

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 10/16/2012	(3) CONTACT/PHONE Glenn Marshall, Development Services Engineer (805) 781-1596	
(4) SUBJECT Submittal of a resolution of application to approve initiation of proceedings for the amendment of the sphere of influence and annexation of Tract 1747 into the Nipomo Lighting District. District 4.			
(5) RECOMMENDED ACTION It is our recommendation that your Honorable Board adopt the attached resolution to initiate proceedings for the amendment of the sphere of influence and the annexation of Tract 1747 into the County's existing Nipomo Lighting District service area, contingent on a successful Prop 218 election of Tract property owners.			
(6) FUNDING SOURCE(S) Services to Special Districts	(7) CURRENT YEAR FINANCIAL IMPACT \$15,000	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business (Time Est. _____)			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date _____	
(17) ADMINISTRATIVE OFFICE REVIEW Emily Jackson			
(18) SUPERVISOR DISTRICT(S) District 4 -			

Reference: 12OCT16-C-2

County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works

Glenn Marshall, Development Services Engineer

VIA: Paavo Ogren, Director of Public Works

DATE: 10/16/2012

SUBJECT: Submittal of a resolution of application to approve initiation of proceedings for the amendment of the sphere of influence and annexation of Tract 1747 into the Nipomo Lighting District. District 4.

RECOMMENDATION

It is our recommendation that your Honorable Board adopt the attached resolution to initiate proceedings for the amendment of the sphere of influence and the annexation of Tract 1747 into the County's existing Nipomo Lighting District service area, contingent on a successful Prop 218 election of Tract property owners.

DISCUSSION

Tract 1747 is located northeasterly of the intersection of Thompson Avenue and Chestnut Street in the community of Nipomo, as shown on the attached Vicinity Map. The recordation of both phases of Tract 1747 created 152 new parcels including 151 residential parcels and one open space parcel. The tract was conditioned to construct frontage and project interior improvements to urban street standards; private and public drainage facilities; and utilities to serve each new lot. These improvements were accepted as complete by Public Works on June 1, 2009. Although not required as a project condition of approval, streetlights were also constructed as shown on the approved public improvement plans on file with the Department of Public Works.

During construction the developer entered into an agreement with Pacific Gas and Electric (PG&E) to energize the newly installed streetlights on those streets where residences had been constructed and were occupied. According to PG&E, the developer stopped making their electrical payments on or about December 9, 2009, and in response to PG&E's consideration of de-energizing the streetlights a community meeting was held July 21, 2011, to discuss alternatives.

From a subsequent survey, by Public Works, over 80% of Tract 1747 property owners indicated support for assessments of \$33 per year for continued operation and maintenance of the streetlights. Of those, 60% preferred that Nipomo Community Services District (NCSD) oversee operation and maintenance. Additional project background information is presented in Attachment "B."

Tract 1747 abuts the County's Nipomo Lighting District service area boundary on the southerly and westerly subdivision boundaries (see Attachment "A"). Annexation into the Nipomo Lighting District is required prior to establishing a streetlight assessment district to fund ongoing operation and maintenance. Alternatively, Tract 1747 is entirely within the NCS D boundary and they currently have streetlight authority. The County met with NCS D and LAFCO to discuss process and procedures. Although NCS D staff expressed a willingness to support administering a future Tract 1747 streetlight program they also cited initial concerns including:

- limited staff resources to assist with forming the assessment district;
- the necessity to enter into a Memo of Understanding with your Board which would include funding an initial streetlight operational budget.

Based on these discussions, staff recommends pursuing annexation of Tract 1747 into the existing Nipomo Lighting District, which is currently administered by the County Public Works Department, and that this annexation be contingent on a successful Prop 218 election of owners in order to ensure a sustainable assessment to support the lighting infrastructure. Our recommendation requires a sphere of influence and annexation application be processed by LAFCO pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, commencing with Section 56000 of the California government Code. Any final action by LAFCO for annexation would follow the election results.

To commence the annexation process your Board must adopt the attached Resolution of Application. Supporting the application is an exhibit showing the limits of annexation provided as Attachment "A;" a Plan for Services provided as Attachment "C;" and a notification letter of this action sent to NCS D provided as Attachment "D" (in accordance with Government Code §56654). In subsequent phone conversations with NCS D staff they support the recommended action.

The Resolution of Application would delegate the Director of Public Works, in consultation with the office of County Counsel, to act as the applicant on behalf of the County for all matters necessary to process this application. It also recommends that the final Notice of Completion associated with the annexation be contingent upon establishing a Tract 1747 Streetlight Assessment District.

If the LAFCO application is approved, Public Works will return to your Board at a later date to begin the assessment district formation hearings in accordance with the Landscaping and Lighting Act of 1972 (see Streets & Highway Code §22500 et seq). Because the statutory process results in the levy of assessment it also is subject to Proposition 218 and the Proposition 218 Omnibus Implementation Act (see Government Code §§53739, 53750, 53753 & 53753.5).

OTHER AGENCY INVOLVEMENT/IMPACT

The tentative tract map was processed by the Planning and Building Department and approved by the Planning Commission following review by various County departments and other agencies. Representatives from LAFCO, NCS D and PG&E have responded to the residents' concerns as has Supervisor Teixeira. The prior meetings and discussions with these and other outside agencies have formulated our recommendation. We have reviewed this item with the office of County Counsel, who has approved the attached resolution as to legal form and effect.

FINANCIAL CONSIDERATIONS

The Services to Special Districts fund will be used to process the LAFCO application and, if approved, the subsequent assessment district formation process (Proposition 218 election). The total estimated cost to process both applications is \$15,000.

If the Tract 1747 assessment district is established, the future ongoing costs of operation and maintenance of the streetlights will be entirely offset by an assessment charged to each of the residential lots within the tract. This action will not affect the existing assessments of those properties currently within the Nipomo Lighting District.

If the election is unsuccessful, operation of the lights within Tract 1747 would not be provided through a District. Individual property owners may elect to pay for service directly with PG&E.

RESULTS

If your Board supports the staff recommendation, an application to amend the Sphere of Influence and annex the property identified as Tract 1747 into the Nipomo Lighting District service area will be filed by the Department of Public Works with LAFCO. The LAFCO process will take approximately 90 days and will have at least one public hearing where all residents will be notified.

If the LAFCO application is approved, Public Works will return to your Board at a later date to begin the assessment district formation process.

If your Board denies staff recommendations, the residents of Tract 1747 must make other arrangements in order to keep their streetlights energized.

File: Tract 1747-Streetlights

Reference: 12OCT16-C-2

L:\DEVELOP\OCT12\BOS\Tract 1747-Nipomo Lighting District brd ltr.doc.GM:lc

ATTACHMENTS

1. Vicinity Map
2. Attachment A: Annexation Boundary Exhibit
3. Attachment B: Project History
4. Attachment C: Plan for Services
5. Attachment D: Notice of Intent
6. Resolution of Application to Approve Initiation of Proceedings for the Amendment of the Sphere of Influence and Annexation of Tract 1747 in the Nipomo Lighting District