

## **ENGINEER'S REPORT**

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**DATE: JULY 17, 2018**  
**TO: CITY COUNCIL**  
**FROM: CITY ENGINEER**  
**RE: STREET LIGHT ASSESSMENT DISTRICT - FISCAL YEAR 2018-19**

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This report has been prepared in accordance with Section 18091 of the Street and Highways Code and meets the requirements of the Street Lighting Act of 1919.

### HISTORICAL REVIEW

Prior to 1979, the year the City formed the Street Light Assessment District, all subdivisions were annexed to the City's Lighting District #1. This district became a Special District, which made it eligible for a small portion of the property tax as well as Special Augmentation Funds for special districts.

When the Assessment District was formed, primarily to pay for street lighting in residential areas with street lights, the City ceased annexing new subdivisions to Lighting District #1. While the City continues to receive moneys on Lighting District #1 as Special Augmentation Funds, the amounts are eventually expected to decrease. The Lighting District #1's expected income for FY 2018-19 is approximately \$36,700.

When the Street Light Assessment District was formed, it was the City Council's policy that residential street lighting expenses and operations be funded by the Assessment District separate from the arterial street lighting expenses of Lighting District #1.

### PROPOSITION 218

In 2001 an increase in the levy was proposed to offset increasing electrical costs. The subsequent Prop. 218 ballot was defeated by approximately 60% of the votes cast. Due to the current fiscal climate and reserve status of this fund, the recommendation is to not attempt another 218 ballot this year.

### DETERMINATION OF SPECIAL BENEFIT

For this District, being limited to street lighting, the finding of a special benefit is relatively simple. Those occupied properties located on a lighted public street receive a special benefit relative to those properties located on unlit streets and sidewalks. This benefit may be described as additional protection for residents from criminal activity and, to a lesser extent, vehicular traffic. It should be noted that street lights protect pedestrians from vehicular traffic by increasing the pedestrians' sight and subsequent ability to avoid danger more than it increases their visibility to others (drivers).

The argument that a general benefit exists because all pedestrians benefit from the additional protection even those that are not residents of the specific street is false. The number of non-resident pedestrian trips made is minuscule compared to the number of resident pedestrian trips and that tiny benefit to non-resident pedestrians does not constitute a general benefit.

There are publicly owned parcels (open space) that front along lighted public streets. However, since these properties are not occupied, no benefit, either special or general, is received. Therefore, the finding is that no "general" benefit exists.

### DISTRICT IMPROVEMENTS

The District improvements consist of streetlights located on residential streets. The streetlights may be mounted on PG&E poles or on City-owned poles (either wood, metal, or concrete).

**PROJECTED FY 2017-18 COSTS AND FUND BALANCE**

The district's projected year-end revenue and costs for FY 2017-18 are based on actuals through April of 2018 and show projected expenses of \$150,240. against revenue of \$127,391. (Assessment and interest) causing a projected deficit variance of \$22,849. The beginning fund balance of \$108,849. will be eroded to \$85,999. at year's end. This rate of annual deficit spending will be bankrupt the streetlight fund in fewer than four (4) years.

**BUDGETED FY 2018-19 REVENUE, COST, AND FUND BALANCE**

The proposed FY 2018-19 district budget is as follows:

<b>Expenditure Account Number</b>	<b>Account Name</b>	<b>2018-19 Proposed Budget</b>
7113	Overtime	\$0.
7311	General Supplies	\$500.
7335	Gas & Electric Service	\$118,000.
7381	Property Tax Admin. Cost	\$3,600.
7389	Misc. Expenses	\$330.
7412	Engineering/Inspection Services	\$1,000.
7419	Other Prof. Services	\$250.
7450	Street Light Maintenance	\$16,000.
8101	Fund Admin. – Transfer to GF	\$11,890.
	<b>Expense Sub-total:</b>	<b>\$151,570.</b>
<b>Revenue Account Number</b>		
4607	Street Light Assessment	\$125,991.
5601	Interest	\$1,000.
5606	Unrealized Inv. Gain/Loss	\$0.
	<b>Revenue Sub-total:</b>	<b>\$126,991.</b>
	<b>Increase (Decrease) in Fund Balance</b>	<b>&lt;\$24,579.&gt;</b>
	<b>Beginning Fund Balance</b>	<b>\$85,999.</b>
	<b>Ending Fund Balance</b>	<b>\$61,419.</b>

Based on the FY 2018-19 Budget and the number of units assessed, the actual assessment for FY 2018-19 should be \$52.11 per unit. Since we are unable to increase assessments without an affirmative ballot election by voters, it is recommend the FY 2018-19 assessments remain the same (see table on pages 4 and 5). Based on this annual assessment and earned interest, the District will receive revenues of approximately \$126,991. With budgeted expenses of \$151,570. the projected FY 2018-19 deficit will be <\$24,579.> further eroding the Streetlight Replacement Fund balance to \$61,419.

**METHOD OF ASSESSMENT**

In detached, single family subdivisions with public streets, the special benefit received from street lights is equal to all the lots, regardless of size, and the assessment should, therefore, be equal for every lot and will be assigned an assessment unit of one.

In subdivisions with private streets that are served or traversed by lighted public streets, the property owners already pay for a share of their private street lighting and the ratio of lots to the number of public lights is higher than those in subdivisions with all public streets. In order to provide equity in these circumstances assessment units of one-half have been assigned to privately held single family and duet subdivisions (Oak Hollow, Black Diamond, and Diablo Pointe) and one-quarter to privately held multifamily subdivisions (Diablo Ridge, Chaparral Springs, Marsh Creek Villas).

See the chart on pages 4 and 5 for a complete breakdown of the assessment units.

ASSESSMENT HISTORY

Proposed FY 18-19	between \$0 and \$43.54
FY 17-18	between \$0 and \$43.54
FY 16-17	between \$0 and \$43.54
FY 15-16	between \$0 and \$43.54
FY 14-15	between \$0 and \$43.54
FY 13-14	between \$0 and \$43.54
FY 12-13	between \$0 and \$43.54
FY 11-12	between \$0 and \$43.54
FY 10-11	between \$0 and \$43.54
FY 09-10	between \$0 and \$43.54
FY 08-09	between \$0 and \$43.54
FY 07-08	between \$0 and \$43.54
FY 06-07	between \$0 and \$43.54
FY 05-06	between \$0 and \$43.54
FY 04-05	between \$0 and \$43.54
FY 03-04	between \$0 and \$43.54
FY 02-03	between \$0 and \$43.54
FY 01-02	between \$0 and \$43.54
FY 00-01	\$34.34
FY 99-00	\$33.38
FY 98-99	\$33.38
FY 97-98	\$33.38
FY 96-97	\$43.54

**CITY OF CLAYTON**

**STREETLIGHT ASSESSMENT DISTRICT  
FY 2018-19**

**PROPOSED ASSESSMENTS**

Subd. Name	Subd. No.	No. of Lots	Type	Public Streets	A.U. per lot	Total A.U.	Assessment Per Lot	Total \$
Cardinet Glen I	2556	22	SF	Y	1.00	22.00	\$43.54	\$957.88
Cardinet Glen II	2572	30	SF	Y	1.00	30.00	\$43.54	\$1,306.20
Glen Almond	3434	23	SF	Y	1.00	23.00	\$43.54	\$1,001.42
Dana Hills I	3576	29	SF	Y	1.00	29.00	\$43.54	\$1,262.66
Mission Manor	3659	25	SF	Y	1.00	25.00	\$43.54	\$1,088.50
Dana Hills II	4011	55	SF	Y	1.00	55.00	\$43.54	\$2,394.70
Dana Hills III	4012	50	SF	Y	1.00	50.00	\$43.54	\$2,177.00
Dana Hills IV	4013	93	SF	Y	1.00	93.00	\$43.54	\$4,049.22
Dana Hills V	4014	50	SF	Y	1.00	50.00	\$43.54	\$2,177.00
Dana Hills VI	4015	30	SF	Y	1.00	30.00	\$43.54	\$1,306.20
Dana Hills VII	4016	65	SF	Y	1.00	65.00	\$43.54	\$2,830.10
Dana Hills VIII	4017	46	SF	Y	1.00	46.00	\$43.54	\$2,002.84
Dana Hills IX	4018	32	SF	Y	1.00	32.00	\$43.54	\$1,393.28
Dana Hills X	4019	52	SF	Y	1.00	52.00	\$43.54	\$2,264.08
Marsh Creek	4240	109	MF	N	0.25	27.25	\$15.64	\$1,704.76
Regency Woods I	4343	77	SF	Y	1.00	77.00	\$43.54	\$3,352.58
St. James Place	4403	16	SF	Y	1.00	16.00	\$43.54	\$696.64
Casey Glen	4449	24	SF	Y	1.00	24.00	\$43.54	\$1,044.96
Briarwood I	4451	19	SF	Y	1.00	19.00	\$43.54	\$827.26
Jeffry Ranch	4499	68	SF	Y	1.00	68.00	\$43.54	\$2,960.72
Dana Ridge	4504	86	MF	N	0.25	21.50	\$15.64	\$1,345.04
Clayton Greens	4515	78	SF	Y	1.00	78.00	\$43.54	\$3,396.12
Regency Woods II	4543	71	SF	Y	1.00	71.00	\$43.54	\$3,091.34
Regency Woods III	4643	37	SF	Y	1.00	37.00	\$43.54	\$1,610.98
Briarwood II	4654	40	SF	Y	1.00	40.00	\$43.54	\$1,741.60
Regency Woods IV	4798	145	SF	Y	1.00	145.00	\$43.54	\$6,313.30
Easley Estates I	4805	48	SF	Y	1.00	48.00	\$43.54	\$2,089.92
Silver Creek I	4827	26	SF	Y	1.00	26.00	\$43.54	\$1,132.04
Silver Creek II	4956	94	SF	Y	1.00	94.00	\$43.54	\$4,092.76
Easley Estates II	5048	51	SF	Y	1.00	51.00	\$43.54	\$2,220.54
Easley Estates III	5049	40	SF	Y	1.00	40.00	\$43.54	\$1,741.60
Easley Estates IV	5050	55	SF	Y	1.00	55.00	\$43.54	\$2,394.70

Douglas Court	5267	9	SF	Y	1.00	9.00	\$43.54	\$391.86
Regency Meadows	5722	96	SF	Y	1.00	96.00	\$43.54	\$4,179.84
Westwood	6001	65	SF	Y	1.00	65.00	\$43.54	\$2,830.10
Westwood	6001	4	MF	Y	0.50	2.00	\$15.64	\$62.56
Windmill Canyon I	6990	92	SF	Y	1.00	92.00	\$43.54	\$4,005.68
Black Diamond I	7065	108	Duet	N	0.50	54.00	\$31.28	\$3,378.24
Chaparral Springs I	7066	117	MF	N	0.25	29.25	\$8.34	\$975.78
Peacock Creek I	7249	69	SF	Y	1.00	69.00	\$33.38	\$2,303.22
Peacock Creek II	7255	72	SF	Y	1.00	72.00	\$33.38	\$2,403.36
Eagle Peak I	7256	70	SF	Y	1.00	70.00	\$43.54	\$3,047.80
Eagle Peak II	7257	60	SF	Y	1.00	60.00	\$43.54	\$2,612.40
Falcon Ridge I	7260	75	SF	Y	1.00	75.00	\$33.38	\$2,503.50
Falcon Ridge II	7261	70	SF	Y	1.00	70.00	\$43.54	\$3,047.80
Windmill Canyon II	7262	99	SF	Y	1.00	99.00	\$43.54	\$4,310.46
Windmill Canyon III	7263	101	SF	Y	1.00	101.00	\$43.54	\$4,397.54
Windmill Canyon IV	7264	102	SF	Y	1.00	102.00	\$33.38	\$3,404.76
Chaparral Springs II	7303	52	MF	N	0.25	13.00	\$8.34	\$433.68
Black Diamond II	7311	118	Duet	N	0.50	59.00	\$31.28	\$3,691.04
Diablo Ridge I	7766	60	MF	N	0.25	15.00	\$8.34	\$500.40
Oak Hollow	7766	35	SF	N	0.50	17.50	\$16.68	\$583.80
Diablo Ridge II	7767	76	MF	N	0.25	19.00	\$8.34	\$633.84
Oak Hollow IIA	7768	55	SF	N	0.50	27.50	\$31.28	\$1,720.40
Oak Hollow IIB	7769	53	SF	N	0.50	26.50	\$31.28	\$1,657.84
Stranahan	7887	54	SF	Y	1.00	54.00	\$33.38	\$1,802.52
Diablo Village	8215	33	SF	Y	1.00	33.00	\$43.54	\$1,436.82
Rachel Ranch	8355	8	SF	Y	1.00	8.00	\$43.54	\$348.32
Bridlewood	8358	19	SF	Y	1.00	19.00	\$43.54	\$827.26
Diablo Pointe	8719	24	SF	N	0.50	12.00	\$22.18	\$532.32
TOTALS		3482				2908.5		\$125,991.08