

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 04/20/2009		Item Number: <u>A-7</u>	
AGENDA ITEM: FOUR-FIFTHS VOTE REQUIREMENT: (1) Adoption of a Resolution Initiating Proceedings for a Proposed increase of Assessments within Landscaping Maintenance District Number 1, the Levy of Annual Assessments therein, and Ordering the Preparation of an Assessment Engineer's Report; and (2) Approval of a Professional Services Agreement with NBS Government Finance Group (dba NBS) for the Preparation of the Annual Assessment Engineer's Report and (3) Approval of a Related Budget Amendment			
Contact Person/Dept.: Mate Gaspar/PW		Phone Number: (310) 253-5602	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☐ Attachments: ☐	
Public Notification: Master E-Mail Notification (04/15/09)			
Department Approval: Charles D. Herbertson (04/09/09)		City Attorney Approval: Carol Schwab (by H. Baker) (04/16/09)	
Chief Financial Officer Review: Jeff Muir (by N. Kimball) (04/15/09)		City Manager Approval: Jerry B. Fulwood (04/16/09)	
<u>RECOMMENDATION:</u> Staff recommends the City Council adopt a resolution initiating proceedings for a proposed increase of assessments within Landscaping Maintenance District No. 1, the levy of annual assessments therein, and ordering the preparation of an assessment engineer's report. Staff also recommends the City Council <u>approve a professional services agreement with NBS Government Finance Group dba NBS to prepare the engineer's report for the proposed increases to the annual assessment levies for Landscape Maintenance District #1 for Fiscal Year 2009/10, in an amount not to exceed \$11,000;</u> <u>A budget amendment requires a four-fifths vote</u> <u>BACKGROUND/DISCUSSION:</u> LMD#1 consists of two zones (Studio Estates and Ballona Creek east of Overland Avenue adjacent to Jefferson Business Park) and was created for the purpose of providing on-going maintenance of landscaping within the District. Location maps will be included in the ordered Engineer's Report. The assessment includes costs for providing complete maintenance, administration, and preparation of the Engineer's Report. On May 4, 2009, staff will be recommending to the City Council to approve the Engineer's report, declare its intention to increase the annual assessment levy by a			

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majority ballot process of the property owners within the District per Proposition 218 requirements, and setting the date, time and place for the Public Hearing.

This year, based on a preliminary evaluation, staff is considering proposing the assessment district be modified to provide for an automatic annual increase based on the Consumer Price Index (CPI) plus 2%. If approved by the property owners in the District, the annual CPI increase would be applied with an additional 2% premium each year until the total revenues generated from the District match the annual expenditures and the funds have a positive balance.

As stated earlier, the assessment process is much more difficult and time consuming when increases are proposed. In order to complete the Engineer's Report by the deadline for inclusion in the upcoming 2009/10 tax rolls, it is recommended that the preparation of the engineer's report and other related assessment services be conducted by a professional consulting firm.

NBS is a consulting firm that specializes in the processing of the annual assessment levies to assessment districts for many agencies in the region. Recently, the Redevelopment Agency contracted with NBS to prepare a proposed landscape assessment district on Washington Boulevard near Meier Street.

NBS is proposing to conduct their professional services for an amount not-to-exceed \$11,000.

FISCAL ANALYSIS:

The Landscaping Maintenance District No. 1 budget should be 100 percent self-supporting for all expenditures. Property owners within the District are charged their fair share of these costs, as will be described in the Engineer's Report.

If the increase to the assessment is not approved by the property owners within the district, then services will be decreased accordingly to stay within the existing assessment amount.

Culver City Municipal Code Section 15.01.045 states that incidental expenses incurred in conjunction with assessment districts include the cost of preparation of the engineer's reports, assessment, printing, advertising, posting, and mailed notices. There is funding available in Fund 425 – Landscape Maintenance District to accommodate the professional services agreement with NBS. This funding includes receipts from the respective assessment district annual levies, and therefore would be appropriate to use for this purpose.

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ATTACHMENT:

1. Resolution

MOTIONS:

1. Staff recommends the City Council adopt a resolution initiating proceedings for a proposed increase of assessments within Landscaping Maintenance District No. 1, the levy of annual assessments therein, and ordering the preparation of an assessment Engineer's report.
2. Approve a professional services agreement with NBS Government Finance Group dba NBS to prepare the engineer's reports for the proposed increases to the annual assessment levies for Landscape Maintenance District #1 and Higuera Landscape and Lighting Assessment District for Fiscal Year 2009/10, in an amount not to exceed \$11,000;
3. Approve a budget amendment to appropriate funds in the amount of \$11,000 from the Fund 425 Landscape Maintenance Assessment Districts reserve to object account 42533100.612800 – Engineering Services **(four-fifths vote required)**;
4. Authorize the City Attorney to review/prepare the necessary documents; and,
5. Authorize the City Manager to execute such documents on behalf of the City.