

COUNCIL AGENDA: FEBRUARY 3, 2015

PUBLIC HEARING

SUBJECT: FORMATION OF THE SEWER UTILITY DISTRICT AREA 459

SOURCE: Public Works Department - Engineering Division

COMMENT: This is the time and place set forth for the public hearing on the formation of the Area 459 Sewer Utility District. Ballot and information materials were distributed on November 7, 2014, to Area 459 stakeholders. The official end to the ballot process is at the end of tonight's public hearing. Property owners have until then to submit ballots in support or opposition to the formation of the District and the imposition of the assessment.

Assessments for the District were determined in the Engineering Report and accepted by the City Council on January 20, 2015. Pursuant to the notices provided to the property owners, assessments per lot were determined by lot acreage divided by contractor bid plus 10% contingency, bid lateral cost plus 10% contingency, and a \$156.94 per lot construction management fee (5% of bid). The City proposes the following:

1. If Area 459 Sewer Utility District Passes:
 - a) Property owners receive a one-time assessment calculated using final construction costs or cost based on the City's Schedule 'H', whichever is the lesser amount, payable over 30 years adjusted 3% interest compounded annually and billed through the Tulare County Assessor's Office beginning December 2015, or December 2016, depending on acceptance of project by City Council.
 - b) At time of connection, property owner or plumbing contractor secures a plumbing permit and abandons septic system to County standards. Monthly service charge begins at time of connection.
 - c) Property owners who do not want collection of the assessment to occur via the above-mentioned method have until June 30, 2015, or June 30, 2016, depending on acceptance of project by City Council, to inform the City of that in writing by signing a declination to participate form once final costs have been calculated. These property owners shall pay connection fees per Exhibit "H" thereafter.

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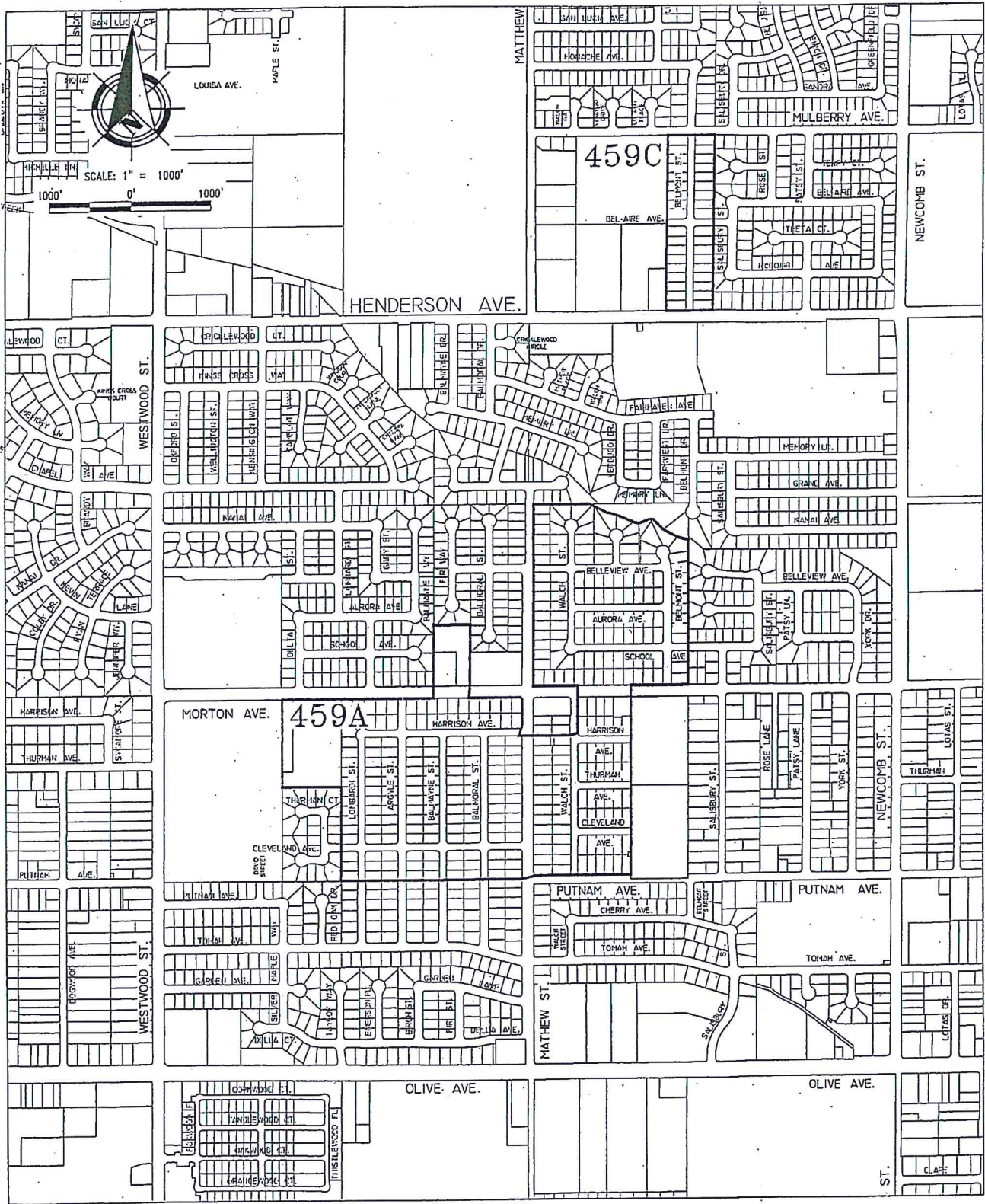
2. If Area 459 Sewer Utility District Fails:
 - a) Sewer mains and laterals are installed per plans and specifications.
 - b) Property owners wishing to connect to the City's sewer system shall secure a plumbing permit, abandon existing septic system per County standards and pay all connection fees based on actual construction costs or per the City's Exhibit "H", "Connection Fees" schedule, whichever is the lesser amount, adjusted 3% interest compounded annually.

The number of ballots makes it infeasible to tabulate and announce whether a Sewer Utility District has been formed or not formed during the public hearing. Staff recommends that the City Council direct the City Clerk to count and tabulate the votes on February 4, 2015, at 1:30 pm in the North Conference Room, located in Community Development and Public Works departments. The tabulation process is open to the public. The results will be presented at the February 17, 2015, Council meeting. No assessment may be imposed if a "majority protest" exists. A "majority protest" exists if the ballots submitted in opposition exceed the ballots submitted in favor of the assessment.

RECOMMENDATION: That the City Council:

1. Open the Public Hearing, take comments and accept any ballots; and
2. Instruct the City Clerk to receive all ballots, and count said votes on February 4, 2015, in the North Conference Room, located in Community Development and Public Works departments, at 1:30 pm and report to the Council the outcome of the voting at the February 17, 2015, Council meeting.

ATTACHMENT: Exhibit 'A' – Locator Map



☐ PROJECT BOUNDARIES

ISLAND ANNEX. 459A & 459C