

**MEETING DATE:** 5/11/09

**AGENDA ITEM:** FOUR-FIFTHS VOTE REQUIREMENT: (1) Adoption of a Resolution initiating Proceedings for a Proposed increase of Assessments within Higuera Street Landscaping and Lighting Maintenance District, the Levy of Annual Assessments therein, and Ordering the Preparation of an Assessment Engineer's Report; (2) Approval of a Professional Services Agreement with NBS Government Finance Group (dba NBS) for Assessment District Consulting Services; and (3) Approval of a Related Budget Amendment

**ATTACHMENTS**

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1                   2.     The City Council hereby orders the preparation of the Engineer's Report  
2 in accordance with the requirements of the CCMC Section 15.01.055, to be filed with the City  
3 Clerk for submission to the City Council. The Engineer's Report shall be prepared by NBS and  
4 approved by the City Engineer, prior to filing with the City Clerk.

5                   APPROVED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_ 2009.

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8                   \_\_\_\_\_  
D. SCOTT MALSIN, MAYOR  
City of Culver City, California

9  
10                  ATTEST:

APPROVED AS TO FORM:

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12                  \_\_\_\_\_  
MARTIN R. COLE, City Clerk

13                                  \_\_\_\_\_  
CAROL A. SCHWAB, City Attorney  
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April 6, 2009

Mr. Mate "Matt" Gaspar  
Engineering Services Manager  
**City of Culver City**  
9770 Culver Boulevard  
Culver City, CA 90232

**Subject: Addendum to Original Agreement to Add Consulting Services for Increase of Assessments for Landscaping Maintenance District No. 1 and Higuera Street Landscaping and Lighting Maintenance District**

Dear Mate:

**NBS** would like to thank you for the opportunity to provide Assessment Increase Services for the City of Culver City ("City"). We will add these services to our existing agreement with the City. All other provisions of the existing contract between the City and **NBS** remain in effect. We look forward to continuing our professional relationship.

Please find enclosed two (2) copies of our Executed Agreement. Upon signing, please return one copy to the undersigned and keep one copy for your records.

### **Scope of Services**

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#### **| Assessment Increase |**

**Project Schedule.** **NBS** will communicate with City staff, legal counsel and other interested parties to:

- Establish lines of communication.
- Clarify the specific project goals, components and criteria that will meet City preference.
- Identify and resolve any special circumstances that may be involved in the update or administration of the Districts proposed to be increased.
- Develop project schedules to meet legal requirements and provide for effective interfacing of all involved parties.
- Establish and coordinate with City staff a schedule to assure completion of necessary actions and compliance with statutes.

**Parcel Database.** **NBS** will prepare a district parcel database reflecting data from the latest County Assessor's Secured Roll. The database will include ownership, mailing and parcel information relevant to the spread of the assessments.

**Budget Development.** **NBS** will assist City staff to establish a budget for the projected costs of maintaining all improvements. Cost categories may include, but not be limited to, landscaping, lighting, maintenance, capital improvements, incidental costs (engineering, legal and city administration), operating reserves, capital improvement reserves and delinquency reserves.

**Agency Review.** NBS will communicate with City staff to address issues pertaining to costs, improvements, statute requirements and benefit received. We will provide analysis of proposed assessments, as well as any contributions to be made from the City to the District. NBS will review mailed and published legal notices, establish the date for the public hearing, verify scheduling, City approach, District requirements and other issues related to the successful operation of the proposed district.

**Engineer Signature.** NBS will have a Registered Professional Engineer (PE) review the Engineer's Report for signature and stamp.

**Preliminary Engineer's Report.** NBS will prepare, submit and review with City staff a *Preliminary Engineer's Report*, including description of improvements, plans and specifications, cost estimate, assessment criteria and assessment roll.

**Public Informational Mailer.** NBS will work in conjunction with the City to design and prepare a public informational mailer. The primary goal of the mailer is to educate property owners about the need to increase each District's assessments in order to fund the ongoing maintenance of public improvements at the same level provided in previous years. NBS will mail the public informational piece to all property owners in each District. The public informational mailer will provide the date, time and location for the Public Hearing.

**Legal Notices and Assessment Ballots.** NBS will prepare legal notices and assessment ballots to be mailed, as required, for compliance with the Culver City Municipal Code and Proposition 218.

**Assessment Ballot Tabulation.** NBS will tabulate the ballots returned at the Public Hearing, via the most appropriate method (bar code or other) and report the statistics upon completion.

**Meeting Attendance.** NBS will attend the Public Hearing.

**Final Engineer's Report.** NBS will prepare, submit and review with City staff a *Final Engineer's Report*, including description of improvements, plans and specifications, cost estimate, assessment criteria, assessment roll and diagram as approved by the City Council.

**Toll-Free Phone Number.** NBS will provide a toll-free phone number for use by the City and all property owners. Our staff will be available to answer questions regarding the Assessment Increase.

## **Fee Structure**

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### **| Assessment Increase Services|**

|                                                                    |           |
|--------------------------------------------------------------------|-----------|
| Landscaping Maintenance District No. 1                             |           |
| Higuera Street Landscaping and Lighting Maintenance District       | \$18,000* |
| * fee is for proceedings for both districts performed concurrently |           |

### **|Expenses|**

Customary out-of-pocket expenses will be billed to the City at actual cost to NBS. These expenses include, but are not limited to, mailing fulfillment, postage, copying, printing and travel costs.

**[Additional Services]**

The following table shows our current hourly rates. Additional services authorized by the City, but not included in the scope of services will be billed at this rate or the then applicable hourly rate.

| Title                        | Hourly Rate |
|------------------------------|-------------|
| Director                     | \$ 190      |
| Senior Consultant/Programmer | 150         |
| Engineer                     | 140         |
| Consultant                   | 130         |
| Analyst                      | 100         |
| Clerical/Support             | 55          |

**[Terms]**

Assessment Increase Services Fees will be invoiced as follows: 50% upon delivery of the Preliminary Engineer's Report and 50% upon assessment ballot tabulation. If the project is prematurely terminated by either party, **NBS** shall receive payment for work completed. Payment shall be made within 30 days of submittal of an invoice. If payment is not received within 90 days simple interest will begin to accrue at the rate of 1.5% per month.

Please feel free to contact me if you have any questions or need further information.

Best regards,

**NBS Government Finance Group,  
DBA NBS**

**City of Culver City**

\_\_\_\_\_  
Mike Rentner

\_\_\_\_\_  
Name

\_\_\_\_\_  
President and CEO

Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date



## Important Information about Higuera Street Landscaping and Lighting Maintenance District

**Council Meeting Dates and Times** Each of the City Council Meetings listed below are to be held at the Mike Balkman Council Chambers, 9770 Culver Boulevard, Culver City, California at 7PM. The following are the dates and topics for discussion.

**May 11, 2009**

Topic: City Council to initiate the proceedings for the proposed increase of assessment levies and ordering the preparation of the preliminary Engineer's Report for the proposed increase.

**May 26, 2009**

Topic: Approving the preliminary Engineer's Report, including the proposed assessment amounts and setting the time and place of the public hearing.

**July 13, 2009**

Topic: City Council to hold Public Hearing. Property owners can express opinions regarding the proposed increase, ballots are tabulated and results are announced

**Background** The Higuera Street Landscaping and Lighting Maintenance District was formed in 1995 to provide for the maintenance of improvements that specially benefit your parcel. At formation, the District did not include an escalation clause to allow for an annual increase in assessments due to the rise in maintenance costs. The costs of maintenance are considerably higher than the amount that is being collected through your property tax bill. Property owners' assessments have not increased since 2003. An annual escalation clause is being proposed in order to cover higher costs and the replenishment of funds. This is not a new assessment and if the addition of the escalation clause is not passed, the existing assessment will remain in place. The Higuera Street Landscaping and Lighting Maintenance District is located west of Hayden Avenue, east of Lindblade Street and along Higuera Street.

**What does the annual levy provide?** Maintenance, servicing and operation include, but are not limited to, the following:

- Landscaping maintenance of the Higuera Street median strip and parkways, including weed control and plant replacement
- Maintenance of the irrigation systems and the furnishing of water for plants and landscaping
- Maintenance and energy charges for the street lights.

**What is at risk and why?** Costs of labor, materials and supplies have increased substantially, forcing the District to tap into the City's General Fund to provide the required levels of maintenance and service. As a result, the City may no longer continue to fund the maintenance at the current level. If property owners within the District do not approve the proposed assessment increase, the City may curtail services. With no increase in the assessment, residents may expect the following:

- Reduction or elimination of landscaping on the street median and parkways
- Reduction or elimination of irrigation and plant replacement
- Reduction in the number of streetlights being illuminated

**How much could the rates increase?** Your annual assessment amount is calculated based on your parcel's linear front footage on Higuera Street. For Fiscal Year 2009/10 the proposed increase in the assessment would be as follows:

**Current Assessment Rate**  
\$4.33 per linear front foot

**Proposed Maximum Assessment Rate**  
\$4.55 per linear front foot

**Increase**  
\$0.22 per linear front foot

Thereafter, as of February 1 of each fiscal year beginning Fiscal Year 2010/11, the maximum assessment amount shall be increased by the February Consumer Price Index for All Urban Consumers for the Los Angeles, Riverside and Orange County area plus 5%. The 5% premium will be discontinued once the annual revenues have caught up with the cost of maintenance and the fund has a positive fund balance.

**What is next?** Assessment ballots will arrive in the mail the week of June 1<sup>st</sup>. You may return your ballot by mail or in person to the office of the City Clerk, before the close of the Public Hearing on July 13<sup>th</sup>. If you have any questions or would like additional information please contact Mate "Matt" Gaspar Engineering Services Manager at (310) 253-5602. Thank you for your participation.