

# ENGINEER'S REPORT FOR

**Fiscal Year 2007-08**

*Prepared for:*

**SPRECKELS COMMUNITY SERVICES DISTRICT**  
Monterey County, California

*Prepared by:*

**BUREAU VERITAS**



**BUREAU  
VERITAS**

Berryman & Henigar

**July 30, 2007**

**ENGINEER'S REPORT**  
**SPRECKELS COMMUNITY SERVICES DISTRICT**

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**SECTION I**

**INTRODUCTION**

**ENGINEER'S REPORT  
SPRECKELS COMMUNITY SERVICES DISTRICT**

**FISCAL YEAR 2007-08**

The Spreckels Community Services District currently levies a charge upon parcels of real property which was approved by the registered voters within the District in \_\_\_\_\_ to fund the maintenance of certain public improvements. This area is referred to as Maintenance Zone No.1 – Old Town in this report. This charge is collected on the Property Tax roll.

During 2007, an additional 73 lots were annexed into the Spreckels Community Services District which are currently being developed by Standard Pacific Homes. This area is referred to as Maintenance Zone No.2 – New Town in this report. To ensure a flow of funds for the operation, maintenance and servicing of specified improvements within the boundaries of Maintenance Zone No. 2 – New Town (Standard Pacific 73 lots) the District's Board of Directors has proposed the establishment of Maintenance Zone No. 2 pursuant to the requirements of Section 61140 of the California Government Code. The boundaries of Maintenance Zone No. 2 are shown on the Diagram in this report as Appendix B.

With the establishment of Maintenance Zone No. 2 – New Town, the costs of maintenance, repair and servicing of the improvements to be funded by the District will be apportioned to each parcel within Maintenance Zone No. 2 in proportion to the special benefit it receives. Payment of the maintenance assessment for each parcel will be made in the same manner and at the same time as payments are made for property taxes. All funds collected through the assessment must be placed in a special fund and can only be used for the purposes stated within this report.

The District will hold a Public Hearing on July 30, 2007, to provide an opportunity for any interested person to be heard. At the conclusion of the Public Hearing, the returned ballots will be counted and weighted by their assessment amount. If at least 50% of the returned ballots weighted by the assessment amount are in favor the District's Board of Directors may adopt a resolution confirming the levy of assessments within Maintenance Zone No. 2 – New Town. Following the adoption of this resolution, the final assessor's roll will be prepared and filed with the Monterey County Auditor-Controller's Office to be included on the FY 2007-08 tax roll.

**SECTION II**

**ENGINEER'S REPORT PREPARED PURSUANT  
TO THE PROVISIONS OF SECTION 61140  
OF THE GOVERNMENT CODE**

**FISCAL YEAR 2007-08**

In accordance with Resolution No. \_\_\_\_\_, adopted by the Spreckels Community Services District's Board of Directors on July 30, 2007, I, K. Dennis Klingelhofer, P.E., acting on behalf of Bureau Veritas, the duly appointed ENGINEER OF WORK, submit herewith the "Report" consisting of four (4) parts as follows:

**PART A: PLANS AND SPECIFICATIONS**

This part describes the services to be funded within Maintenance Zone No. 1 – Old Town and Maintenance Zone No. 2 – New Town.

**PART B: ESTIMATE OF COST**

This part contains an estimate of the cost of the proposed services, including incidental costs and expenses in connection therewith, is as set forth on the lists thereof, attached hereto, and are on file in the District's Office.

**PART C: ASSESSMENT ROLL**

This part contains an assessment of the estimated cost for the services on each benefited lot or parcel of land within Maintenance Zone No. 1 – Old Town and Maintenance Zone No. 2 – New Town. The Assessment Roll is filed in the District's Office, and by reference is made a part hereof.

**PART D: METHOD OF APPORTIONMENT OF ASSESSMENT**

This part describes the method of apportionment of charges or assessments, based upon parcel classification of land within Maintenance Zone No. 2 – New Town, in proportion to the estimated benefits to be received.

**PART A**

**PLANS AND SPECIFICATIONS**

The facilities, which are proposed to be maintained within Zone 1 – Old Town and those facilities which are currently under construction in Zone 2 – New Town within the Spreckels Community Services District boundaries, and those which shall be subsequently constructed, operated, maintained and serviced are generally described as follows:

**DESCRIPTION OF IMPROVEMENTS  
SPRECKELS COMMUNITY SERVICES DISTRICT**

**Zone 1 - Old Town** - Improvements within this zone consist of the alley-ways, sidewalks, curb and gutters, street lighting, existing stormwater pump station, existing force main, stormwater detention facilities, storm drain system including pipes, catch basins, alleyway v-gutters and appurtenant facilities located within the "Old Town" area. The District may maintain and operate these improvements including but not limited to sidewalk repair and rehabilitation, grading and chip sealing of alleyways, street sweeping, miscellaneous concrete repair, street lighting, and maintenance of the storm drainage system which serves the "Old Town" area including operation and maintenance of the existing pump station and a pro-rata (75%) share of the operation and maintenance of the storm drain force main outfall and emergency generator. This shall include the costs of personnel, electrical energy, utilities such as water, materials, contractual services and other items necessary for the satisfactory maintenance of the improvements which shall also include; vandalism abatement.

**Zone 2 – New Town** - Improvements within this zone consist of paved alley-ways, sidewalks, curb and gutter, stormwater detention pond, new pump station, new force main, storm drain system including pipes, catch basins, concrete alleyway v-gutters and appurtenant facilities within the "New Town". The District may maintain and operate these improvements including but not limited to sidewalk repair and rehabilitation, slurry sealing of alleyways, street sweeping, miscellaneous concrete repair, street lighting, and maintenance of the storm drainage system which serves the "New Town" area including maintenance of the pump station, detention basin and force main which conveys stormwater from the "New Town" area to the existing force main outfall. In addition, the "New Town" shall also be responsible for a pro-rata (25%) share of the maintenance of the existing storm drain force main and emergency generator. This shall include the costs of personnel, electrical energy, utilities such as water, materials, contractual services and other items necessary for the satisfactory maintenance of the improvements which shall also include; vandalism abatement.

The plans and specifications for the improvements are on file in the Offices of Spreckels Community Services District.

**PART B**

**ESTIMATE OF COST**

Section 61140 of the California Government Code provides that the total cost of maintenance and operation of the improvements can be recovered by the District including administration of the District, engineering fees, legal fees, printing, posting, and mailing of notices, and all other costs associated with the annual levy and collection of assessments can also be included.

**Maintenance Zone No. 1 – Old Town**

The District currently levies a charge upon each parcel located in Maintenance Zone No. 1 - Old Town for maintenance of the improvements described in Part A. This charge was approved by 2/3's of the registered voters voting in the election held by the District in \_\_\_\_\_ and has been levied annually since its passage. The total annual levy for FY2007-08 within Maintenance Zone No. 1 – Old Town is \$37,155.10.

At the current time the charges levied upon parcels within Maintenance Zone No. 1 – Old Town are not sufficient to cover the estimated annual costs for maintenance and servicing of the improvements or the future replacement of those facilities. Any increase in the current levy would require that the District conduct a study to determine future maintenance costs and that those costs be allocated to each parcel in the District in proportion to the special benefit they would receive. Under the requirements of Proposition 218, the adoption of an increase in the current charges levied by the District would require the approval of a majority of the property owners based upon a mailed ballot to property owners within Maintenance Zone No. 1 – Old Town.

It is anticipated that the District will seek to increase the annual charge levied upon parcels within Maintenance Zone No. 1 – Old Town during the coming year to cover the actual estimated costs of increased maintenance levels. This will be done in compliance with the requirements of Proposition 218. The District shall have no obligation to expend funds for the maintenance of improvements within Maintenance Zone No. 1 – Old Town in excess of the annual funds collected plus any reserve funds that may be available.

**Maintenance Zone No. 2 – New Town**

In conjunction with the Annexation of the 73 parcels being developed by Standard Pacific Homes in the Spreckels Community Services District, the developer agreed to allow the creation of a new maintenance zone that would provide a source of funds to maintain the improvements which are being constructed as part of the development. The following operation, maintenance and servicing costs for Fiscal Year 2007-08 were developed for Maintenance Zone No. 2 – New Town. These cost estimates shown in Table 1 were developed based upon the planned improvements to be constructed in Maintenance Zone No. 2 – New Town, and are based upon the projected costs for maintenance, repair and servicing of the improvements including the future replacement of the improvements at the end of their useful life.

**SRECKELS COMMUNITY SERVICES DISTRICT**  
**Engineer's Report for Fiscal Year 2007-08**

The table below summarizes the estimated annual maintenance costs for Maintenance Zone No. 2 – New Town for Fiscal Year 2007/2008.

**Table 1**  
**Summary of Maintenance Cost**  
**Maintenance Zone No.2 – New Town**  
**Fiscal Year 2007/2008**

	Zone 2 (New Town 73 Lots)		
	Unit Cost	Units	Annual Cost
<b>ALLEYWAYS, SIDEWALKS, LANDSCAPING</b>			
Alley Way Reconstruction (40 year life)	\$ 30.00	6,166 Sq Yds	\$ 16,010.00
Alley Way Slurry Seals (6 year cycle)	\$ 1.15	6,166 Sq Yds	\$ 4,090.00
Street Lightng New Town (LS-2 Schedule)	\$ 5.25	8 Street Lights	\$ 500.00
Landscaping			
Sidewalks, C&G, (35 year Life)	\$ 8.50	7,200 Linear Feet	\$ 1,750.00
Vandalism Abatement	\$ 750.00	Lump Sum	\$ 750.00
Street Sweeping (4 times per year)	\$ 45.00	8 Curb Miles	\$ 360.00
<b>STORM DRAIN MAINTENANCE</b>			
Annual Maint - Existing Pump Station			
Annual Maint - New Pump Station	\$ 1,200.00	Month	\$ 14,400.00
Annual Maint - Generator			
Old Town (75% of costs)			
New Town (25% of costs)	\$ 750.00	Month	\$ 2,250.00
New Pump Station Rplmnt (25 Year Life)	\$ 125,000.00	Each	\$ 5,000.00
18" RCP Storm Drain Maintenance	\$ 2.50	2450 Linear Feet	\$ 6,125.00
8" PVC New Force Main (30 Year Life)	\$ 50.00	825 Linear Feet	\$ 1,380.00
Concrete V-gutters (30 Year Life)	\$ 3.75	1850 Linear feet	\$ 230.00
Catch Basins	\$ 250.00	27 Catch Basins	\$ 6,750.00
Detention Basin Maint.	\$ 250.00	52 Weeks	\$ 13,000.00
Vandalism Abatement	\$ 500.00	Lump Sum	\$ 500.00
Combined Force Main Repair/Replacement (35 Year Life)			
Old Town (75% of costs)			
New Town (25% of costs)	\$ 125.00	1750 LF	\$ 1,560.00
Generator Repair/Replacement (20 Year Life)			
Old Town (75% of costs)			
New Town (25% of costs)	\$ 65,000.00	Lump Sum	\$ 810.00
<b>ADMINSTRATIVE COSTS</b>			
District Administration			\$ 2,500.00
County Administration Fee			\$ 300.00
Total Annual Cost			\$ 78,265.00
Number of Dwelling Units			73
Cost per Dwelling Unit			\$ 1,072.12

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**Engineer's Report for Fiscal Year 2007-08**

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Since the improvements within Maintenance Zone No. 2 – New Town are currently under construction by Standard Pacific Homes and will not be completed until early 2008, the District shall levy a reduced charge for the 2007/2008 Fiscal Year equal to 5/12 of the "Maximum Annual Charge" which will be levied in future years upon completion of the improvements. Therefore the levy for Fiscal Year 2007-08 will be \$446.72 which is 5/12 of \$1,072.12.

The Maximum Annual Assessment per EDU within Maintenance Zone No. 2 may be increased annually by the change in Consumer Price Index for all Urban Consumers for the San Francisco Bay Area (December – December) to provide sufficient revenues for the maintenance of the improvements. The District shall have no obligation to commit funds in excess of the assessment revenues collected for the maintenance of the improvements within Maintenance Zone No.2 – New Town and the level of maintenance provided shall be adjusted to match the funds available.

The funds in the Rehabilitation Reserve within Maintenance Zone No.2 – New Town will be set aside annually and shall only be used for the replacement or rehabilitation of improvements within that zone unless the District determines that there is a surplus based upon expected future replacement costs.

A special fund shall be set up for the revenues and expenditures by the District within each maintenance zone. Funds raised by assessment shall be used only for the purpose as stated herein and within the Maintenance Zone in which they were collected. Any balance remaining on July 1 must be carried over to the next fiscal year unless the funds are being accumulated for future capital improvements and operating reserves. The District may accumulate an operating reserve which shall not exceed the annual estimated costs of maintenance and servicing.

For those maintenance expenses which are shared obligations of parcels within both Maintenance Zone No.1 – Old Town and Maintenance Zone No.2 – New Town (maintenance of the force main outfall and emergency generator), the District shall draw funds in proportion (~~75%~~ Maintenance Zone No. 1 – Old Town, ~~25%~~ Maintenance Zone No. 2 – New Town) to the benefit derived by the parcels within each maintenance zone.

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**PART C**

**ASSESSMENT ROLL**

The proposed assessment and the amount of assessment for Fiscal Year 2007-08 apportioned to each lot or parcel, as shown on the latest roll at the Assessor's Office, is on file in the District's Office for the parcels within Maintenance Zone No.1 – Old Town and Maintenance Zone No. 2. – New Town, and included in Appendix A herein.

The description of each lot or parcel is part of the records of the Assessor of the County of Monterey and these records are, by reference, made part of this Report.

The total proposed maximum assessment which may be levied for 2007-08 Fiscal Year shall not be greater than \$37,155.10 for Maintenance Zone No.1 – Old Town and \$32,610.56 for Maintenance Zone No.2 – New Town. The Maximum Allowable Assessment per Parcel for Maintenance Zone No. 2 – New Town is \$1,072.12 Fiscal Year 2007-08.

**PART D**

**METHOD OF APPORTIONMENT OF ASSESSMENT**

**General**

The charge to be levied upon any parcel of property within Maintenance Zone No.1 – Old Town shall be levied in accordance with the charges approved by the registered voters within the District in \_\_\_\_\_. The charge to be imposed on any parcel of property within Maintenance Zone No.2 – New Town shall be related to the services to be provided and the benefit received by each parcel. The annual aggregate amount of the charges levied shall not exceed the estimated annual cost of providing the service. The revenue derived from the charges shall not be used to pay the cost of any service other than the service for which the charge was levied.

**Method of Assessment – Maintenance Zone No.2 – New Town**

Maintenance Zone No. 2 – New Town was established to provide a funding source for the maintenance and servicing of the improvements described in Part A of this report and includes sidewalks, curbs, storm drainage improvements, ally-ways and street lighting within the boundaries of the “New Town” area which is comprised of the 73 parcels annexed to the District in 2007. Parcels within Maintenance Zone No.2 – New Town benefiting from the services to be funded have been determined to be predominantly of the same land use type, specifically, single family detached home sites. Therefore, each home within the tract receives the same benefit and shall be treated equally in determining the method of spreading assessments.

The annual charge for the maintenance and servicing of the improvements are apportioned in accordance with the methodology which was approved by the District's Board of Directors upon the establishment of Maintenance Zone 2. It was determined at that time that the most equitable method for spreading the estimated benefit received by each parcel in Zone 2 should be based on the Equivalent Dwelling Unit (EDU) method. The residential parcels will be assessed on the basis of one (1) EDU per parcel. The formula is as follows:

$$\text{Assessable budget} \div \text{total EDUs} = \text{rate per EDU}$$

$$\$78,265.00 \div 73 \text{ EDUs} = \$1,072.12 \text{ per EDU}$$

Landuse	Parcels	Dwelling Units	EDU Factor	Total EDUs	Rate/EDU	Total Asmt.
Residential	73	73	1.00/DU	73	\$1,072.12	\$78,265

The assessment per EDU is the maximum assessment which could be levied for FY 2007-08 if all improvements had been completed and accepted by the District for maintenance and shall be called the “Maximum Allowable Charge” for Maintenance Zone No.2 – New Town.

The “Maximum Allowable Charge” may be increased annually by the change in the Consumer Price Index for the San Francisco Bay area. The charge in future years after all

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improvements have been completed and accepted by the District may not exceed the "Maximum Allowable Charge" as adjusted annually for changes in the Consumer Price Index. The annual charge shall be determined by the District annually based upon the estimated maintenance costs and other expenses as shown in the annual budget for Maintenance Zone No. 2.

**APPENDIX A**  
**MAINTENANCE ZONE No. 1 – Old Town**  
**Fund 83350**

**ASSESSMENT ROLL**  
**Fiscal Year 2007-08**



**SRECKELS COMMUNITY SERVICES DISTRICT**  
**Engineer's Report for Fiscal Year 2007-08**

**APPENDIX A**  
**MAINTENANCE ZONE No. 2**  
**Fund 83350**

**ASSESSMENT ROLL**  
**Fiscal Year 2007-08**

<b>Assessor Parcel Number</b>	<b>Assessment</b>	<b>Assessor Parcel Number</b>	<b>Assessment</b>
177-064-010-000	\$382.74	177-055-020-000	\$382.74
177-064-011-000	\$382.74	177-055-021-000	\$382.74
177-064-012-000	\$382.74	177-055-022-000	\$382.74
177-064-013-000	\$382.74	177-055-023-000	\$382.74
177-064-014-000	\$382.74	177-055-024-000	\$382.74
177-064-015-000	\$382.74	177-055-025-000	\$382.74
177-064-016-000	\$382.74	177-055-026-000	\$382.74
177-064-017-000	\$382.74	177-054-014-000	\$382.74
177-064-018-000	\$382.74	177-054-015-000	\$382.74
177-064-019-000	\$382.74	177-054-016-000	\$382.74
177-064-020-000	\$382.74	177-054-017-000	\$382.74
177-064-021-000	\$382.74	177-054-018-000	\$382.74
177-064-022-000	\$382.74	177-054-019-000	\$382.74
177-064-023-000	\$382.74	177-054-020-000	\$382.74
177-064-024-000	\$382.74	177-054-021-000	\$382.74
177-064-025-000	\$382.74	177-054-022-000	\$382.74
177-061-011-000	\$382.74	177-054-023-000	\$382.74
177-060-012-000	\$382.74	177-054-024-000	\$382.74
177-061-013-000	\$382.74	177-054-025-000	\$382.74
177-061-014-000	\$382.74	177-054-026-000	\$382.74
177-061-015-000	\$382.74	177-051-008-000	\$382.74
177-061-016-000	\$382.74	177-051-009-000	\$382.74
177-061-017-000	\$382.74	177-051-010-000	\$382.74
177-061-018-000	\$382.74	177-051-011-000	\$382.74
177-061-025-000	\$382.74	177-051-012-000	\$382.74
177-061-019-000	\$382.74	177-051-013-000	\$382.74
177-061-020-000	\$382.74	177-051-014-000	\$382.74
177-061-021-000	\$382.74	177-051-015-000	\$382.74
177-061-022-000	\$382.74	177-051-016-000	\$382.74
177-061-023-000	\$382.74	177-051-017-000	\$382.74
177-061-024-000	\$382.74	177-051-018-000	\$382.74
177-055-014-000	\$382.74	177-051-019-000	\$382.74
177-055-015-000	\$382.74	177-051-020-000	\$382.74
177-055-016-000	\$382.74	177-051-021-000	\$382.74
177-055-017-000	\$382.74	177-051-022-000	\$382.74
177-055-018-000	\$382.74	177-051-023-000	\$382.74
177-055-019-000	\$382.74		

**APPENDIX B**

**MAP of MAINTENANCE ZONE No. 2**

**SRECKELS COMMUNITY SERVICES DISTRICT**  
 Engineer's Report for Fiscal Year 2007-08



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APPROXIMATE THE PROPERTY QUANTITY AGREEMENT'S MAP'S FOR A DETAILED DESCRIPTION OF PAVED LINES AND PARALLELS

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 NOT TO SCALE

SRECKELS COMMUNITY SERVICES DISTRICT  
**MAINTENANCE ZONE NO. 2 (NEW TOWN)**  
 COUNTY OF MONTEREY, STATE OF CALIFORNIA

