT regulation, emergency vehicles defined by vehicle code section 165, school buses

- * Implementation timeframe is from 2023 to 2045
- * For public fleets:

Requirement is on fleet purchases and replacements. No requirement to replace early.

50% of 2024-2026 model years must be Zero Emission Vehicles (ZEV) or Plug In Hybrid Electric Vehicles (PHEV)

100% of 2027 and newer model years must be ZEVs or PHEVs

PHEVs allowed until 2035

The current costs for electric trucks (as ARD will need) are very high, however prices are continuing to drop and there are grants to pay for these electric vehicles.

ARD will also need to look at its fleet of gator carts and lawn mowers.

Recommendation for the Board of Directors

The Policy Committee recommended that this item be forwarded to the Board to review and provide direction.

Fiscal Impact

Unknown at this time

Attachments

Information about the Inland Counties Incentive Program

Information on Public Fleet ZEV purchases

Inland Counties Incentive Project

Crucial Project Requirements

- Unique login credentials are required for application submittals. CALeVIP prohibits the sharing of login credentials for submitting applications among individuals, including staff within the same organization. Please create individual accounts prior to project launch. Failure to do so may lead to application cancellations.
- CALeVIP does not permit submissions by bots or automated processes. We reserve the right to cancel applications using any method that could disadvantage other applicants.

Inland Counties Incentive Project

🔌 LEVEL 2 CHARGERS & DC FAST CHARGERS (DCFC)

📍 BUTTE, EL DORADO, IMPERIAL, KINGS, MERCED, NAPA, NEVADA, **PLACER**, SOLANO, STANISLAUS, SUTTER, TULARE, AND YOLO COUNTIES

💰 LEVEL 2 UP TO \$6,000 PER CONNECTOR, DCFC UP TO \$80,000 PER CHARGER

Applications will open on May 18, 2021 sometime between 9:30 a.m. – 12:30 p.m. (PDT) and will remain open once available.

□ Overview

The Inland Counties Incentive Project promotes easy access to zero-emission vehicle infrastructure for the purchase and installation of eligible electric vehicle (EV) chargers in Butte, El Dorado, Imperial, Kings, Merced, Napa, Nevada, Placer, Solano, Stanislaus, Sutter, Tulare, and Yolo counties – with a total of \$17.5 million in available funds.

Eligible Rebates for Level 2 Chargers:

Eligible Rebates for Level 2 Chargers

Amount per Connector

Eligible Rebates for Level 2 Chargers	Amount per Connector
Base Rebate	Up to \$3,500, or 75% of project costs, whichever is less
Inland Counties Incentive Project	
Disadvantaged Community (DAC) or Low-Income Community (LIC)	Additional \$500
Multi-unit dwelling (MUD) site	Additional \$2,000

Please note: If the site qualifies as both a DAC and LIC, each Level 2 connector is only eligible for an additional \$500.

Eligible Rebates for DC Fast Chargers:

DCFC Power Level	General Market Rebate	Disadvantaged Community (DAC)/Low-Income Community (LIC) Rebate
50 kW - 99.99 kW	Up to \$30,000; or 75% of the total project cost, whichever is less	Up to \$40,000; or 75% of the total project cost, whichever is less
100 kW+	Up to \$60,000; or 75% of the total project cost, whichever is less	Up to \$80,000; or 75% of the total project cost, whichever is less

A minimum of 35% of funding in each county is required to be invested in DAC/LIC applications. This minimum investment is by technology type (DCFC, Level 2).

A minimum of 25% of funding is required to be invested in unincorporated communities in Placer, Solano, Stanislaus, and Yolo counties. This minimum investment is enforced by county, not technology type.

All final rebate amounts are determined by the total eligible project costs. Find out more about eligible site types and eligible rebate amounts for DAC/LIC and non-DAC/LIC applicants in the FAQ section.

You will need the following to begin your application:

- Authority to apply — All applicants must submit a completed Site Verification Form (</sites/default/files/docs/inland-counties/site-verification-form.pdf>) within five calendar days of applying
- Installation site address
- TIN/EIN for recipient of rebate check

Eligibility Requirements

Project cost requirements:

- **All costs** may be incurred starting **March 10, 2021** but are incurred at your **own risk** prior to the date your funds are reserved (e.g., application may be determined ineligible, or funds may be unavailable at time of

application)

- Rebates are reserved on a **first-come, first-served** basis

Applicant requirements:

Inland Counties Incentive Project

- Be a site owner or their authorized agent with a Site Verification Form (</sites/default/files/docs/inland-counties/site-verification-form.pdf>) submitted within five calendar days of application date
- Be a business, nonprofit organization, California Native American Tribe listed with the Native American Heritage Commission or a public or government entity based in California or operate as a California-based affiliate

Installation site requirements:

DC Fast Chargers

- Located in Butte, El Dorado, Imperial, Kings, Merced, Napa, Nevada, Placer, Solano, Stanislaus, Sutter, Tulare, or Yolo counties
- Chargers are publicly available 24 hours per day, 365 days a year
- Charger(s) must not be located behind a fence or in a gated parking lot closed to the public after hours
- Premises must be well-lit, secure, and in compliance with all federal, state and municipal laws, ordinances, rules, codes, standards and regulations
- Be an eligible site: airport, casino, city/county/private-owned parking lot or garage, college/university, gas station, grocery store, hospital, hotel, library, public transit hub, restaurant, retail shopping center, sheriff/police station, urban/suburban retail core, or curbside charging
- All eligible DC fast charger sites are also eligible for Level 2 chargers as part of a combination application

Level 2 Chargers

- Located in Butte, El Dorado, Imperial, Kings, Merced, Napa, Nevada, Placer, Solano, Stanislaus, Sutter, Tulare, or Yolo counties
- Premises must be well-lit, secure, and in compliance with all federal, state and municipal laws, ordinances, rules, codes, standards and regulations
- Be an eligible site: commercial (public availability), workplace (Public or private parking facilities, but must be shared use parking spaces), multi-unit dwelling (Public or private parking facilities, but must be shared use parking spaces), or curbside charging
- New construction sites are not eligible for Level 2 funds, except for affordable housing new construction sites

Equipment requirements:

DC Fast Chargers

- New EV charging equipment
- Purchased after the application Funds Reserved date
- Include DCFC dual standard chargers with both CHAdeMO and SAE CCS connector options
- Networked: Equipment and network must have remote diagnostics and be capable of "remote start." Must also be capable of usage data collection. Minimum five-year networking agreement (eligible towards total project cost)
- Capable of 50 kW or greater
- If payment is required, must accept some form of credit cards and multiple forms of payment
- Must be approved by a Nationally Recognized Testing Laboratory Program (NRTL)

Level 2 Chargers

- New EV charging equipment
- Purchased after the application Funds Reserved date
- ENERGY STAR® Certified

- Networked: Equipment and network must have remote diagnostics and be capable of "remote start." Must also be capable of usage data collection. Minimum two-year networking agreement (eligible towards total project cost)
 - Capable of 6.2 kW or greater per connector
- Inland Counties Incentive Project**
If payment is required, must accept some form of credit cards and multiple forms of payment

DOWNLOAD

INLAND COUNTIES IMPLEMENTATION MANUAL ([HTTPS://CALEVIP.ORG/SITES/DEFAULT/FILES/DOCS/INLAND-COUNTIES/IMPLEMENTATION-MANUAL.PDF](https://calevip.org/sites/default/files/docs/inland-counties/implementation-manual.pdf))

INLAND COUNTIES SITE VERIFICATION FORM ([HTTPS://CALEVIP.ORG/SITES/DEFAULT/FILES/DOCS/INLAND-COUNTIES/SITE-VERIFICATION-FORM.PDF](https://calevip.org/sites/default/files/docs/inland-counties/site-verification-form.pdf))

INLAND COUNTIES ELIGIBLE EQUIPMENT
([HTTPS://CALEVIP.ORG/SITES/DEFAULT/FILES/DOCS/CALEVIP/CALEVIP_ELIGIBLE_EQUIPMENT.PDF](https://calevip.org/sites/default/files/docs/calevip/calevip_eligible_equipment.pdf))

INLAND COUNTIES SAMPLE SUPPORTING DOCUMENTS ([HTTPS://CALEVIP.ORG/SITES/DEFAULT/FILES/DOCS/INLAND-COUNTIES/SAMPLE-SUPPORTING-DOCUMENTS.PDF](https://calevip.org/sites/default/files/docs/inland-counties/sample-supporting-documents.pdf))

LOW CARBON FUEL STANDARD OVERVIEW ([HTTPS://CALEVIP.ORG/SITES/DEFAULT/FILES/DOCS/CALEVIP/LOW-CARBON-FUEL-STANDARD-OVERVIEW.PDF](https://calevip.org/sites/default/files/docs/calevip/low-carbon-fuel-standard-overview.pdf))

VOLUNTARY INVOICE TEMPLATE ([HTTPS://CALEVIP.ORG/SITES/DEFAULT/FILES/DOCS/CALEVIP/VOLUNTARY-INVOICE-TEMPLATE.PDF](https://calevip.org/sites/default/files/docs/calevip/voluntary-invoice-template.pdf))

Eligible Equipment Costs

Eligible Costs

The following equipment and costs are eligible for rebate funds under a Level 2 or DC fast charger application:

- Electric vehicle supply equipment (EVSE)
- Transformer
- Electric Panels
- Energy storage equipment
- Installation costs (labor and materials)
- Utility service order
- Planning and engineering design costs
- Project signage
- Network agreement with network provider
- Extended warranties
- Stub-outs
- Demand management equipment

Permits as required by authorities having jurisdiction are not eligible costs. Rebate funds do not cover solar panels.

Application Process

Public Fleet ZEV Purchases

- Scope includes cities, counties, special districts, state agencies*
 - Entities with exempt plates from DMV
- ZEV purchases required when adding to the fleet
 - 50% of 2024-2026 model year vehicles must be ZEVs
 - 100% of 2027 and newer model years must be ZEVs
- Three-year exemption in designated counties until 2027
- Plug-in hybrids (NZEVs) count same as ZEVs until 2035



* Federal fleets addressed with private fleets

NZEV: Near-zero-emission vehicle as defined in ACT regulation