

KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS MEETING

MAY 14, 2020

ITEM 5

COLLECTION OF PARK ASSESSMENT: LANDSCAPING AND LIGHTING ACT OF 1972; ADOPTION OF RESOLUTIONS FOR FISCAL YEAR 2020-21

SUMMARY OF RECOMMENDATION:

Adopt the following resolutions to collect the assessment for the Kensington Park Assessment District for fiscal year 2020-21, pursuant to the Landscaping and Lighting Act of 1972:

- Resolution Initiating Proceedings for the Levy and Collection of Assessments for the Kensington Park Assessment District for Fiscal Year 2020/21;
- Resolution Approving the Annual Report for the Kensington Park Assessment District for Fiscal Year 2020/21; and
- Declaring the Intention to Levy and Collect Assessments for the Kensington Park Assessment District for Fiscal Year 2020/21.

BACKGROUND

On December 6, 1994, KPPCSD formed the Kensington Park Assessment District for the purpose of levying and collecting special assessments to pay for maintaining and servicing Kensington Park. These activities consist of:

- Landscaping and grass maintenance;
- Maintaining water and electric services;
- Procuring equipment and supplies related to park maintenance;
- Repair or replacement of existing improvements, and addition of future improvements (if determined to be necessary).

The District consists of a residential area, generally located north of the Contra Costa County line, east of Santa Fe Avenue, west of Kensington Road, and south of Gelston Place.

Estimate Of Costs

The proposed Kensington Park Assessment District budget for fiscal year 2020-21 is as follows:

Account Description	2020/21 Proposed Budget
Maintenance Contract	\$54,600
Tree Pruning/Removal	30,000
Utilities	15,500

Drain Clearing	600
Misc. Maintenance Services and Supplies	1,500
Operations & Maintenance Total	\$102,200
Administrative Services	5,424
Levy Fees	1,914
Incidental Expenses	0
Expenses Total:	\$7,338
Total Costs	\$109,538

A description of the items summarized in the budget is provided below. A more detailed, historical summary of expenditures is provided as an attachment to this report.

- Maintenance contracts include contract services for park restroom custodian and maintenance repairs;
- Tree Pruning/Removal includes the costs for trimming trees and removal of debris;
- Utilities include the costs for water to irrigate the landscaping and the costs for electricity for street lighting;
- Miscellaneous Services/Equipment include the costs for maintaining and replenishing equipment and supplies;
- Miscellaneous repairs include costs for any infrastructure repair on the property within the District, including repairs to buildings;
- Administrative Services include services necessary for District maintenance, including preparation of the Annual Engineer’s Report and expenses for the services of KPPCSD personnel;
- Levy Fees are the charges by Contra Costa County to place the assessment on the property tax rolls.

Budget and Policy Considerations

As the Board will note, the proposed budget for the Kensington Park Maintenance District for FY 2020-21 is significantly higher than in prior years. This is due to:

- Costly capital improvements, including tree removal and tennis court resurfacing (estimated aggregate cost of \$40,000);
- An increase in contract maintenance expenditures to reflect actual, ongoing service needs;
- An increase in water utilities to more accurately reflect historical usage; and
- An increase in landscape maintenance costs associated with the recently renovated community center.

Even without the capital improvements, the basic maintenance needs of the park are estimated to be approximately \$28,000 higher than the District levy. Thus, the KPPCSD Board will need to acknowledge this deficit and, at some point, implement some combination of the following options:

- Subsidize the activities of the Kensington Park Maintenance District from general operating funds;

- Request that Kensington property owners increase the assessment through a mail-in vote, in accordance with provisions of Proposition 218. Note that, given the time frame for this procedure, the earliest that this option can be pursued would be for FY 2021-22; and
- Reduce park maintenance service levels to align with the current assessment.

Process to Reestablish the Kensington Park Maintenance District

Each year, the KPPCSD Board of Directors needs to approve the resolutions that initiate the process of collecting the park assessment, pursuant to the Landscaping and Lighting Act of 1972, under which regulation the Kensington Park Assessment District was established. The specific steps in this process that are the subject of this agenda item are described below:

- Approve Resolution 2020-03, initiating proceedings for the levy and collection of assessments for the Kensington Park Assessment District for Fiscal Year 2020-21;
- Approve Resolution 2020-04, approving the Annual Report for the Kensington Park Assessment District for Fiscal Year 2020-21. A copy of the report, “Kensington Park Assessment District Annual Report Fiscal Year 2020-21,” is attached to the resolution for Board review and approval;
- Approve Resolution 2020-05, declaring the Board’s intention to levy and collect assessments for the Kensington Park Assessment District for Fiscal Year 2020-21 and to set the Public Hearing for Thursday, June 11, 2020 at 7:30 P.M. Once Resolution 2020-05 is passed, it will need to be published in the local paper at least ten (10) days prior to a Public Hearing June 11, 2020.

The total assessment to each dwelling unit is \$18.36, which is an increase from \$17.85 last year, with a total of 2,190 parcels to be assessed. The total balance to levy will be approximately \$41,529. This revenue may be used only for the maintenance of the “New Park.”

The final step in the process will be to hold a Public Hearing on June 11, 2020, and Board approval of Resolution 2020-05.

RECOMMENDATION:

Discuss the item, take public comment, and adopt the following resolutions to initiate the process to collect the assessment for the Kensington Park Assessment District for fiscal year 2020-21, pursuant to the Landscaping and Lighting Act of 1972:

- Resolution Initiating Proceedings for the Levy and Collection of Assessments for the Kensington Park Assessment District for Fiscal Year 2020/21;
- Resolution Approving the Annual Report for the Kensington Park Assessment District for Fiscal Year 2020/21;
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FISCAL IMPACT:

Anticipated revenue from the Kensington Park Assessment District levy is \$41,029. The amount of this levy relative to the proposed expenditures will necessitate a subsidy from the general operating funds of KPPCSD to be considered by the Board as part of the FY 2020-21 budget.

ATTACHMENTS:

- Historical Summary of Kensington Park Assessment District Expenditures
- RESOLUTIONS 2020-03, 2020-04, and 2020-05

SUBMITTED BY: Bill Lindsay, General Manager

ATTACHMENT

Kensington Park Assessment District Budget for Engineer's Report						
	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>
Maintenance service base contract -Herrera						\$24,600
Maintenance service contract - Community Center landscaping						\$3,000
Other maintenance contract services - Herrera						\$7,000
Brush clearing (blackberry, poison oak)						\$10,000
Subotal - Base maintenance contracts	\$37,000.00	\$22,200.00	\$22,200.00	\$27,300.00	\$28,263	\$44,600
Utilities (water)	5,000.00	3,000.00	3,000.00	4,500.00	\$4,659	\$15,500
Miscellaneous maintenance services/supplies						\$1,500
Drain Clearing	1,000.00	600	600	600	\$621	\$600
Operations & Maintenance Total	\$43,000.00	\$25,800.00	\$25,800.00	\$32,400.00	\$43,895	\$62,200
Tree Removal	10,000.00	10,000.00	10,000.00	10,000.00	\$10,353	\$30,000
Tennis court resurfacing						\$10,000
Total - Capital Improvements						\$40,000
Administrative Services (NBS)	\$9,024.00	\$5,000.00	\$5,000.00	\$4,921.08	\$6,313	\$5,424
Levy Fees*	4,400.00	2,200.00	2,200.00	1,912.88	1,914	1,914
Incidental Expenses	2,000.00	1,200.00	1,200.00	587.28	608	
Administrative Expenses Total:	\$15,424.00	\$8,400.00	\$8,400.00	\$7,421.24	\$8,835	\$7,337
Total Costs	\$58,424.00	\$34,200.00	\$34,200.00	\$39,821.24	\$52,730	\$109,537