



STAFF REPORT

DATE: 04/16/2025

TO: Honorable Mayor and City Council Members

FROM: Finance Department

2025-139

REQUEST FOR CITY COUNCIL ACTION

SUBJECT:

RESOLUTIONS INITIATING PROCEEDINGS TO LEVY AND COLLECT ASSESSMENTS FOR FISCAL YEAR 2026 FOR LIGHTING MAINTENANCE DISTRICTS NO. 84-1 AND 2003-1, APPOINTING ENGINEER OF RECORD, AND ORDERING THE PREPARATION OF ENGINEER'S REPORTS

EXECUTIVE SUMMARY:

This staff report asks the City Council to consider staff's recommendation to appoint Spicer Consulting Group, LLC to prepare the Engineer's Report necessary to levy and collect special assessments for Fiscal Year (FY) 2026 for Lighting Maintenance Districts No. 84-1 and 2003-1. Lighting Maintenance Districts No. 84-1 and 2003-1 were established in 1983 and 2003 respectively, in accordance with the provisions of the Landscaping and Lighting Act of 1972 to provide lighting maintenance and operating services for the public street lighting, traffic signals, and appurtenant facilities within the districts' boundaries. The State of California Street and Highways Code Section 22500 requires an annual review of the assessments levied by the special districts formed under the Landscape and Lighting Act of 1972.

RECOMMENDED ACTION:

That the City Council:

- a. Adopt Resolution No. 2025-021, initiating proceedings to levy and collect assessments for Fiscal Year 2026 for Lighting Maintenance District No. 84-1

pursuant to the Landscaping and Lighting Act of 1972, appointing Engineer of Record, and ordering preparation of an Engineer's Report.

- b. Adopt Resolution No. 2025-022, initiating proceedings to levy and collect assessments for Fiscal Year 2026 for Lighting Maintenance District No. 2003-1 pursuant to the Landscaping and Lighting Act of 1972, appointing Engineer of Record, and ordering preparation of an Engineer's Report.

BACKGROUND & HISTORY:

Lighting Maintenance Districts Nos. 84-1 (LMD 84-1) and 2003-1 (LMD 2003-1) were established in 1983 and 2003, respectively, in accordance with the provisions of the Landscape and Lighting Act of 1972 (the 1972 Act). These districts provide lighting maintenance and operating services for the public street lighting, traffic signals, and appurtenant facilities within the district's boundaries.

The benefit area of LMD 84-1 covers all of the original City boundaries in 1983 and annexation areas northwest of the City, as shown on Exhibit 1. The original boundary of LMD 2003-1 included the Corona Crossings and Dos Lagos developments. Since its formation, five developments have been annexed into LMD 2003-1. The current boundary of LMD 2003-1 is shown in Exhibit 2.

The State of California Street and Highways Code Section 22500 requires an annual review of the assessments levied by the special districts formed under the 1972 Act. An Engineer's Report must be prepared to levy and collect special assessments within the districts, which provides details on the maintained improvements and the estimated budgets for each district.

ANALYSIS:

Staff recommends that the City retain the services of Spicer Consulting Group, LLC to prepare the Engineer's Reports necessary to levy and collect special assessments for FY 2026 for the above districts. The consultant has extensive experience in assessment district financing and administration and was selected as the City's special tax consulting service provider through a competitive process in January 2023.

The attached resolutions initiate the proceedings pursuant to the 1972 Act to levy and collect annual assessments within each district for the maintenance, servicing, and operation of public streetlights, traffic signals, and other improvements within each district's boundaries. The resolutions also appoint Spicer Consulting Group, LLC as Engineer of Record to prepare the Engineer's Reports for each district for FY 2026.

FINANCIAL IMPACT:

The proposed annual fees of \$27,529 for LMD 84-1 and \$4,495 for LMD 2003-1 from Spicer Consulting Group, LLC, are for preparing the Fiscal Year 2026 Engineer's Reports, calculating special assessments, submitting the annual levy, and other administrative

tasks. The special assessment collected within each district will pay the cost and is included in the district's current budget.

ENVIRONMENTAL ANALYSIS:

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the common sense exemption that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action merely sets the special taxes to be levied and collected within the Districts for Fiscal Year 2026, and there is no possibility that adopting the resolution will have a significant effect on the environment. Therefore, no environmental analysis is required.

PREPARED BY: ERMA MONTANO, SENIOR FINANCIAL ANALYST

REVIEWED BY: KIM SITTON, FINANCE DIRECTOR

ATTACHMENTS:

1. Exhibit 1 – LMD 84-1 Boundary Map
2. Exhibit 2 – LMD 2003-1 Boundary Map
3. Exhibit 3 – Resolution No. 2025-021
4. Exhibit 4 – Resolution No. 2025-022