



CITY OF HUGHSON  
**SPECIAL**  
**CITY COUNCIL MEETING**  
CITY HALL COUNCIL CHAMBERS  
7018 Pine Street, Hughson, CA

**AGENDA**  
**MONDAY, SEPTEMBER 16, 2013 – 7:00 P.M.**

**CALL TO ORDER:** Mayor Matt Beekman

**ROLL CALL:** Mayor Matt Beekman  
Mayor Pro Tem Jeramy Young  
Councilmember Jill Silva  
Councilmember George Carr  
Councilmember Harold Hill

**FLAG SALUTE:** Mayor Matt Beekman

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**1. PUBLIC BUSINESS FROM THE FLOOR (No Action Can Be Taken):**

Members of the audience may address the City Council on any item of interest to the public pertaining to the City and may step to the podium, state their name and city of residence for the record (requirement of name and city of residence is optional) and make their presentation. Please limit presentations to five minutes. Since the City Council cannot take action on matters not on the Agenda, unless the action is authorized by Section 54954.2 of the Government Code, items of concern, which are not urgent in nature can be resolved more expeditiously by completing and submitting to the City Clerk a "Citizen Request Form" which may be obtained from the City Clerk.

**2. UNFINISHED BUSINESS:**

**2.1:** Discussion Regarding the Condition of the City of Hughson Landscape and Lighting Districts and Benefit Assessment Districts.

**ADJOURNMENT:**

**AMERICANS WITH DISABILITIES ACT/CALIFORNIA BROWN ACT**  
**NOTIFICATION FOR THE CITY OF HUGHSON**

This Agenda shall be made available upon request in alternative formats to persons with a disability; as required by the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12132) and the Ralph M. Brown Act (California Government Code Section 54954.2).

**Disabled or Special needs Accommodation:** In compliance with the Americans with Disabilities Act, persons requesting a disability related modification or accommodation in order to participate in the meeting and/or if you need assistance to attend or participate in a City Council meeting, please contact the City Clerk's office at (209) 883-4054. Notification at least 48-hours prior to the meeting will assist the City Clerk in assuring that reasonable accommodations are made to provide accessibility to the meeting.

**AFFIDAVIT OF POSTING**

**DATE:** September 13, 2013      **TIME:** 5:00pm  
**NAME:** Dominique Spinale      **TITLE:** Deputy City Clerk

**Notice Regarding Non-English Speakers:**

Pursuant to California Constitution Article III, Section IV, establishing English as the official language for the State of California, and in accordance with California Code of Civil Procedures Section 185, which requires proceedings before any State Court to be in English, notice is hereby given that all proceedings before the City of Hughson City Council shall be in English and anyone wishing to address the Council is required to have a translator present who will take an oath to make an accurate translation from any language not English into the English language.

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**General Information:** The Hughson City Council meets in the Council Chambers on the second and fourth Mondays of each month at 7:00 p.m., unless otherwise noticed.

**Council Agendas:** The City Council Agenda is now available for public review at the City's website at [www.hughson.org](http://www.hughson.org) and City Clerk's Office, 7018 Pine Street, Hughson, California on the Friday, prior to the scheduled meeting. Copies and/or subscriptions can be purchased for a nominal fee through the City Clerk's Office.

**Questions:** Contact the City Clerk at (209) 883-4054





## CITY OF HUGHSON AGENDA ITEM NO. 2.1

### SECTION 2: UNFINISHED BUSINESS

**Meeting Date:** September 16, 2013  
**Subject:** Discussion Regarding the Condition of the City of Hughson Landscape and Lighting Districts and Benefit Assessment Districts.  
**Enclosure:** 2013-2014 Annual Engineer's Report (Excerpts)  
**Presented By:** Raul L. Mendez, City Manager

**Approved By:** \_\_\_\_\_

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#### **Staff Recommendation:**

Discuss the Condition of the City of Hughson Landscape and Lighting Districts and Benefit Assessment Districts.

#### **Background:**

On August 12, 2013, the City Council held a public hearing to consider the annual review of special assessment districts for Fiscal Year 2013-2014. After the public hearing, the County adopted resolutions approving the annual report, confirming the assessment and ordering the levy for the City of Hughson Landscaping and Lighting Districts and Benefit Assessment Districts for Fiscal Year 2013-2014.

The City of Hughson ("City") utilizes special financing districts to provide various services and improvements to the property owners within the City. These are currently comprised of two types of assessments, Landscape and Lighting Districts and Benefit Assessment Districts. Each Landscape and Lighting District (LMD) was formed and the annual assessments are levied pursuant to the Landscape and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (the "1972 Act"). Each Benefit Assessment District (BAD) was formed and the annual assessments are levied pursuant to the Benefit Assessment Act of 1982 (the "1982 Act"), Part 1 of Division 2 of the California Government Code.

In preparation for the annual review of the special assessment districts, the City is asked to evaluate the anticipated costs of each district for the next fiscal year, establish assessments attributable to each parcel, and order such assessments to be levied through the County property tax roll. The Engineer's Report ("Report") describes the districts, any annexations or changes to the districts, the proposed assessments and the levies for the upcoming fiscal year. The proposed

assessments and levies are to be based on the historical and estimated costs of providing services to maintain the improvements that provide a direct and special benefit to properties within each respective district.

The costs of the improvements and the annual levies include all expenditures, deficits, surpluses, revenues, and reserves. Parcels are to be assessed proportionately for the special benefit provided by the district.

For the purposes of the Report, the word "parcel" refers to an individual property assigned its own Assessor's Parcel Number by the Stanislaus County Assessor's Office. The Stanislaus County Auditor-Controller uses Assessor's Parcel Numbers and specific fund numbers to identify properties assessed on the County Secured Property Tax Roll (the "Tax Roll").

Following the final approval of the Report and confirmation of the assessments, the City Council ordered the levy and the collection of the assessments for Fiscal Year 2013-2014 pursuant to the 1972 and 1982 Acts. The assessment information was submitted to the County Auditor-Controller, in mid-August, to be included on the Tax Roll for each benefiting parcel for Fiscal Year 2013-2014.

#### Summary of Council Discussion Regarding Special Assessments Districts

City staff has been working with NBS Local Government Solutions in the recent years to more closely monitor and manage the Landscape and Lighting Districts and Benefit Assessment Districts. Part of this process has included the City beginning to track the actual costs of providing services within the Districts and providing information to NBS for use during the preparation of the Annual Engineer's Report. This more deliberate process allows the City to better gauge the fiscal condition of each District and help with future planning efforts to ensure services are provided consistent with approved assessment levels. Although some progress was made in preparation for the current fiscal year, specifically staffing and program administration costs, other cost categories are still a work in progress (utilities, repairs and equipment/materials). Hence, the Engineer's Report relied on data based on historic information.

During the August 12, 2013, the City Council expressed concerns regarding the condition of certain special assessment districts. Specifically, those special assessment districts with low or negative reserve balances were discussed at length along with others with structural operating deficits. The Council also was interested in developing a strategy for addressing issues with particular districts in the near-term since this had been an ongoing issue for some time. City staff was directed to contact NBS Local Government Solutions and schedule them for a City Council meeting for a detailed discussion regarding the special assessment districts.

City staff held a conference call with NBS Local Government Solutions to revisit the Council discussion during the public hearing and made arrangements for them to attend the regular meeting of the City Council on September 23, 2013. During the discussion with NBS Government Solutions, City staff (City Manager, Public Works and Finance) communicated some of the concerns expressed and initiated

a process for a more detailed analysis and evaluation of the information of the Engineer's Report. Excerpts from the approved Engineer's Report are included as reference including the Summary, Budgets and Maps for Fiscal Year 2013/2014.

In preparation for the Council discussion with NBS Government Solutions, the City Manager requested that a special meeting be held with the City Council to study and discuss in greater detail the history of each special assessment district, share findings of the City analysis and evaluation, and to begin to discuss options for addressing any issues identified.

At the study session, City staff will walk the City Council through each special assessment district and detailed information such as when it was established, area it encompasses, assessment level, program budget, actual revenue/expenses and actual reserve balance amounts. City staff will also discuss some of the maintenance issues encountered over the years that become a burden to districts over time. City staff will also share some of the efficiency measures being explored in the current year and be prepared to have a discussion regarding other strategies that can be examined as a way of ensuring that the fiscal condition of every special assessment district is healthy. These include methods to controlling costs, changes to service delivery, assessment adjustments through a Proposition 218 ballot procedure, change in methodology to include a general benefit/special benefit component and the creation of a Community Facilities District.

**Fiscal Impact:**

The current Landscape and Lighting Districts and Benefit Assessment Districts provide the City of Hughson with funding annually to provide specific services and improvements to properties within their respective approved boundaries. For Fiscal Year 2013-2014, annual assessments are expected to generate a total of \$199,295.42, an increase of 5% when compared to the prior fiscal year, for associated labor, administration, utilities, equipment, materials, and preparation of the annual Engineer's Report. NBS Local Government Solutions provides technical administrative support to the City and the Landscape and Lighting Districts and Benefit Assessment Districts. NBS consultants and engineers have provided focused consulting, assessment engineering, special assessment software, ongoing administration and support to over 250 public agencies.

# 1. 2013/14 SUMMARY

## LANDSCAPE AND LIGHTING DISTRICTS

District Name	2013/14 Estimated Budget Costs	Current EDUs	2013/14 Actual Rate Per EDU	2013/14 Maximum Rate per EDU
Brittany Woods	\$8,060.00	65	\$124.00	\$124.00
Central Hughson*	12,745.52	N/A	N/A	N/A
Euclid North	0.00	50	0.00	243.73
Euclid South	0.00	69	0.00	155.80
Feathers Glenn	12,668.46	42	301.63	301.63
Fontana Ranch North	17,102.54	91	187.95	187.95
Fontana Ranch South	10,141.60	56	181.10	181.10
Rhapsody Unit No. 1	6,794.00	79	86.00	86.00
Rhapsody Unit No. 2	6,490.00	59	110.00	110.00
Santa Fe Estates Phase 1	7,260.00	55	132.00	132.00
Santa Fe Estates Phase 2	6,630.00	51	130.00	130.00
Starn Estates	7,956.00	78	102.00	102.00
Sterling Glenn III**	15091.24	73/1.7	199.42/297.84	199.42/297.84
Sun Glow Estates	8,939.84	91	98.24	98.24
Walnut Haven III	5,995.00	55	109.00	109.00

## BENEFIT ASSESSMENT DISTRICTS

District Name	2013/14 Estimated Budget Costs	Current EDUs	2013/14 Actual Rate Per EDU	2013/14 Maximum Rate per EDU
Central Hughson*	\$28,345.51	N/A	N/A	N/A
Euclid North	0.00	50	0.00	212.53
Euclid South	0.00	69	0.00	170.01
Feathers Glenn	7,831.32	42	186.46	186.46
Fontana Ranch North	17,874.22	91	187.95	187.95
Fontana Ranch South	8,937.60	56	159.60	159.60
Sterling Glenn III**	10,458.91	73/1.7	137.92/229.85	137.92/229.85

\*Includes too many individual factors to summarize maximum assessment rates, please contact NBS 800-676-7516 with questions or for details regarding the maximum assessment rates.

\*\*Includes Annexations

Description	Sun Glow Estates LMD	Starn Estates LMD	Santa Fe Estates, Phase 1 LMD	Walnut Haven III LMD
<b>Direct Costs</b>				
Total Personnel Labor & Fringe	\$2,381.00	\$1,058.00	\$6,350.00	\$2,117.00
Contract Services	762.00	339.00	2,033.00	678.00
Other Services – City Forces	0.00	0.00	0.00	0.00
Utilities: Water, Sewer, Electricity	1,019.13	973.59	1,255.87	747.36
Equipment & Material Costs	1,613.00	1,308.00	2,604.00	1,349.00
Capital Improvement	0.00	0.00	0.00	0.00
Other Incidental Costs (Insurance)	73.41	37.15	37.15	31.09
<b>Total Direct Costs</b>	<b>\$5,848.54</b>	<b>\$3,715.73</b>	<b>\$12,280.02</b>	<b>\$4,922.45</b>
<b>Indirect Costs</b>				
Program Administration	\$1,169.71	\$743.15	\$2,456.00	\$984.49
Contingency	0.00	0.00	0.00	0.00
Engineer's Annual Report	1,322.11	1,133.24	799.08	799.08
Stanislaus County Assessor's Fee	0.00	0.00	0.00	0.00
Regulatory Programs	0.00	0.00	0.00	0.00
<b>Total Indirect Costs</b>	<b>\$2,491.82</b>	<b>\$1,876.39</b>	<b>\$3,255.08</b>	<b>\$1,783.57</b>
<b>Total Costs</b>	<b>\$8,340.36</b>	<b>\$5,592.12</b>	<b>\$15,535.10</b>	<b>\$6,706.02</b>
<b>Reserve and Other Contribution</b>				
Reserve Balance	\$18,279.61	\$12,335.37	\$8,669.87	\$6,835.76
Reserve Collection/Credit	599.48	2,363.88	(8,275.10)	(711.02)
City Contribution (Budget Shortfall)	0.00	0.00	0.00	0.00
<b>Subtotal Reserve and Other Cont.</b>	<b>\$18,879.09</b>	<b>\$14,699.25</b>	<b>\$394.77</b>	<b>\$6,124.74</b>
<b>Balance to Levy</b>	<b>\$8,939.84</b>	<b>\$7,956.00</b>	<b>\$7,260.00</b>	<b>\$5,995.00</b>

Description	Rhapsody Unit No.1 LMD	Brittany Woods LMD	Rhapsody Unit No.2 LMD	Santa Fe Estates, Phase 2 LMD
<b>Direct Costs</b>				
Total Personnel Labor & Fringe	\$1,058.00	\$2,117.00	\$1,058.00	\$6,350.00
Contract Services	339.00	678.00	339.00	2,033.00
Other Services – City Forces	0.00	0.00	0.00	0.00
Utilities: Water, Sewer, Electricity	1,231.52	1,588.78	1,525.26	528.75
Equipment & Material Costs	1,355.00	1,338.00	1,383.00	1,490.00
Capital Improvement	0.00	0.00	0.00	0.00
Other Incidental Costs (Insurance)	67.39	85.51	67.39	37.15
<b>Total Direct Costs</b>	<b>\$4,050.91</b>	<b>\$5,807.30</b>	<b>\$4,372.65</b>	<b>\$10,438.90</b>
<b>Indirect Costs</b>				
Program Administration	\$810.18	\$1,161.46	\$874.53	\$2,087.78
Contingency	0.00	0.00	0.00	0.00
Engineer's Annual Report	1,147.77	944.37	857.20	740.97
Stanislaus County Assessor's Fee	0.00	0.00	0.00	0.00
Regulatory Programs	0.00	0.00	0.00	0.00
<b>Total Indirect Costs</b>	<b>\$1,957.95</b>	<b>\$2,105.83</b>	<b>\$1,731.73</b>	<b>\$2,828.75</b>
<b>Total Costs</b>	<b>\$6,008.86</b>	<b>\$7,913.12</b>	<b>\$6,104.38</b>	<b>\$13,267.64</b>
<b>Reserve and Other Contribution</b>				
Reserve Balance	\$11,392.99	\$11,241.06	\$7,546.27	\$17,414.88
Reserve Collection/Credit	785.14	146.88	385.62	(6,637.64)
City Contribution (Budget Shortfall)	0.00	0.00	0.00	0.00
<b>Subtotal Reserve and Other Cont.</b>	<b>\$12,178.13</b>	<b>\$11,387.94</b>	<b>\$7,931.89</b>	<b>\$10,777.24</b>
<b>Balance to Levy</b>	<b>\$6,794.00</b>	<b>\$8,060.00</b>	<b>\$6,490.00</b>	<b>\$6,630.00</b>

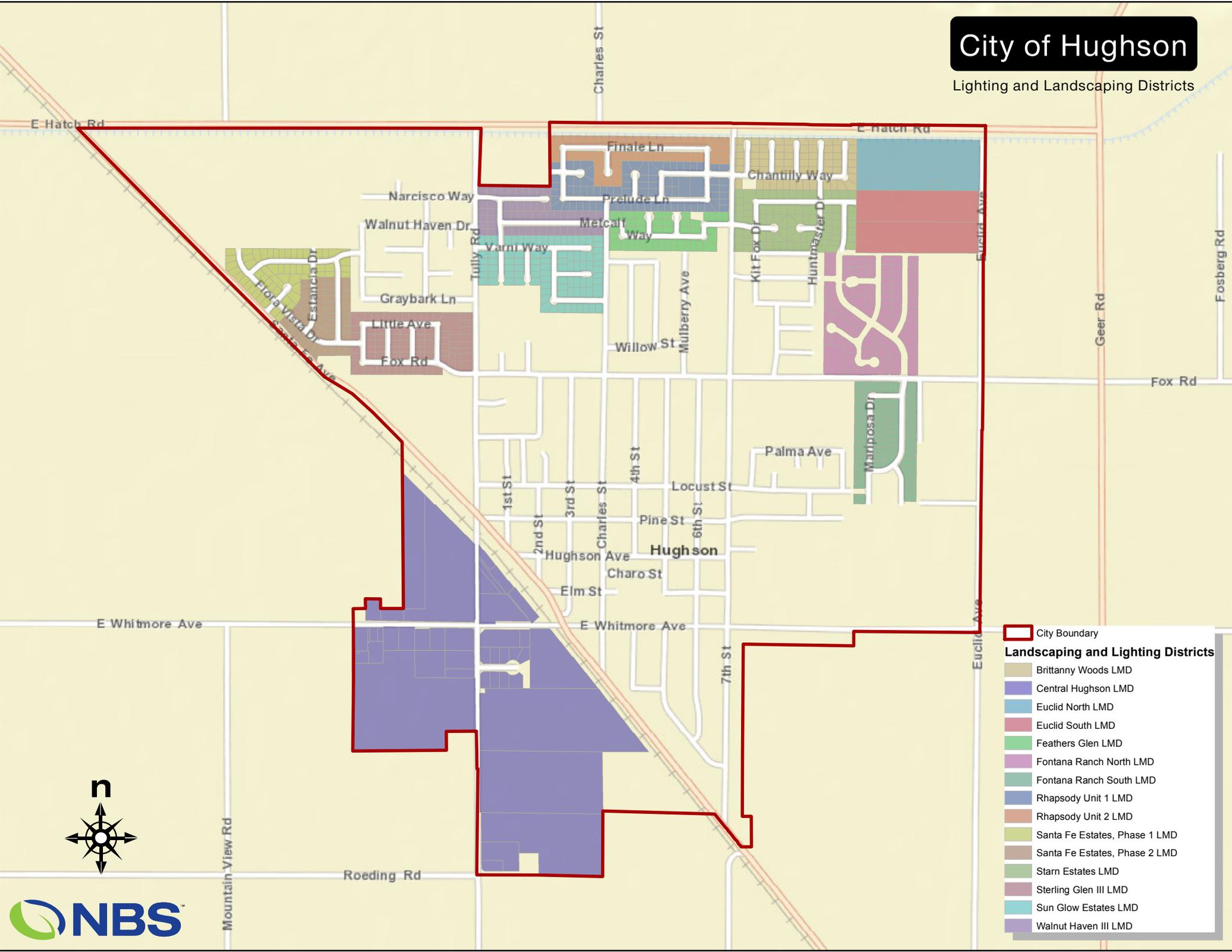
Description	Sterling Glen III LMD	Feathers Glen LMD	Central Hughson LMD Zone 2	Fontana Ranch North LMD
<b>Direct Costs</b>				
Total Personnel Labor & Fringe	\$3,175.00	\$4,233.00	\$8,996.00	\$2,646.00
Contract Services	1,016.00	1,355.00	2,880.00	847.00
Other Services – City Forces	0.00	0.00	0.00	0.00
Utilities: Water, Sewer, Electricity	6,286.82	242.62	60.15	5,685.26
Equipment & Material Costs	1,342.00	1,331.00	1,331.00	1,381.00
Capital Improvement	3,000.00	0.00	0.00	0.00
Other Incidental Costs (Insurance)	67.39	67.39	152.88	67.39
<b>Total Direct Costs</b>	<b>\$14,887.22</b>	<b>\$7,229.02</b>	<b>\$13,420.03</b>	<b>\$10,626.66</b>
<b>Indirect Costs</b>				
Program Administration	\$2,977.44	\$1,445.80	\$2,684.01	\$2,125.33
Contingency	0.00	0.00	0.00	0.00
Engineer's Annual Report	1,133.24	610.21	624.74	1,322.11
Stanislaus County Assessor's Fee	0.00	0.00	0.00	0.00
Regulatory Programs	0.00	0.00	0.00	0.00
<b>Total Indirect Costs</b>	<b>\$4,110.68</b>	<b>\$2,056.01</b>	<b>\$3,308.74</b>	<b>\$3,447.45</b>
<b>Total Costs</b>	<b>\$18,997.90</b>	<b>\$9,285.03</b>	<b>\$16,728.77</b>	<b>\$14,074.10</b>
<b>Reserve and Other Contribution</b>				
Reserve Balance	\$12,805.18	\$17,660.13	(\$16,617.84)	\$8,816.87
Reserve Collection/Credit	(3,933.91)	3,383.43	(3,983.25)	3,029.35
City Contribution (Budget Shortfall)	0.00	0.00	0.00	0.00
<b>Subtotal Reserve and Other Cont.</b>	<b>\$8,871.27</b>	<b>\$21,043.56</b>	<b>(\$20,601.09)</b>	<b>\$11,846.22</b>
<b>Balance to Levy</b>	<b>\$15,063.99</b>	<b>\$12,668.46</b>	<b>\$12,745.52</b>	<b>\$17,103.45</b>

Description	Fontana Ranch South LMD	Sterling Glen III BAD	Feathers Glen BAD	Fontana Ranch North BAD
<b>Direct Costs</b>				
Total Personnel Labor & Fringe	\$3,704.00	\$2,117.00	\$4,233.00	\$1,587.00
Contract Services	1,186.00	678.00	1,355.00	508.00
Other Services – City Forces	0.00	0.00	0.00	0.00
Utilities: Water, Sewer, Electricity	5,797.30	0.00	0.00	0.00
Equipment & Material Costs	1,337.00	313.00	313.00	313.00
Capital Improvement	0.00	0.00	0.00	0.00
Other Incidental Costs (Insurance)	67.39	424.00	202.14	466.31
<b>Total Direct Costs</b>	<b>\$12,091.69</b>	<b>\$3,532.00</b>	<b>\$6,103.14</b>	<b>\$2,874.31</b>
<b>Indirect Costs</b>				
Program Administration	\$2,418.34	\$706.40	\$1,220.63	\$574.86
Contingency	0.00	0.00	0.00	0.00
Engineer's Annual Report	813.61	1,060.60	610.21	1,322.11
Stanislaus County Assessor's Fee	0.00	0.00	0.00	0.00
Regulatory Programs	0.00	0.00	0.00	0.00
<b>Total Indirect Costs</b>	<b>\$3,231.95</b>	<b>\$1,767.00</b>	<b>\$1,830.83</b>	<b>\$1,896.98</b>
<b>Total Costs</b>	<b>\$15,323.64</b>	<b>\$5,299.00</b>	<b>\$7,933.97</b>	<b>\$4,771.29</b>
<b>Reserve and Other Contribution</b>				
Reserve Balance	(\$15,388.08)	\$4,743.72	\$7,291.47	\$21,508.24
Reserve Collection/Credit	0.00	5,159.90	(102.65)	13,102.93
City Contribution (Budget Shortfall)	(5,182.04)	0.00	0.00	0.00
<b>Subtotal Reserve and Other Cont.</b>	<b>(\$20,570.13)</b>	<b>\$9,903.62</b>	<b>\$7,188.81</b>	<b>\$34,611.17</b>
<b>Balance to Levy</b>	<b>\$10,141.60</b>	<b>\$10,458.91</b>	<b>\$7,831.32</b>	<b>\$17,874.22</b>

Description	Fontana Ranch South BAD	Central Hughson BAD Zone 2
<b>Direct Costs</b>		
Total Personnel Labor & Fringe	\$4,762.00	\$7,408.00
Contract Services	1,525.00	2,371.00
Other Services – City Forces	0.00	0.00
Utilities: Water, Sewer, Electricity	0.00	0.00
Equipment & Material Costs	313.00	313.00
Capital Improvement	0.00	0.00
Other Incidental Costs (Insurance)	236.62	449.21
<b>Total Direct Costs</b>	<b>\$6,836.62</b>	<b>\$10,541.21</b>
<b>Indirect Costs</b>		
Program Administration	\$1,367.32	\$2,108.24
Contingency	0.00	0.00
Engineer's Annual Report	813.61	3,021.98
Stanislaus County Assessor's Fee	0.00	0.00
Regulatory Programs	0.00	0.00
<b>Total Indirect Costs</b>	<b>\$2,180.93</b>	<b>\$5,130.22</b>
<b>Total Costs</b>	<b>\$9,017.55</b>	<b>\$15,671.43</b>
<b>Reserve and Other Contribution</b>		
Reserve Balance	\$5,865.46	\$15,034.75
Reserve Collection/Credit	(79.95)	12,674.08
City Contribution (Budget Shortfall)	0.00	0.00
<b>Subtotal Reserve and Other Cont.</b>	<b>\$5,785.51</b>	<b>\$27,708.83</b>
<b>Balance to Levy</b>	<b>\$8,937.60</b>	<b>\$28,345.51</b>

# City of Hughson

Lighting and Landscaping Districts

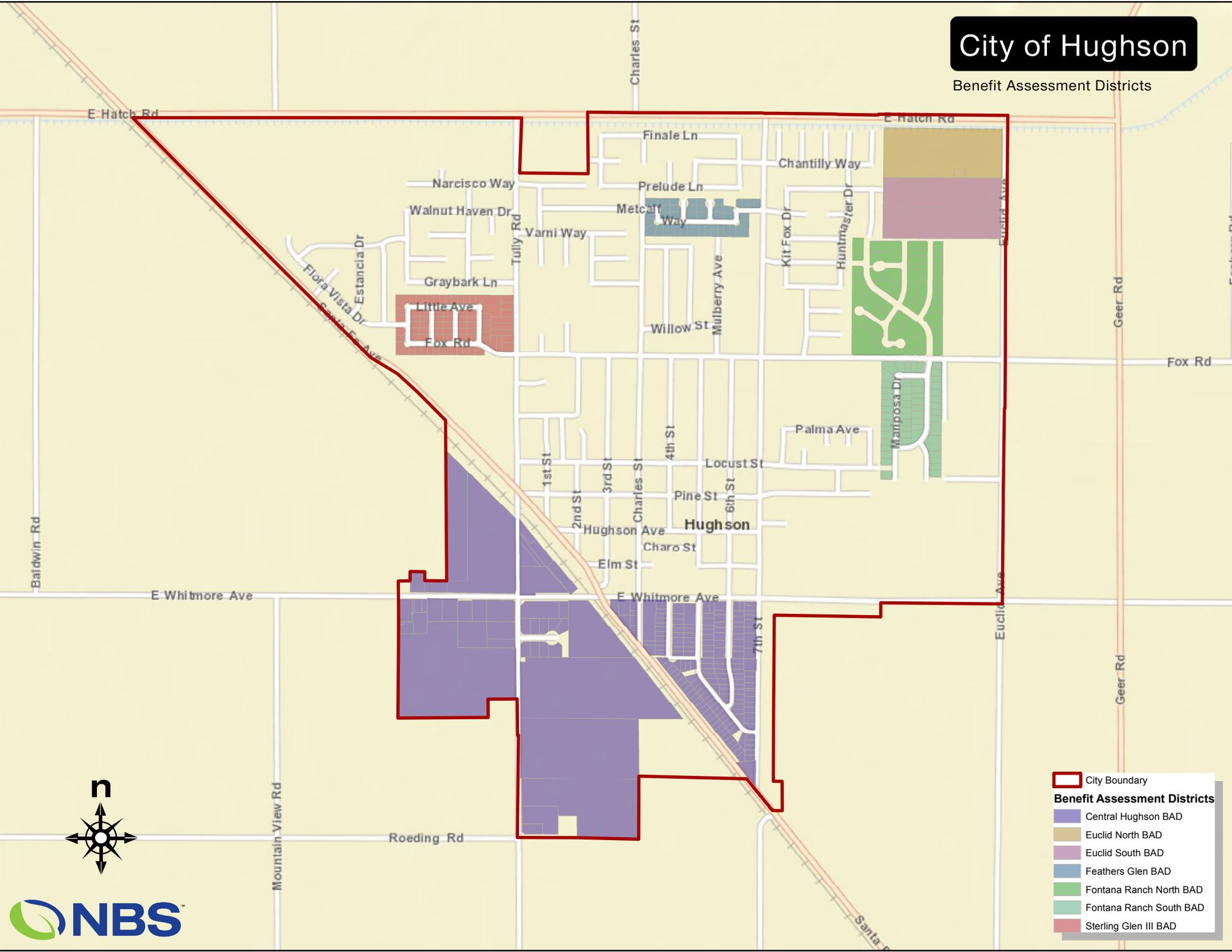


- City Boundary
- Landscaping and Lighting Districts**
- Brittany Woods LMD
- Central Hughson LMD
- Euclid North LMD
- Euclid South LMD
- Feathers Glen LMD
- Fontana Ranch North LMD
- Fontana Ranch South LMD
- Rhapsody Unit 1 LMD
- Rhapsody Unit 2 LMD
- Santa Fe Estates, Phase 1 LMD
- Santa Fe Estates, Phase 2 LMD
- Starn Estates LMD
- Sterling Glen III LMD
- Sun Glow Estates LMD
- Walnut Haven III LMD



# City of Hughson

Benefit Assessment Districts



- City Boundary
- Benefit Assessment Districts**
- Central Hughson BAD
- Euclid North BAD
- Euclid South BAD
- Feathers Glen BAD
- Fontana Ranch North BAD
- Fontana Ranch South BAD
- Sterling Glen III BAD

