

# TABLE OF CONTENTS

- INTRODUCTION.....2**
  - DESCRIPTION OF THE DISTRICT AND BOUNDARIES.....3
  - IMPROVEMENTS AND SERVICES PROVIDED .....4
  
- SECTION II – METHOD OF APPORTIONMENT.....4**
  - DESCRIPTION OF BENEFIT.....5
  - ASSESSMENT RANGE FORMULA .....6
  - ASSESSMENT METHODOLOGY .....9
  
- SECTION III – ZONE BUDGETS.....9**
  - DESCRIPTION OF BUDGET ITEMS .....11
  - ACCOUNT BALANCES .....12
  
- SECTION IV – ASSESSMENT ROLL..... 13**
  
- SECTION V – DISTRICT DIAGRAM..... 14**

## **INTRODUCTION**

The City of Pinole (the "City"), under the provisions of the Landscape and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (the "1972 Act") and the provisions of the California Constitution Article XIII D (the "Constitution"), annually levies and collects special assessments from the City's maintenance assessment district designated as:

### **Pinole Valley Road Landscape and Lighting Assessment District**

(the "District") to provide and maintain various landscaping and lighting improvements throughout the City that provide special benefits to properties within the City.

The City Council formed the District and provided for the levy and collection of annual assessments on the County tax rolls to provide ongoing funding for costs and expenses required to service and maintain the landscaping and lighting improvements within the boundaries of the District. The improvements to be provided by the District and assessments described herein are made pursuant to the 1972 Act and the substantive and procedural provision of the Constitution.

As part of the District formation, the City of Pinole conducted a Property Owner Protest Ballot proceeding for the proposed levy of a new assessment pursuant to the provisions of the Constitution. In conjunction with this ballot proceeding, the City council conducted a noticed public hearing to consider public testimonies, comments, and written protests regarding the formation of the District and levy of assessments. Upon conclusion of the public hearing, property owner assessment ballots received were opened and tabulated. The property owner assessment ballot tabulation resulted in a majority approval of the District and assessments of the property owners within the District. The District was formed on July 1, 2008 by Resolution no. 2008-91. The District is located on Pinole Valley Road and consists of two separate zones: Zone A and Zone B.

This Engineer's Report (the "Report") has been prepared pursuant to Chapter 1, Article 4 and Chapter 3 of the 1972 Act, and outlines the improvements, and proposed assessments to be levied in connection with the benefits the properties will receive from maintenance and servicing of landscaping improvements within the District for fiscal year 2021-22.

The word "parcel," for the purposes of this Report, refers to an individual property assigned its own Assessor's Parcel Number ("APN") by the Contra Costa County Assessor's Office. The Contra County Auditor/Controller APN and specific fund numbers to identify properties to be assessed on the tax roll for the District assessments.

This Report consists of five sections and identifies the following items:

- **Plans and Specifications** – The location of the District and the specific improvements to be maintained.
- **Method of Apportionment** – How the District costs are allocated and apportioned to the assessable parcels.
- **Zone Budgets** – The District costs and proposed assessments to be levied for 2021/22 for each Zone based upon the special benefit received.
- **District Diagram** – A diagram showing the District and Zone boundaries.
- **Assessment Roll** – A listing of properties to be assessed by APN, Zone, and corresponding assessment amounts.

**ASSESSMENT SUMMARY FY 2021-22**

	<b>Total Assessable Costs</b>	<b>Total Assessable Units</b>	<b>Proposed Assessment Rate per AU</b>	<b>Maximum Assessment Rate per AU</b>
<b>Zone A</b>	<b>\$25,073.04</b>	52.796	<b>\$474.90</b>	\$582.14
<b>Zone B</b>	<b>\$24,694.99</b>	49.900	<b>\$494.89</b>	\$549.56

Actual assessments are rounded down to the nearest even penny for county tax roll purposes.

**SECTION I – PLANS AND SPECIFICATIONS**

**DESCRIPTION OF THE DISTRICT AND BOUNDARIES**

The District consists of two separate zones and is located on Pinole Valley Road, between Henry Avenue and Ramona Street. Zone A is to the north of Interstate I-80 and Zone B is to the south of Interstate I-80. Currently, there are a total of 18 commercial parcels within the District, 8 in Zone A and 10 in Zone B. The number of parcels in Zone A was reduced from 8 to 6 and Zone B was reduced from 16 to 15 parcels, due to parcel mergers effective for the 2011/2012 tax year. An annexation also occurred in Zone A for tax year, 2013/2014, increasing the parcel count for that Zone to 7 and the AU to 52.972. For tax year 2018/2019, one parcel was split into two with a slight size reduction, decreasing the AU to 52.796. The number of parcels in Zone B was reduced from 15 to 10 due to parcel mergers/changes effective for the 2013/2014 and 2014/2015 tax years. A clerical error was brought to the City’s attention in December 2019 which has been transcribed over time and resulted in a higher AU in Zone B. In FY 2020-21, the clerical error was corrected resulting in a lower AU in Zone B.

Please refer to the Section V of this Report, Assessment Roll, for details.

## **IMPROVEMENTS AND SERVICES PROVIDED**

Improvements within the District which are maintained and serviced may include but are not limited to: turf, shrubs, plants and trees, landscaping, street lighting, traffic signals, irrigation and drainage systems, graffiti removal, litter abatement, sidewalks, landscape lighting, masonry walls and associated appurtenances within the public right-of-way or specific easements.

The maintenance of District improvements generally include, but are not limited to, all materials, equipment, utilities, labor and incidental expenses, including administrative expenses, for the annual operation of the District and maintenance of the improvements. Also included is the performance of occasional repairs and the removal or replacement of improvements, as needed.

The specific improvements being maintained and serviced within each Zone of the District are defined on the following page:

### **Zone A Improvements (Northerly of I-80 Freeway)**

- Landscaping totaling 16,920 square feet.
- Irrigation system for landscaping and two irrigation controllers.
- Maintenance of seven street light poles and fourteen street lights.
- Maintenance of two and a half traffic signals.
- Electrical power for street lights, traffic signals and irrigation system.
- Weed control and abatement.
- Graffiti abatement.
- Median repairs and contingency for damage.
- Litter abatement and collection (2,102 linear feet).

### **Zone B Improvements (Southerly of I-80 Freeway)**

- Landscaping totaling 18,486 square feet.
- Irrigation system for landscaping and two irrigation controllers.
- Maintenance of ten street light poles and twenty street lights.
- Maintenance of one and a half traffic signals.
- Electrical power for street lights, traffic signals and irrigation system.
- Weed control and abatement.
- Graffiti abatement.
- Median repairs and contingency for damage.
- Litter abatement and collection (2,859.58 linear feet).

Reference is made to the plans and specifications for the improvements which are on file with the City and are incorporated herein by reference.

## **SECTION II – METHOD OF APPORTIONMENT**

The 1972 Act allows for the establishment of assessment districts by public agencies for the purpose of providing certain public improvements as detailed in Section I of this Report. The 1972 Act also requires that the cost of these improvements and services be assessed based on benefit received rather than by assessed value of the properties being assessed. In accordance with the 1972 Act, Section 22573:

*“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among assessable lots or parcels in proportion to the estimated benefits received by each such lot or parcel from the improvements”*

The method of apportionment described in this Report, and confirmed by the City Council, utilizes commonly accepted engineering practices which have been established pursuant to the 1972 Act and the California Constitution for the allocation of special benefit assessments. The calculation of assessments is based upon the parcel type and the services and improvements provided. The special benefit received by each lot or parcel is over and above any general benefit conferred upon said lots or parcels or to the public at large.

## **DESCRIPTION OF BENEFIT**

### ***Special Benefit***

The improvements and associated costs have been allocated to the assessable properties within the District based upon the special benefit received by those properties, pursuant to the provisions of the 1972 Act. The improvements for which the properties will be assessed have been identified as necessary, were approved by the property owners within the District through a Proposition 218 assessment ballot procedure and are in compliance with the development plans and General Plan of the City. As such, the improvements and continuing maintenance and servicing are strictly the obligation of the properties within the District.

### ***General Benefit***

Although the improvements may be visible to passersby or to the public at large, the improvements were installed after approval from the property owners and are for the benefit of properties within the District. It has been determined therefore, any access to or use by properties or individuals outside the District is completely incidental and the costs of operating, maintaining and servicing said improvements provides no measurable benefit to said outside properties or individuals.

### ***Definition of Special Benefit***

The method of apportionment described in this Report is based on the premise that each assessable parcel or unit receives distinct and special benefits from the improvements

and services provided, including the visual desirability provided by well maintained landscaping. In accordance with Article XIII D, Section 4 of the California Constitution:

*“Special benefit means a particular and distinct benefit over and above general benefits conferred on real property located in the District or the public at large”*

The special benefits associated with local landscape and lighting improvements are specifically:

- Enhanced desirability of properties due to proximity of the improvements.
- Improved aesthetic appeal provided by a positive representation of the community.
- Improved ingress and egress to property resulting in enhanced traffic flow, reduced traffic accidents and consequent reduction in possible property damage.
- Improved traffic visibility and circulation.
- Improved accessibility for emergency vehicles.
- Reduced vandalism and other criminal activity.
- Enhanced environmental quality provided by adequate green space and other landscaping which helps moderate temperatures, reduce noise pollution and control dust and debris.

## **ASSESSMENT RANGE FORMULA**

It is generally recognized that most budgetary items will be impacted by inflation in future years. In accordance with the California Constitution, and Government Section 53739 (b) (1), assessments ***“may be adjusted for inflation pursuant to a clearly defined formula...”*** A formula for an inflationary adjustment is therefore included as part of the maximum assessment for this District and was approved by the property owner(s) at the time of formation. The formula, as described below, allows for annual adjustments to the budget and the assessments.

Generally, any new or increased assessment requires certain noticing and meeting requirements by law, the Government Code excludes certain conditions of a new or increased assessment. These conditions include:

*“An assessment that does not exceed an assessment formula or range of assessments previously specified in the notice given to the public...and that was previously adopted by the agency...”*

The initial maximum assessment for the District was established at the time of formation and was assessed for the first time during the 2008/2009 fiscal year. The initial maximum assessment for Zone A was \$415.52 per Assessment Unit (“AU”). The initial maximum assessment for Zone B was \$390.80 per AU. The initial maximum assessment for each Zone has been adjusted each subsequent fiscal year by the following Assessment Range Formula:

- The Maximum Assessment Rate allowed each fiscal year (the “Adjusted Maximum Assessment Rate”) shall be based on the initial maximum assessment established in fiscal year 2008/2009, adjusted annually by the Bureau of Labor Statistics, Consumer Price Index for the month of April, All Urban Consumers, (“CPI”) for the San Francisco/Oakland/San Jose area or two percent (2%), whichever is greater. Should the Bureau of Labor Statistics revise or discontinue the preparation of such index, the City reserves the right to use such revised index or a comparable system to determine fluctuations in the annual cost of living.
- Each fiscal year, the greater of CPI or 2% shall be applied to the Maximum Assessment Rate established the previous fiscal year to calculate the appropriate Adjusted Maximum Assessment Rate for the then current fiscal year.
- If the proposed annual assessment rate (assessment per AU) for the upcoming fiscal year is less than or equal to the Adjusted Maximum Assessment Rate established for that fiscal year then the proposed annual assessment is not considered an increased assessment.

Beginning in the second fiscal year after the formation of the District (2009/2010) and each fiscal year since, the Maximum Assessment Rate has been recalculated and a new Adjusted Maximum Assessment Rate has been established for each fiscal year using the Assessment Range Formula described above. Each fiscal year, the greater of CPI or 2% is applied to the Maximum Assessment Rate from last year. The April 2021 CPI is not available therefore a 2% will be applied to the Maximum Assessment Rate from the last year. The Zone A Maximum Assessment Rate for the upcoming fiscal year (2021/2022) therefore, shall be **\$582.14** per AU. The Zone B Maximum Assessment Rate for the upcoming fiscal year shall be **\$549.56** per AU. The table below shows the Adjusted Maximum Assessment Rate for each Zone, for each fiscal year since the formation of the District. The Adjusted Maximum Assessment Rates have been calculated independently of the annual budget and proposed assessment rate for the given fiscal year. As stated above, if the proposed annual assessment for any fiscal year does not exceed the Adjusted Maximum Assessment Rate for that year, it is not considered to be an increased assessment under the terms of Proposition 218 or the Government Code.

### Zone A LLAD Assessment/CPI History

Fiscal Year	April CPI	Allowable Increase	Actual April CPI Calculation	Adjusted Max. Assessment per AU	Actual Assessment per AU
2008/2009	N/A	N/A	N/A	\$415.52	\$415.82
2009/2010	0.80%	2.00%	1.020000000	\$423.83	\$415.82
2010/2011	1.71%	2.00%	1.020000000	\$432.31	\$415.82
2011/2012	2.82%	2.82%	1.028212932	\$444.51	\$394.80

2012/2013	2.07%	2.07%	1.020775582	\$453.74	\$394.80
2013/2014	2.38%	2.38%	1.023809026	\$464.54	\$377.74
2014/2015	2.78%	2.78%	1.027873710	\$477.49	\$377.74
2015/2016	2.43%	2.43%	1.024362313	\$489.12	\$377.74
2016/2017	2.70%	2.70%	1.026950338	\$502.30	\$377.74
2017/2018	3.78%	3.78%	1.037888610	\$521.34	\$377.74
2018/2019	3.20%	3.20%	1.032	\$538.02	\$396.32
2019/2020	4.0%	4.0%	1.040	\$559.54	\$409.69
2020/2021	1.1%	2.0%	1.020	\$570.73	\$422.04
2021/2022*	-	2.0%	1.020	\$582.14	<b>\$474.90</b>

\*The April 2021 CPI is not available at the time this report was prepared, therefore a 2% was applied to the Maximum Assessment Rate. The April 2021 Consumer Price Index for the San Francisco area is scheduled to be released on May 12, 2021.

### Zone B LLAD Assessment/CPI History

Fiscal Year	April CPI	Allowable Increase	Actual April CPI Calculation	Adjusted Max. Assessment per AU	Actual Assessment per AU
2008/2009	N/A	N/A	N/A	\$390.80	\$390.80
2009/2010	0.80%	2.00%	1.020000000	\$398.62	\$390.80
2010/2011	1.71%	2.00%	1.020000000	\$406.59	\$390.80
2011/2012	2.82%	2.82%	1.028212932	\$418.06	\$342.04
2012/2013	2.07%	2.07%	1.020775582	\$426.75	\$342.04
2013/2014	2.38%	2.38%	1.023809026	\$436.91	\$342.04
2014/2015	2.78%	2.78%	1.027873710	\$449.09	\$342.04
2015/2016	2.43%	2.43%	1.024362313	\$460.03	\$342.04
2016/2017	2.70%	2.70%	1.026950338	\$472.43	\$342.04
2017/2018	3.78%	3.78%	1.037888610	\$490.32	\$348.06
2018/2019	3.20%	3.20%	1.032	\$506.01	\$359.06
2019/2020	4.0%	4.0%	1.040	\$526.25	\$392.64
2020/2021	1.1%	2.0%	1.020	\$538.78	\$405.68
2021/2022*	-	2.0%	1.020	\$549.56	<b>\$494.89</b>

\*The April 2021 CPI is not available at the time this report was prepared, therefore a 2% was applied to the Maximum Assessment Rate. The April 2021 Consumer Price Index for the San Francisco area is scheduled to be released on May 12, 2021.

To impose a new assessment or an increased assessment in excess of the Maximum Assessment Rate for the current fiscal year, as provided by the preceding Assessment Range Formula, the City must comply with the provisions of the California Constitution, Article XIII D, Section 4c that requires a public hearing and certain protest procedures including mailed notice of a public hearing and property owner protest balloting. Property owners must approve the proposed new or increased assessment via a property owner protest ballot process before any such new or increased assessment can be imposed.



The definition of new or increased assessments includes any assessment which, 1) did not previously exist or, 2) exceeds a previously approved assessment amount or assessment range formula. Any assessment range formula must have been previously adopted by the agency and approved by the property owners.

**ASSESSMENT METHODOLOGY**

The benefit formula used to determine the financial obligation for each parcel is based on the improvements benefitting the parcels, as well as the use, or type, of each parcel as compared to other parcels that benefit from said improvements. One of the more common approaches to fairly distributing District costs to the benefitting parcels in maintenance districts such as this utilizes a methodology referred to as the Assessment Unit (“AU”) method of apportionment. This methodology utilizes various property characteristics such as development status, type of development (land-use) and size (units or acreage) to compare the proportional benefit of each property compared to similar properties benefitting from the improvements.

The District is comprised of one parcel type; commercial. Each commercial parcel receives similar benefit from the improvements due to the relative size of the properties, the specific improvements and proximity of the improvements to the properties. It has been determined that the buildable acreage of each parcel is an appropriate basis in calculating the total AU for that parcel. The individual commercial parcel, acreage is multiplied by a factor of 4.00 to determine the total AU for that parcel. The total Zone AU is then divided into the “Total Balance to Assessment” (as shown in Section III of this Report) to determine the annual assessment rate. The AU for each parcel is then multiplied by the annual assessment rate to determine the annual assessment for each parcel.

**SECTION III – ZONE BUDGETS**

The estimated budget for the annual maintenance and servicing of the improvements and the proportionate share of administration costs for each Zone have been prepared based on the estimated and recent historical costs of providing said maintenance and servicing.

**ZONE A – PINOLE VALLEY ROAD NORTH FY 2021-22 BUDGET**

<b>DIRECT COSTS</b>		
<b>ACCOUNT</b>	<b>NAME</b>	<b>BUDGET</b>
<b>310-347-42108</b>	<b>Building-Structure Maintenance</b>	<b>\$10,020.00</b>
	Contra Costa County Public Works Traffic Signal Maintenance	\$6,500
	Caltrans Traffic Signal Maintenance	\$2,150
	Pacific Site Management	\$720
	Labor, material, and equipment required to properly maintain the landscaping improvements, traffic signals, streetlights, poles, and irrigation system	\$650
<b>310-347-43102</b>	<b>Water</b>	<b>\$3,800.00</b>
	EBMUD	\$3,800

<b>310-347-43103</b>	<b>Electricity and Power</b>	<b>\$4,765.00</b>
	Pinole Valley Rd. Traffic Control – PG&E	\$1,125
	Street and Highway Lighting – PG&E	\$3,640
	<b>Capital Replacement Account<sup>1</sup></b>	<b>\$3,226.24</b>
	<b>Direct Costs Sub-Total</b>	<b>\$21,811.24</b>
<b>INDIRECT COSTS</b>		
<b>310-347-42126</b>	<b>Legal Charges</b>	<b>\$1,050.00</b>
<b>310-347-42102</b>	<b>County Administration Fees</b>	<b>\$131.80</b>
<b>310-347-46122</b>	<b>Admin Debits</b>	<b>\$2,080.00</b>
	City Administration	\$1,000.00
	Engineer's Report	\$1,080.00
	<b>Indirect Costs Sub-Total</b>	<b>\$3,261.80</b>
	<b>TOTAL COSTS</b>	<b>\$25,073.04</b>
<b>TOTAL BALANCE TO ASSESSMENT</b>		<b>\$25,073.04</b>
<b>Total Assessable AU (8 parcels)</b>		<b>52.796</b>
<b>2021/2022 PROPOSED ASSESSMENT PER AU</b>		<b>\$474.90</b>
<b>2021/2022 MAXIMUM ASSESSMENT PER AU</b>		<b>\$582.14</b>

**ZONE B – PINOLE VALLEY ROAD SOUTH FY 2021-22 BUDGET**

<b>DIRECT COSTS</b>		
<b>ACCOUNT</b>	<b>NAME</b>	<b>BUDGET</b>
<b>310-348-42108</b>	<b>Building-Structure Maintenance</b>	<b>\$9,430.00</b>
	Contra Costa County Public Works Traffic Signal Maintenance	\$5,000.00
	Caltrans Traffic Signal Maintenance	\$3,000.00
	Pacific Site Management	\$780.00
	Labor, material, and equipment required to properly maintain the landscaping improvements, traffic signals, streetlights, poles, and irrigation system	\$650
<b>310-348-43102</b>	<b>Water</b>	<b>\$2,800.00</b>
	EBMUD	\$2,800.00
<b>310-348-43103</b>	<b>Electricity and Power</b>	<b>\$5,330.00</b>
	Pinole Valley Road Median Irrigation – PG&E	\$130.00
	Street and Highway Lighting – PG&E	\$5,200.00
	<b>Capital Replacement Account<sup>1</sup></b>	<b>\$3,871.49</b>
	<b>Direct Costs Sub-Total</b>	<b>\$21,431.49</b>
<b>INDIRECT COSTS</b>		
<b>310-348-42126</b>	<b>Legal Charges</b>	<b>\$1,050.00</b>
<b>310-348-42102</b>	<b>County Administration Fees</b>	<b>\$133.50</b>
<b>310-348-46122</b>	<b>Admin Debits</b>	<b>\$2,080.00</b>
	City Administration	\$1,000.00

Engineer's Report	\$1,080.00
<b>Indirect Costs Sub-Total</b>	<b>\$3,263.50</b>
<b>TOTAL COSTS</b>	<b>\$24,694.99</b>
<b>TOTAL BALANCE TO ASSESSMENT</b>	<b>\$24,964.99</b>
<b>Total Assessable AU (10 parcels)</b>	<b>49.900</b>
<b>2021/2022 PROPOSED ASSESSMENT PER AU</b>	<b>\$494.89</b>
<b>2021/2022 MAXIMUM ASSESSMENT PER AU</b>	<b>\$549.56</b>

<sup>1</sup> **Capital Replacement Account (CRA)** – This line item, shown on the budget page for each Zone, is specifically intended for the use in replacing the lighting poles for streetlights and traffic signals within the District. There are two reasons to consider the replacement of lighting poles. First, there is a finite life span of a standard lighting pole, which is approximately 50 years. Secondly, there must be a contingency plan in place for the possibility that a lighting pole gets damaged or knocked down, either by way of accident or by natural disaster. The current replacement cost of a lighting pole is approximately \$10,531.20 for materials and \$3100.00 for installation.

The estimated cost to replace all streetlight poles after 50 years, as well as a contingency to account for the possibility of a knockdown, accident, or natural disaster is shown below:

Zone	Cost per Pole	Number of Poles	Estimated Life Span (Years)	Knockdown Contingency (\$50 per pole)	Estimated Annual Cost
A	\$13,631.20	10	50	\$500	\$3,226.24
B	\$13,631.20	12	50	\$600	\$3,871.49

\$13,631.20 per light pole \* 22 poles = \$299,886.40 / 50 years = \$5,997.73 + \$1,100 for Contingency = \$7,097.73 annually.

The replacement cost of a lighting pole was increased from \$10,500 to \$13,631.20. This estimate is based on the amount paid for the most recent streetlight pole replacement in FY 2020-21. The costs will continue to be collected through the assessment amounts as part of the Capital Replacement Fund, as shown in the District Budgets.

## DESCRIPTION OF BUDGET ITEMS

- **Building-Structure-Maintenance** – Includes all regularly scheduled labor, material, and equipment required to properly maintain the landscaping improvements, traffic signals, streetlights, poles, and irrigation system. Also includes the cost of:
  - Traffic signal maintenance which is provided by California Department of Transportation (Caltrans) and Contra Costa County Public Works.
  - Landscaping maintenance services provided by Pacific Site Management.
  - Replacement bulbs for traffic signals and streetlights.

- Weed control and graffiti abatement within the District.
- **Water** – Includes the cost of furnishing water required for the proper maintenance of the landscaping.
- **Electricity and Power** – Includes the cost of furnishing electrical energy required for the proper operation of traffic signals, streetlights, and irrigation system.
- **Legal Charges** – Includes the cost of legal services to review reports, resolutions, and public hearing requirements for imposing the LLAD Assessment.
- **County Administration Fees** – Includes the County costs related to placement of the annual assessment charges onto the tax roll and the generation of the annual tax bills related thereto. Contra Costa County charges a Levy Code Fee of \$250 per district, \$0.76 Collection Fee per parcel, and \$0.09 Assessor User Code Fee per parcel. Each Zone is charged \$125 plus \$0.85 per parcel.
- **Admin Debits** – Includes the cost of all particular departments and staff of the City for providing coordination of annual District administration process, operation, and maintenance of the improvements and responding to public concerns. This line item also includes the cost of preparing the Engineer's report for the administration of the District and transmitting assessment amounts to the County for the inclusion on the tax roll.

**ACCOUNT BALANCES**

DISTRICT	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Fund balance on July 1 <sup>st</sup>	\$12,499.44	\$28,636.16	\$15,027.87	\$24,203.51	\$30,613.24
Revenue	\$44,437.02	\$39,221.92	\$39,797.64	\$41,854.22	\$39,746.28
Expenditures	\$28,300.30	\$52,830.21	\$30,622.00	\$35,444.29	\$38,171.74
Revenue over/under expenses	\$16,136.72	-13,608.29	\$9,175.64	\$6,409.73	\$1,574.54
Fund balance on June 30 <sup>th</sup>	\$28,636.16	\$15,027.87	\$24,203.51	\$30,613.24	\$32,187.78

Based on the historical data in the table above, the average expenditures for the District are \$37,073.71. The 1972 Act allows the District assessments to "...include a reserve which shall not exceed the estimated costs of maintenance and servicing to December 10 of the fiscal year, or whenever the city expects to receive its apportionment of special assessments and tax collections from the county, whichever is later." The Reserve Fund will be considered fully funded when the account balance reaches an amount equal to approximately 50% of the annual District costs.

Therefore, the Reserve Fund is fully funded when the account balance reaches \$18,536.86. The beginning fund balance on July 1, 2020 was \$32,187.78 and

\$18,536.86 of the funds were allocated to the Reserve Fund. The remainder \$13,650.92 was placed in two separate CRA for Zone A and Zone B. The beginning CRA balance as of July 1, 2020 for Zone A and Zone B was \$6,211.17 and \$7,439.75, respectively. These allocations were based on the percentage of poles in each Zone; approximately 45.5% of the poles in the District are in Zone A, and approximately 54.5% are in Zone B. The methodology noted above will be applied each fiscal year to allocate appropriate amounts to the Reserve Fund and CRA.

If a lighting pole is damaged or knocked down by an accident, attempts are made to recover the replacement cost through the responsible party. The recovered funds are placed in the CRA for the Zone where the knockdown reoccurred. A summary of the Capital Replacement Reserve account for each Zone is shown in the table below.

<b>Zone</b>	<b>Capital Replacement account balance as of 07/01/2020</b>	<b>FY 2020-21 Contribution to Capital Replacement account</b>	<b>Estimated lighting pole recovery costs for FY 2020-21</b>	<b>Estimated lighting pole repair and replacement costs in FY 2020-21</b>	<b>Estimated ending Capital Replacement account balance on 06/30/2021.</b>
A	\$6,211.17	\$6,000	-	-	\$12,211.17
B	\$7,439.75	\$4,500	\$14,491.20	\$28,122.40*	-\$1,691.45

\*Includes the purchase of a surplus pole for future knockdowns

#### **SECTION IV – ASSESSMENT ROLL**

Parcel Identification for each lot or parcel within the District shall be based on available parcel maps and other property data from the Contra Costa County Assessor's office as they existed at the time this Report was prepared and adopted by the City Council.

A listing of parcels assessed within the District for Fiscal Year 2021/2022, along with the corresponding assessment amounts, is included on the following pages. If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel(s) shall be based on the method of apportionment and assessment rate approved in this Report. Therefore, if a single parcel has changed to multiple parcels, the assessment amounts applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment.

Non-assessable lots or parcels include areas of public streets and other roadways (typically not assigned an APN by the County); dedicated public easements, open space areas and rights-of-way, including public greenbelts and parkways; utility rights-of-way; common areas; landlocked parcels; small parcels vacated by the County, bifurcated lots and any other property that cannot be developed or has specific development restrictions.

These types of parcels are considered to receive little or no benefit from the improvements and are therefore, exempted from assessment.

Zone	APN	Parcel Acreage	Parcel Type	Parcel AU	2021/2022 Assessment per AU	2021/2022 Assessment	Applied Assessment
A	401-211-030	3.62	COM	14.48	\$474.90	\$6,876.61	\$6,876.60
A	401-211-031	1.27	COM	5.08	\$474.90	\$2,412.51	\$2,412.50
A	401-211-032	0.42	COM	1.68	\$474.90	\$797.84	\$797.84
A	401-211-033	0.6	CMV	2.40	\$474.90	\$1,139.77	\$1,139.76
A	401-211-035	0.573	COM	2.292	\$474.90	\$1,088.48	\$1,088.48
A	401-410-005	2.23	COM	8.92	\$474.90	\$4,236.15	\$4,236.14
A	401-410-019	2.006	COM	8.024	\$474.90	\$3,810.63	\$3,810.62
A	401-410-020	<u>2.48</u>	COM	<u>9.92</u>	\$474.90	\$4,711.05	\$4,711.04
		<b>13.199</b>		<b>52.796</b>		<b>\$25,073.04</b>	<b>\$25,072.98</b>
B	360-010-028	0.344	COM	1.376	\$494.89	\$680.97	\$680.96
B	360-010-029	1.738	COM	6.952	\$494.89	\$3,440.47	\$3,440.46
B	360-010-030	0.53	COM	2.12	\$494.89	\$1,049.17	\$1,049.16
B	360-010-031	0.63	COM	2.52	\$494.89	\$1,247.12	\$1,247.12
B	360-010-033	0.43	COM	1.72	\$494.89	\$851.21	\$851.20
B	360-150-043	1.24	COM	4.96	\$494.89	\$2,454.65	\$2,454.64
B	360-150-044	0.48	COM	1.92	\$494.89	\$950.19	\$950.18
B	401-310-021	5.683	COM	22.732	\$494.89	\$11,249.83	\$11,249.82
B	401-310-022	0.46	COM	1.84	\$494.89	\$910.60	\$910.60
B	430-330-027	<u>0.94</u>	COM	<u>3.76</u>	\$494.89	\$1,860.78	\$1,860.78
		<b>12.475</b>		<b>49.900</b>		<b>\$24,694.99</b>	<b>\$24,694.92</b>
	<b>Totals:</b>	<b>25.674</b>		<b>102.696</b>		<b>\$49,768.03</b>	<b>\$49,767.90</b>

Parcel Type: "COM" is a developed commercial property  
 "CMV" is an undeveloped commercial property

**Zone A** – APN 401-410-017 was merged from three former parcels (APN's 401-410-014, 401- 410-015 & 401-410-016), and became active and assessable for Fiscal Year 2011/2012. APN 401-211-34 was annexed into the District for the 2013/2014 year. APN 401-410-017 was split into 401-410-019 and 020 for Fiscal Year 2018/2019.

**Zone B** – APN's 401-310-010 and 401-310-013 were merged into APN 401-310-019. This parcel became active and assessable for Fiscal Year 2011/2012. APN's 401-310-002; 003; 012; 017; 018 & 019 were merged into APN 401-310-021 for Fiscal Year 2013/2014. APN 401-310-018 became parcel 022 for Fiscal Year 2013/2014. APN 430-330-022 merged into APN 401-310-021 for Fiscal Year 2014/2015.

**SECTION V – DISTRICT DIAGRAM**

The following page(s) show the Assessment Diagrams for The Pinole Valley Road Landscape and Lighting Assessment District. The lines and dimensions shown on maps of the Contra Costa County Assessor for the current year are incorporated by reference herein and made part of this Report.