



## COUNTY OF HUMBOLDT

AGENDA ITEM NO.

**C-18**

For the meeting of: **12/15/2015**

Date: 12/03/2015

To: Board of Supervisors

From: Thomas K. Mattson, Director of Public Works

*[Signature]* *TKM*

Subject: **PETITION TO FORM ANNEXATION No. 2 TO PERMANENT ROAD DIVISION (PRD) 1000, ZONE NO. 007, CENTRAL ESTATES PHASE 2C SUBDIVISION, MCKINLEYVILLE AND SUPPLEMENTAL BUDGET (4/5 Vote Required)**

RECOMMENDATION(S): That the Board of Supervisors:

1. Receives and files the petition, affidavit of valuation, and engineer's report for Annexation No. 2 to Permanent Road Division 1000, Zone No. 007 for Central Estates Phase 2C subdivision.
2. Adopts the Resolution of Intent to establish Annexation No. 2 to Permanent Road Division 1000, Zone No. 007 and to impose parcel charges for road maintenance.
3. Sets a time and date of 1:30 PM or soon thereafter on February 2, 2016 to hold a public hearing to receive testimony of protest regarding the formation and setting of an assessment for road maintenance for Annexation No. 2 to Permanent Road Division 1000, Zone No. 007.
4. Directs:
  - a. The Clerk of the Board to publish the petition, notice of formation (annexation), and notice of assessment as per Streets and Highways Code §§1164 and 1196.

Prepared by Robert W. Bronkall, Deputy Director *[Signature]*

CAO Approval *[Signature]*

**REVIEW:**

Auditor *[Signature]* County Counsel *[Signature]* Human Resources \_\_\_\_\_ Other \_\_\_\_\_

**TYPE OF ITEM:**

☒ Consent  
☐ Departmental  
☐ Public Hearing  
☐ Other \_\_\_\_\_

**PREVIOUS ACTION/REFERRAL:**

Board Order No. \_\_\_\_\_

Meeting of: \_\_\_\_\_

**BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT**

Upon motion of Supervisor *Lovelace* Seconded by Supervisor *Bass*  
Ayes *Sundberg, Lovelace, Fennell, Bohn, Bass*  
Nays \_\_\_\_\_  
Abstain \_\_\_\_\_  
Absent \_\_\_\_\_

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: *Dec. 15, 2015*

By: *[Signature]*

Kathy Hayes, Clerk of the Board

- b. The Department of Public Works to mail the notice of assessment and ballot to all landowners within the proposed annexation area as per Government Code §53753.
  - c. The Department of Public Works to post the petition, notice of formation (annexation), and notice of assessment as per Streets and Highways Code §1195.
5. Approves the following supplemental budget (4/5ths vote) to provide associated funding for PRD 1000, Zone No. 007:

Revenue:

1100166-602070	PRD Administration Fee	\$1,900.00
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Expenditures:

1100166-3412	PRD Formation	\$1,900.00
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SOURCE OF FUNDING: Streets and Highways Code (S&HC) §1197 requires the expense of organizing a zone and conducting an election to be payable out of the General Fund. The first year's assessment includes an amount to reimburse the County's cost for the formation of Annexation No. 2 to PRD 1000, Zone No. 007. The rest of the parcel assessment shall fund the maintenance described in Annexation No. 2 to PRD 1000, Zone No. 007. Only the parcels within Central Estates Phase 2C subdivision being annexed into PRD 1000, Zone No. 007 will be subject to first year assessments of reimbursing the County for the cost of annexation. Existing parcels within PRD 1000, Zone No. 007 and Annexation No. 1 to PRD 1000, Zone No. 007 are not affected by formation costs associated with annexation of Central Estates Phase 2C subdivision.

DISCUSSION: On December 17, 2002 the Board of Supervisors adopted Resolution No. 02-111 establishing the Humboldt County-Wide Permanent Road Division No. 1000 (PRD 1000). S&HC §1162.6 authorizes the Board of Supervisors to create zones within the division for specific permanent road projects.

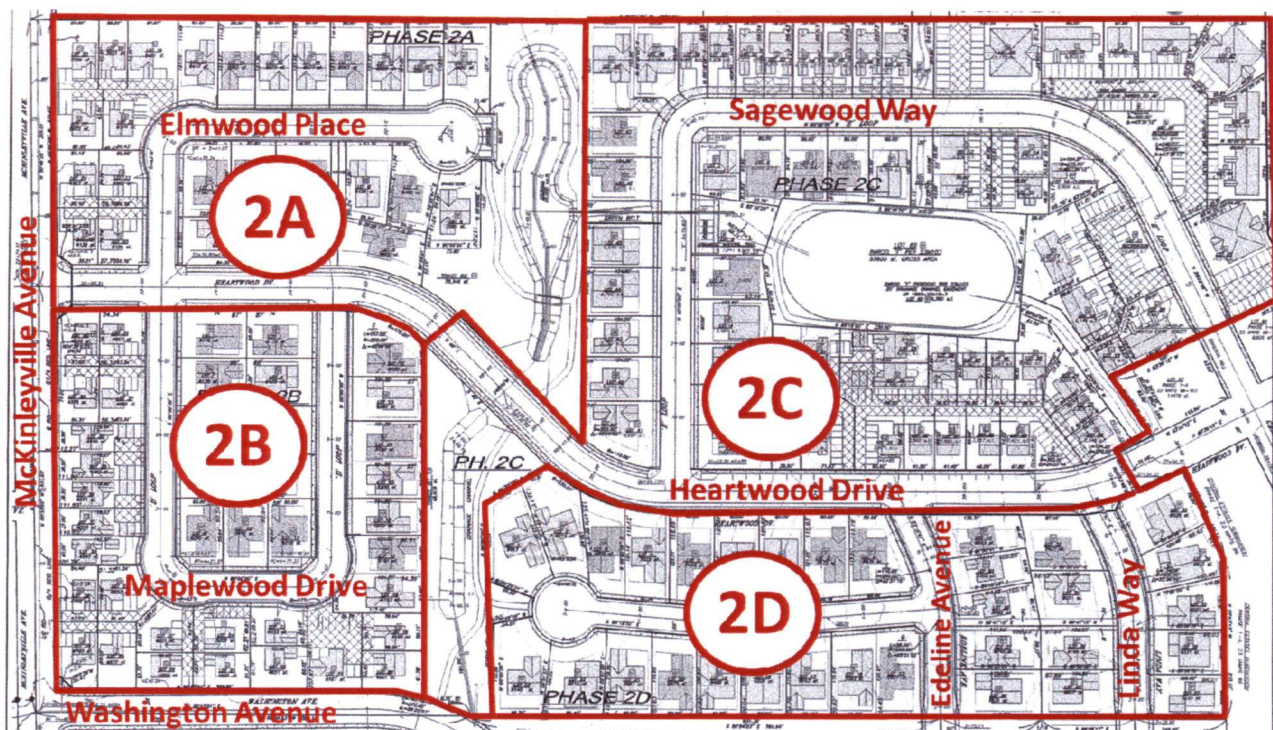
Mr. James Furtado, Manager of Central Estates Remainder LLC, submitted a petition (Attachment 1) requesting that the Board of Supervisors hold the necessary hearings and election to establish Annexation No. 2 to PRD 1000, Zone No. 007 for the benefit of the Central Estates Phase 2C subdivision located within McKinleyville at the northwesterly corner of the intersection of Heartwood Drive and Chantrelle Drive. As required by S&HC §1162, the petition includes the name of the proposed annexation area, the signatures of the landowners, the boundaries of the proposed annexation area, the number of acres in the proposed annexation area and the assessed valuation, the value of improvements on the real estate, the number of inhabitants therein, and a description of the roads and associated facilities to be maintained. The petition requests that an assessment be levied to pay the costs for future road maintenance, and storm drain rehabilitation.

On December 3, 2009, the Planning Commission approved the Central Estates Phase 2 subdivision as a multi-phase subdivision with 4 phases: Phase 2A, Phase 2B, Phase 2C, and Phase 2D. Phase 2A was completed in 2012 and PRD 1000, Zone No. 007 was formed to provide maintenance for the road that serves Phase 2A (Elmwood Place) and the storm drain system that is located primarily in Phase 2A but is intended eventually to serve the entire Phase 2 subdivision. Phase 2B was completed in 2013 and Annexation No. 1 to PRD 1000, Zone No. 007 was formed to provide maintenance for the road that serves



Phase 2B (Maplewood Drive) and participate in maintaining the storm drain system that is located primarily in Phase 2A but is intended to serve the entire Phase 2 subdivision. Phase 2C has now been completed and it is proposed to be annexed into PRD 1000, Zone No. 007 so that the costs associated with the storm drain system in Phase 2A are spread equally among all the lots in the three completed sub-phases of the Central Estates Phase 2 subdivision (Phases 2A, 2B and 2C). In addition, Phase 2C also includes a storm drain system associated with Sagewood Way.

Phases 2A, 2B and 2C are served by different roads. Elmwood Place, which serves Phase 2A, and Maplewood Drive, which serves Phase 2B, will be maintained by the assessment that has already been imposed. Phase 2A and Phase 2B lots will not be funding maintenance of Sagewood Way and its associated storm drain system. The proposed new assessment for Annexation No. 2 would maintain Sagewood Way and its associated storm drain system (not Elmwood Place or Maplewood Drive), in addition to sharing in the Phase 2A overall storm drain system rehabilitation costs. Only the 44 lots served by Sagewood Way will participate in the maintenance of Sagewood Way and its associated storm drain system. It is anticipated that the remaining future phase (Phase 2D) will also be annexed into PRD 1000, Zone No. 007. S&HC §1168.8 allows property to be annexed to or detached from a PRD.



*Above: Diagram showing the Central Estates Phase 2 tentative map. Each of the four phases are designated as 2A, 2B, 2C and 2D. Phase 2A was completed in 2012. Phase 2B was completed in 2013. Phase 2C was completed in 2015.*

The petition is accompanied by an engineer's report (Attachment 2) and an affidavit of valuations (Attachment 3). The engineer's report provides the basis for the estimation of assessment to cover the cost of the requested maintenance. The affidavit of valuations is required by S&H §1163 and it states that the affiant has compared the valuations given in the petition and finds them to be complete and correct.

In order to form Annexation No. 2 to PRD 1000, Zone No. 007, the Board of Supervisors must receive and file the petition and the affidavit of valuations, and hold a public hearing to hear any protests to the

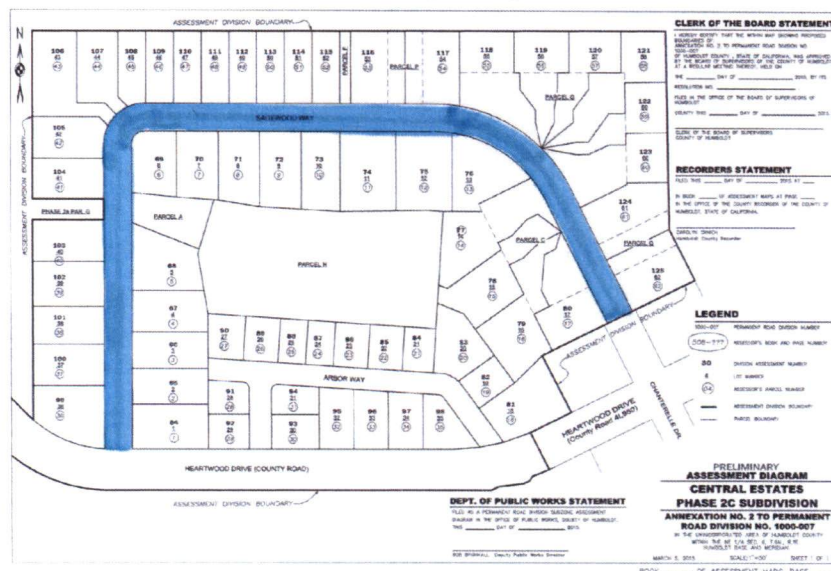


formation of the annexation into the zone. The Board of Supervisors must also conduct a public hearing upon the proposed assessment. A Resolution of Intent to hold a hearing to establish Annexation No. 2 to PRD 1000, Zone No. 007 and to consider an assessment for road maintenance is attached as Attachment 4.

A notice of the hearing to form the annexation and a notice of the hearing to consider the assessment to fund the maintenance required within the proposed annexation area must be published as per S&HC §§1164 and 1196. A ballot in conformance with Government Code §53753 must be mailed to each landowner located within the proposed annexation area. The ballot must be mailed at least 45 days prior to the hearing for establishing the parcel assessments. The ballots are to be returned to the County Auditor's Office on or before the close of the hearing. The notice of formation/annexation, notice of assessment, and a sample ballot are attached as Attachments 5, 6 and 7 respectively.

The annexation into PRD 1000, Zone No. 007 and the establishment of the assessment would allow the Department of Public Works to recommend that the Board of Supervisors accept Sagewood Way within the Central Estates Phase 2C subdivision into the County Maintained Road System. Elmwood Court was accepted into the County Maintained Road System when Zone 007 was formed and the first assessment (for Phase 2A) was imposed. Maplewood Drive was accepted into the County Maintained Road System when Annexation No. 1 was formed and the first assessment of Annexation No. 1 (for Phase 2B) was imposed. Policy #2 adopted by the Board of Supervisors on July 15, 2003 allows the Department of Public Works to recommend acceptance of subdivision roads into the County Maintained Road System should a PRD be formed to fund future maintenance. The proposed new assessment would provide funding for the future maintenance of Sagewood Way and the associated storm drain system in Phase 2C. It will also allow the cost of the Phase 2A overall storm drain system rehabilitation to be spread among all the lots in Phase 2A, 2B and 2C, reducing future assessments on the lots in Phase 2A and 2B. In summary, Annexation No. 2 will provide maintenance for Phase 2C as follows:

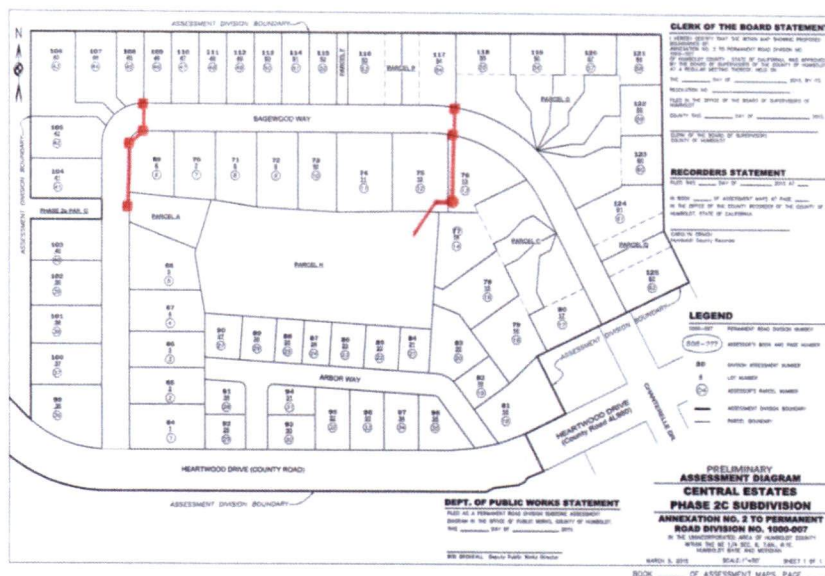
- Funding of the maintenance of Sagewood Way (Phase 2C) is based upon a repeating 25 year cycle with a slurry seal on year 12 and asphalt overlay on year 25. Sagewood Way serves 44 lots; the remaining 18 lots are accessed from a private road (not county maintained) that connects directly to Heartwood Drive. 44 lots from Phase 2C will participate.



Above: Diagram showing Annexation No. 2 to PRD 1000, Zone No. 007. The road area (shaded in blue) is maintained by the County as part of the PRD.

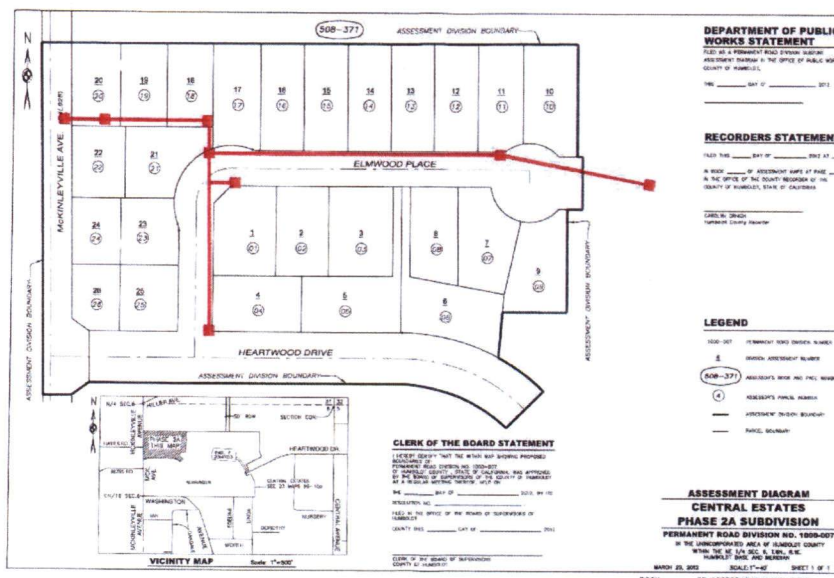


- Funding of the rehabilitation of the Sagewood Way storm drain system (Phase 2C) is based upon an estimated 50 year life of the storm drain system. The cycle will repeat for subsequent 50 year cycles. This storm drain is associated with Sagewood Way and only benefits the lots accessing Sagewood Way. 44 lots from Phase 2C will participate.



Above: Diagram showing Annexation No. 2 to PRD 1000, Zone No. 007. The storm drain system (shown in red) is maintained by the County as part of the PRD.

- Funding of the rehabilitation of the Phase 2A overall storm drain system is based upon an estimated 50 year life of the storm drain system. The cycle will repeat for subsequent 50 year cycles. This storm drain serves all of the lots in all of the phases of the subdivision. In all, 125 lots from Phases 2A, 2B and 2C will participate. 62 lots from Phase 2C will participate.



Above: Diagram showing the storm drain system to be maintained by the County as part of the proposed division for road maintenance.



Note that Heartwood Drive is not included in the division for road maintenance as it is a collector road. Pursuant to Policy #2 adopted by the Board of Supervisors on July 15, 2003, Heartwood Drive will be brought into the County Maintained System without the need to be included within a permanent road division.

FINANCIAL IMPACT: The cost of formation of this annexation into the PRD zone and assessment election is required to be initially funded through the General Fund. Once the assessment is approved, a portion of the first year assessments will be used to reimburse the General Fund for expenditures. The assessment will fund the County's cost to perform the maintenance described in the petition. To offset inflation, the assessment includes a provision for an annual compounded increase based upon the CPI.

If the Resolution of Intent to form Annexation No. 2 to PRD 1000, Zone No. 007 is approved, but the landowners within the area proposed for annexation into PRD 1000, Zone No. 007 or the Board of Supervisors do not approve the assessment, the General Fund monies used to attempt to form this annexation cannot be recovered.

The requested supplemental budget of \$1,900.00 is needed to provide funding for the formation of Annexation No. 2 and election costs. Anticipated reimbursable General Fund cost to create Annexation No. 2 to PRD 1000, Zone No. 007 is \$1,863.72, or a total formation cost per parcel equal to \$30.06.

OTHER AGENCY INVOLVEMENT: The County Auditor is designated as the person to receive and tabulate the ballots for the election.

ALTERNATIVES TO STAFF RECOMMENDATIONS: The County may choose to not accept the petition and not hold hearings for formation of Annexation No. 2 to PRD 1000, Zone No. 007 and not hold an election to establish an assessment. The existing Covenants, Conditions and Restrictions or Home Owner's Association would maintain and repair the improvements described in the petition.

ATTACHMENTS:

Attachment 1 - Petition requesting Annexation No. 2 to PRD 1000, Zone No. 007 for the Central Estates Phase 2C subdivision

Attachment 2 - Engineer's Report prepared by Max A. Schillinger, PE, RCE 78866

Attachment 3 - Affidavit of Valuations

Attachment 4 - Resolution of Intent to establish Annexation No. 2 to PRD 1000, Zone No. 007

Attachment 5 - Notice of hearing to consider formation of Annexation No. 2 to PRD 1000, Zone No. 007

Attachment 6 - Notice of hearing to consider an assessment on real property to fund road maintenance within Annexation No. 2 to PRD 1000, Zone No. 007

Attachment 7 - Sample Ballot



# **Attachment 1**

**Petition requesting Annexation No. 2 to PRD 1000, Zone No. 007 for the Central Estates  
Phase 2C subdivision**

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**PETITION**  
**TO FORM ANNEXATION NO. 2 TO PERMANENT ROAD DIVISION 1000,**  
**ZONE NO. 007 FOR MAINTENANCE OF ROAD**  
**FOR CENTRAL ESTATES PHASE 2C SUBDIVISION**

The undersigned hereby petitions the Humboldt County Board of Supervisors to form Annexation No. 2 to Humboldt County Permanent Road Division 1000, Zone No. 007 pursuant to Article 3 (commencing with Section 1160) of Chapter 4 of Division 2 of the Streets and Highways Code (the Permanent Road Division Law).

The name of the division proposed for annexation shall be Humboldt County Permanent Road Division 1000, Zone No. 007 known as Central Estates Phase 2 Subdivision.

This petition is signed by the landowners within the proposed annexation area.

The boundaries of the proposed annexation area are set forth in Exhibit A, attached hereto and incorporated herein by reference, and shall consist of the following parcels of the Central Estates Phase 2C subdivision:

Assessor Parcel Number	Lot #	Owner
508-401-001	1	Central Estates Remainder LLC
508-401-002	2	Central Estates Remainder LLC
508-401-003	3	Central Estates Remainder LLC
508-401-004	4	Central Estates Remainder LLC
508-401-005	5	Central Estates Remainder LLC
508-401-006	6	Central Estates Remainder LLC
508-401-007	7	Central Estates Remainder LLC
508-401-008	8	Central Estates Remainder LLC
508-401-009	9	Central Estates Remainder LLC
508-401-010	10	Central Estates Remainder LLC
508-401-011	11	Central Estates Remainder LLC
508-401-012	12	Central Estates Remainder LLC
508-401-013	13	Central Estates Remainder LLC
508-401-014	14	Central Estates Remainder LLC
508-401-015	15	Central Estates Remainder LLC
508-401-016	16	Central Estates Remainder LLC
508-401-017	17	Central Estates Remainder LLC
508-401-018	18	Central Estates Remainder LLC
508-401-019	19	Central Estates Remainder LLC
508-401-020	20	Central Estates Remainder LLC
508-401-021	21	Central Estates Remainder LLC
508-401-022	22	Central Estates Remainder LLC
508-401-023	23	Central Estates Remainder LLC
508-401-024	24	Central Estates Remainder LLC
508-401-025	25	Central Estates Remainder LLC
508-401-026	26	Central Estates Remainder LLC
508-401-027	27	Central Estates Remainder LLC
508-401-028	28	Central Estates Remainder LLC

Assessor Parcel Number	Lot #	Owner
508-401-029	29	Central Estates Remainder LLC
508-401-030	30	Central Estates Remainder LLC
508-401-031	31	Central Estates Remainder LLC
508-401-032	32	Central Estates Remainder LLC
508-401-033	33	Central Estates Remainder LLC
508-401-034	34	Central Estates Remainder LLC
508-401-035	35	Central Estates Remainder LLC
508-401-036	36	Central Estates Remainder LLC
508-401-037	37	Central Estates Remainder LLC
508-401-038	38	Central Estates Remainder LLC
508-401-039	39	Central Estates Remainder LLC
508-401-040	40	Central Estates Remainder LLC
508-401-041	41	Central Estates Remainder LLC
508-401-042	42	Central Estates Remainder LLC
508-401-043	43	Central Estates Remainder LLC
508-401-044	44	Central Estates Remainder LLC
508-401-045	45	Central Estates Remainder LLC
508-401-046	46	Central Estates Remainder LLC
508-401-047	47	Central Estates Remainder LLC
508-401-048	48	Central Estates Remainder LLC
508-401-049	49	Central Estates Remainder LLC
508-401-050	50	Central Estates Remainder LLC
508-401-051	51	Central Estates Remainder LLC
508-401-052	52	Central Estates Remainder LLC
508-401-053	53	Central Estates Remainder LLC
508-401-054	54	Central Estates Remainder LLC
508-401-055	55	Central Estates Remainder LLC
508-401-056	56	Central Estates Remainder LLC
508-401-057	57	Central Estates Remainder LLC
508-401-058	58	Central Estates Remainder LLC
508-401-059	59	Central Estates Remainder LLC
508-401-060	60	Central Estates Remainder LLC
508-401-061	61	Central Estates Remainder LLC
508-401-062	62	Central Estates Remainder LLC

Approximately 13.33 acres of real property will be included within the proposed annexation area, with an assessed valuation of \$1,967,730 according to the last equalized assessment roll.

The total value of the improvements on the real property within the proposed annexation area is \$-0- according to the last equalized assessment roll. The total value of the personal property within the proposed annexation area is \$-0- according to the latest equalized assessment roll. As nearly as can be ascertained, -0- persons reside within the boundaries of the proposed annexation area.

It is proposed that the annexation to PRD 1000, Zone No. 007 be formed for the purposes of maintaining the surface of Sagewood Way within the boundaries of the



Central Estates Phase 2C subdivision; rehabilitation of the storm drain system within Phase 2C; and rehabilitation of the storm drain system within the overall boundaries of the Central Estates Phase 2 subdivision. All facilities are located within the boundaries of the area proposed for annexation or are within the boundaries of PRD 1000, Zone No. 007. The area proposed for annexation is described in Exhibit A.

Maintenance is defined for the purpose of this petition as:

- Funding the resurfacing Sagewood Way serving 44 lots. (The resurfacing of Heartwood Drive is not included in this petition. Lots 18 through 35 will not participate in the maintenance of Sagewood Way as they take access from Heartwood Drive. The resurfacing of Arbor Way serving lots 18 through 35 is not included in this petition; it will be maintained by a separate maintenance association.) The cost of maintenance of the roads is based upon a repetitive 25 year cycle of resurfacing of the roads with a year-12 slurry seal and year-25 asphalt concrete overlay. The maintenance cycle is as follows:

Cycle Period	Year	Activity
	12	slurry
	25	overlay

- Funding the rehabilitation of the storm drain system located within the overall boundaries of the Central Estates Phase 2 subdivision is based upon an estimated 50 year life of the storm drain system. The cycle will repeat for subsequent 50 year cycles. This annexation will equitably spread the cost of the storm drain system across all of the developed phases of the Central Estates Phase 2 Subdivision. The storm drain system benefits all of the parcels in phases 2A, 2B and 2C and will ultimately benefit all of the parcels in future phase 2D. A future annexation is anticipated for Phase 2D when the remaining phase is developed.
- Funding the rehabilitation of the Sagewood Way storm drain system located within Phase 2C serving 44 lots is based upon an estimated 50 year life of the storm drain system. Only the lots accessing Sagewood Way benefit from this storm drain system. (The maintenance of the storm drain in Heartwood Drive is not included in this petition. The maintenance of the storm drain in Arbor Way is not included in this petition; it will be maintained by a separate maintenance association.) The cycle will repeat for subsequent 50 year cycles. This annexation will equitably spread the cost of the storm drain system across all of the lots accessed from Sagewood Way. The storm drain system benefits 44 lots in Phase 2C.

It is estimated that the costs of maintenance will be based upon the benefits received by each parcel. The method for determining the costs is shown in the Engineer's Report on file with the Department of Public Works.

It is further proposed that in order to raise the necessary funds to pay for the maintenance activities, the Board of Supervisors impose a special assessment per parcel per year, with a provision for a compounded inflation factor based upon the Consumer Price Index. The assessment shall recur annually until changed by a new law or a vote of the property owners or a special election by all voters of PRD 1000, Zone No. 007, which

includes Annexation No. 2. Any such special tax shall only become effective upon approval by the voters in compliance with all applicable statutory and constitutional requirements.

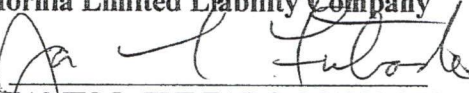
The undersigned respectfully requests that the Board of Supervisors consider the foregoing petition at a hearing held in accordance with Streets and Highways Code Section 1165.

Dated 12/2/15

**PETITIONER:**

**Central Estates Remainder LLC,  
a California Limited Liability Company**

By:

  
JAMES L. FURTADO, MANAGER

**Attachments:**

- Exhibit A (Legal Description)



## EXHIBIT A (Legal Description)

### ANNEXATION NO. 2 TO PERMANENT ROAD DIVISION 1000, ZONE NO. 007 FOR ROAD MAINTENANCE

All that real property situated in the County of Humboldt, State of California, described as follows:

That portion of the Northeast Quarter of Section 6, Township 6 North, Range 1 East, Humboldt Meridian, described as follows:

Lots 1 through 62 and all that portion of Sagewood Drive as shown on Tract No. 647 of the Central Estates Phase 2C Subdivision, as filed in Book 25 of Maps, pages 48-51, in the Office of the County Recorder of said County.

Dated: 3/2/2015

By:

Max A. Schillinger  
Max Schillinger  
LS 7969



# **Attachment 2**

**Engineer's Report prepared by Max A. Schillinger, PE, RCE 78866**

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**ENGINEER'S REPORT FOR  
ANNEXATION NO. 2 TO  
PERMANENT ROAD DIVISION 1000, ZONE NO. 007  
HUMBOLDT COUNTY, CALIFORNIA**

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## I. INTRODUCTION AND PURPOSE OF THE ASSESSMENT

The Central Estates Phase 2 Subdivision is an approved residential subdivision. The subdivision is approved with 4 phases: Phase 2A, 2B, 2C, and 2D. Phase 2A was previously constructed and Permanent Road Division (PRD) 1000, Zone No. 007 was formed to provide maintenance. Phase 2B was previously constructed and Annexation No. 1 to PRD 1000, Zone No. 007 was formed to provide maintenance. This report is for Phase 2C, which is proposed to be annexed into PRD 1000, Zone No. 007. It is anticipated that the remaining phase of the Central Estates Phase 2 subdivision (Phase 2D) will equally share in the maintenance of the common storm drain system constructed for the benefit of all lots within the Central Estates Phase 2 subdivision. It is proposed that the roads in each Phase will be maintained independently of any other Phase. Phase 2C is located along Sagewood Way in the Community of McKinleyville. In addition, Sagewood Way also includes a storm drain system that benefits only the lots accessed from Sagewood Way. The subdivision is located in the McKinleyville Community Plan Area with a general plan designation of RM; RL (MCCP).

The Petitioner has requested the County to consider Annexation No. 2 to PRD 1000, Zone No. 007 to levy a charge to each of the residential lots and provide the services listed below. Should the zone be abolished a substitute acceptable to the County of Humboldt would be responsible for the services.

Services to be provided in this PRD area:

A. **Road Surface Maintenance** of 0.27 mile of road comprising 48,230 square feet of paved surface for Sagewood Way. Road maintenance is hereby described as:

- 1) Slurry sealing the existing paved surface of the road after a 12 year period.
- 2) Resurfacing the paved surface of the road after a 25 year period with a Type A asphalt concrete 0.10 foot (one-tenth) overlay.

The road surface maintenance schedule for Sagewood Way is based upon the formation date of Annexation No. 2 to PRD 1000, Zone No. 007.

B. **Storm Drain Rehabilitation (Overall)** of 25 feet of 18 inch diameter storm drain; 140 feet of 24 inch diameter storm drain; 540 feet of 30 inch diameter storm drain; and 210 feet of 36 inch diameter storm drain. The storm drain is located primarily within Central Estates Phase 2A Subdivision, but also serves Central Estates Phases 2B and 2C Subdivisions as well future Phase 2D. Storm Drain rehabilitation is hereby described as:

- 1) Replacement of storm drain pipe on a 50 year cycle.

The storm drain rehabilitation schedule is based upon the formation date of PRD 1000, Zone No. 007. The first estimated replacement year is 2062.



C. **Storm Drain Rehabilitation (Phase 2c)** of 420 feet of 18 inch diameter storm drain that serves only Phase 2C. Storm Drain rehabilitation is hereby described as:

- 1) Replacement of storm drain pipe on a 50 year cycle.

The storm drain rehabilitation schedule for Phase 2C is based upon the formation date of Annexation No. 2 to PRD 1000, Zone No. 007.

These services represent a special benefit to the lots of the Central Estates Phase 2A, 2B and 2C Subdivision property in that the services to be funded by the assessments will only benefit the lots within the Central Estates Phase 2 subdivision property, including completed Phases 2A, 2B and 2C, as well as future Phase 2D.

## II. **LEGAL REQUIREMENTS**

In November 1996 the voters of the State of California passed Proposition 218, which made significant changes in Assessment Law. Among those changes was a requirement that a detailed Engineer's Report be prepared and signed by a Registered Professional Engineer in the State of California. This report is being prepared in response to the requirement.

Another requirement of the new law is that the report must establish a substantive "special benefit" to property for the valid levy of an assessment. In the case of this assessment, the "special benefit" to property being assessed is the availability of paved road resurfacing to all assessed lots.

**ROADS:** The 44 lots in the Central Estates Phase 2C Subdivision PRD that are served by Sagewood Way are to be assessed an equal amount of the total assessment for road surface maintenance for Sagewood Way (independent of any other roads).

All of the lots in Central Estates Phase 2A Subdivision will be assessed an equal amount for road surface maintenance for Elmwood Place (independent of any other roads).

All of the lots in Central Estates Phase 2B Subdivision will be assessed an equal amount for road surface maintenance for Maplewood Drive (independent of any other roads).

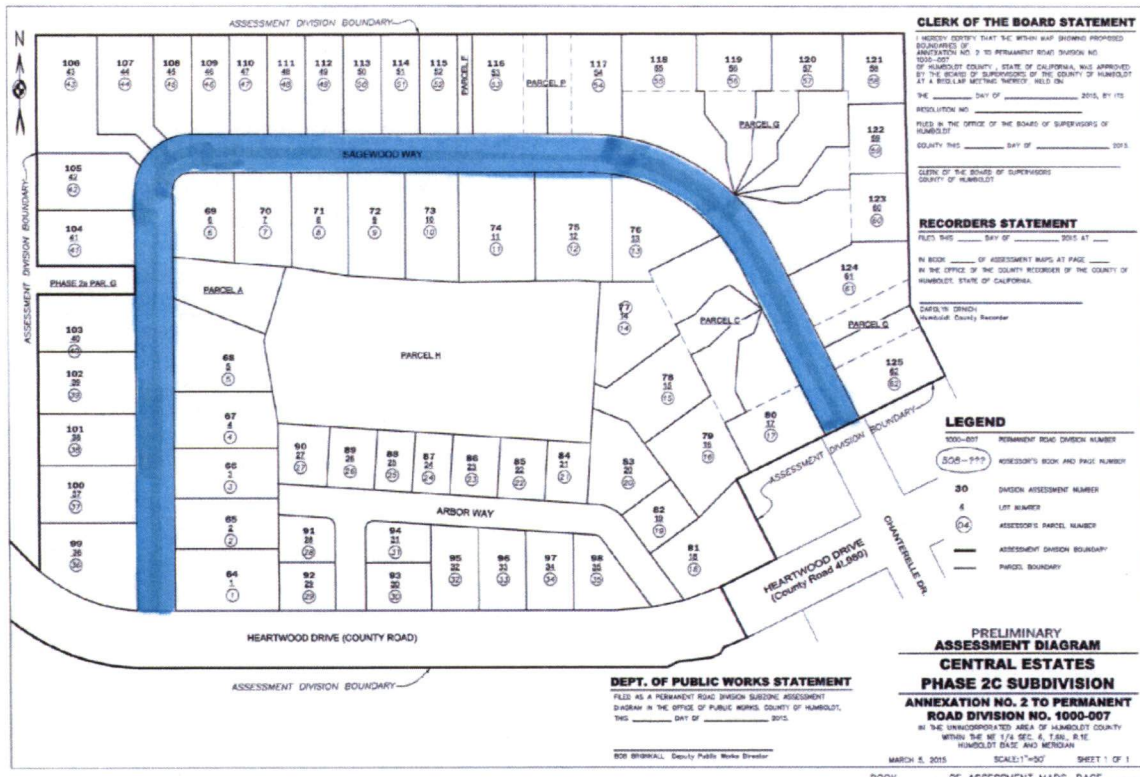
**STORM DRAIN:** all of the residential lots in Central Estates Phase 2A Subdivision, Central Estates Phase 2B Subdivision and Central Estates Phase 2C Subdivision are to be assessed an equal amount of the total assessment for storm drain rehabilitation (Overall). The storm drain (Overall) equally benefits all lots of all phases of the Central Estates Phase 2 subdivision including completed Phases 2A, 2B and 2C, as well as future Phase 2D.

The 44 lots served by Sagewood Way are to be assessed an equal amount of the total assessment for storm drain rehabilitation of the storm drain system associated with Sagewood Way (Phase 2C).

### III. ASSESSMENT METHODOLOGY

#### 1. ROAD ASSESSMENT:

An assessment for road maintenance is to be levied to all the lots within the boundaries of the Central Estates Phase 2C Subdivision. The purpose of the road assessment is to maintain the surface of Sagewood Way.

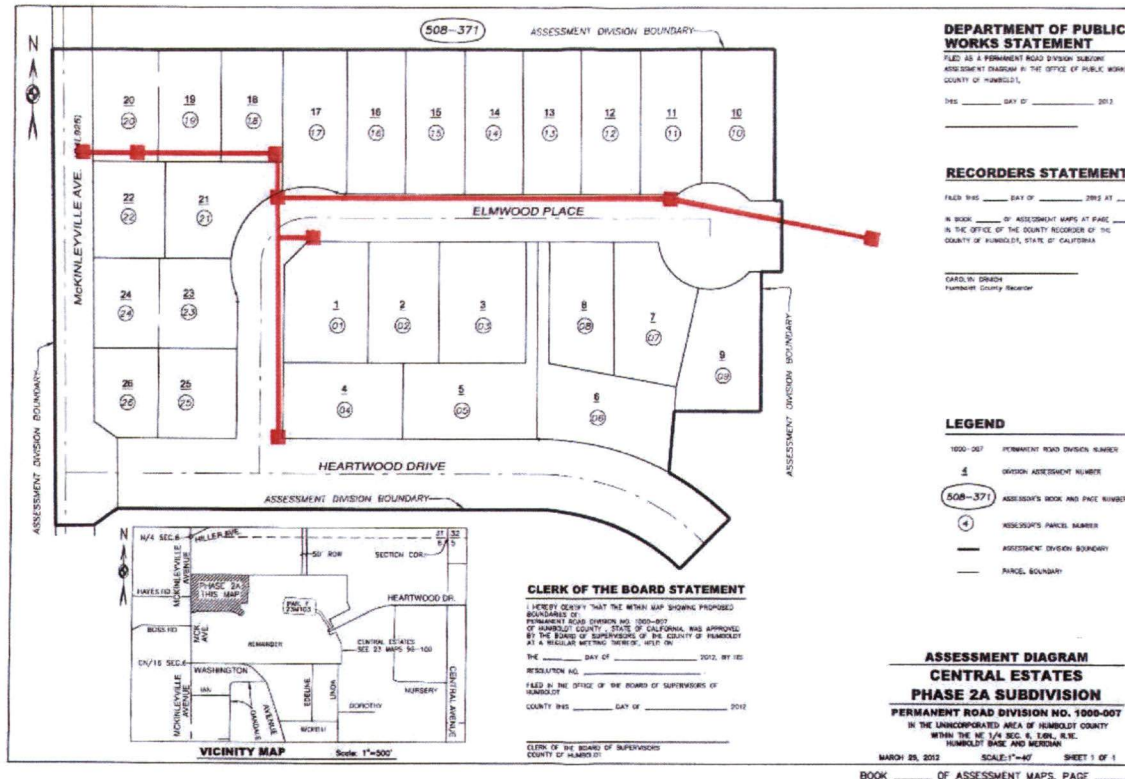


Above: Diagram showing Annexation No. 2 to PRD 1000, Zone No. 007. The road area for Sagewood Way (shaded in blue) is maintained by the County as part of Annexation No. 2.



## 2. STORM DRAIN ASSESSMENT (OVERALL):

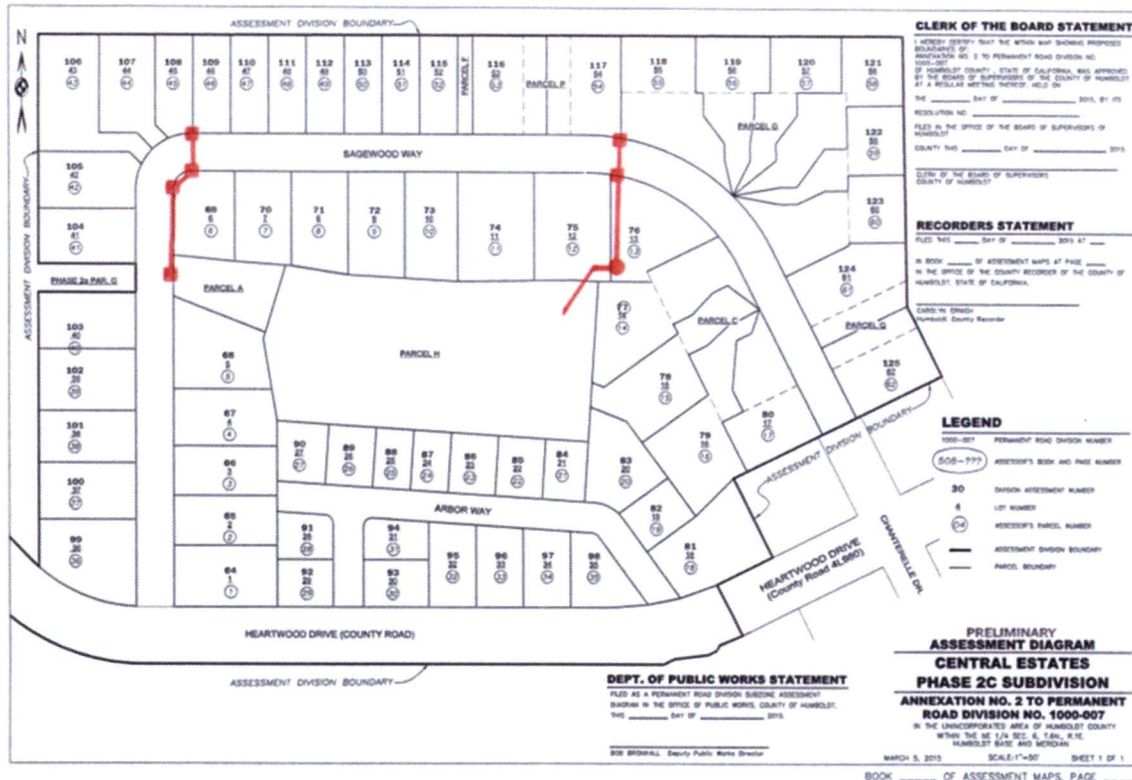
An assessment for storm drain rehabilitation is to be levied to all the lots within the boundaries of the Central Estates Phase 2A Subdivision, Central Estates Phase 2B Subdivision and Central Estates Phase 2C Subdivision. The purpose of the storm drain assessment is to rehabilitate the storm drain within the proposed division. The storm drain is located primarily within Central Estates Phase 2A Subdivision, but also serves Central Estates Phase 2B and 2C Subdivisions, as well as future Phase 2D. It is anticipated that future Phase 2D will also annex into PRD 1000, Zone No. 007.



Above: Diagram showing the overall storm drain system (shown in red) is maintained by the County as part of the PRD 1000, Zone No. 007.

### 3. STORM DRAIN ASSESSMENT (PHASE 2C):

An assessment for storm drain rehabilitation is to be levied to Lots 1 through 17 and Lots 36 through 62 within the boundaries of the Central Estates Phase 2C Subdivision. The purpose of the storm drain assessment is to rehabilitate the storm drain within the proposed division.



Above: Diagram showing Annexation No. 2 to PRD 1000, Zone No. 007. The Sagewood Way storm drain (shown in red) is maintained by the County as part of Annexation No.2.



#### 4. ENGINEER'S STATEMENT:

I do hereby state the amount found in the "Budget Worksheet" attached hereto and made a part hereof is an accurate assessment to be apportioned upon the assessable lots within the area proposed for annexation into PRD 1000, Zone No. 007, severally and respectively, in accordance with the special benefits to be received by such lots and more particularly set forth in the Assessment Roll hereto attached as Section VIII reference made a part hereof.

A description of the area proposed for annexation into PRD 1000, Zone No. 007 is included as Exhibit "A".

Each assessed lot is described in Section VIII by reference to its assessment number as shown on the Assessment Diagram. An Assessment Diagram is attached as Exhibit "B" showing the boundaries of Annexation No. 2 to PRD 1000, Zone No. 007.

Dated: 12/2/15 By: Max A. Schillinger  
Max A. Schillinger, Engineer  
R.C.E. 78866, Expires 03/31/2016

#### IV. BOUNDARY OF THE CENTRAL ESTATES PHASE 2C SUBDIVISION ANNEXATION No. 2 TO PRD 1000, ZONE No. 007

- 1) See Exhibit "A" for a description of the exterior boundary of the area proposed for annexation into the zone.
- 2) See Exhibit "B" for an Assessment Diagram depicting the lot lines within the boundary of the area proposed for annexation into the zone.



**EXHIBIT "A" (Legal Description)**

ANNEXATION NO. 2 to ZONE NO. 007 to PERMANENT ROAD  
DIVISION NO. 1000 for Road Maintenance

All that real property situated in the County of Humboldt, State of California, described as follows:

That portion of the Northeast Quarter of Section 6, Township 6 North, Range 1 East, Humboldt Meridian, described as follows:

Lots 1 through 62 and all that portion of Sagewood Drive as shown on Tract No. 647 of the Central Estates Phase 2C Subdivision, as filed in Book 25 of Maps, pages 48-51, in the Office of the County Recorder of said County.

Dated: 3/2/2015

By: Max A. Schillinger  
Max Schillinger  
LS 7969





# EXHIBIT "B" (Assessment Diagram)



## **V. BASIS OF ANNUAL ASSESSMENT**

The annual assessments for each maintenance program as defined in the report have been based upon current rates and maintenance cost. Further discussion on each maintenance activity is as follows:

### **ROAD MAINTENANCE:**

The road pavement resurfacing program is based upon the cost to reseal the pavement with a slurry seal after a twelve (12) year period from the initial pavement placement and to resurface the pavement with a 0.10 foot (one-tenth) layer of Type A hotmix after a twenty-five (25) year period. The slurry seal will be skipped on year 25 due to the overlay. The annualized cost for these pavement surface treatments was obtained from actual Humboldt County maintenance cost data. The slurry seal cost of \$0.30 per square foot and an asphalt concrete overlay cost of \$1.55 per square foot is used. These costs are amortized over a twenty-five (25) year maintenance cycle. This equates to \$81.11 per parcel per year.

**Note the schedule for when road maintenance for Sagewood Way will occur will be different than the schedule for Maplewood Drive and Elmwood Place. This is because Elmwood Place (constructed in Phase 2A) is included within PRD 1000, Zone No. 007 which started a schedule based upon approval of PRD 1000, Zone No. 007 and Maplewood Drive (constructed in Phase 2B) is included within PRD 1000, Zone No. 007 which started a schedule based upon approval of Annexation No. 1 to PRD 1000, Zone No. 007. The schedule for Sagewood Way (constructed in Phase 2C) will start based upon the approval of Annexation No. 2 to PRD 1000, Zone No. 007.**

### **STORM DRAIN MAINTENANCE (OVERALL):**

The storm drain rehabilitation program is based upon the cost to replace the overall storm drain system constructed in Phase 2A after 50 years. There is 25 feet of 18 inch diameter storm drain; 140 feet of 24 inch diameter storm drain; 540 feet of 30 inch diameter storm drain; and 210 feet of 36 inch diameter storm drain that will be maintained. The replacement costs are as follows: \$80/linear foot for 18 inch diameter pipe; \$100/linear foot for 24 inch diameter pipe; \$121/linear foot for 30 inch diameter pipe; and \$143/linear foot for 36 inch diameter pipe. These costs are amortized over a fifty (50) year maintenance cycle. This equates to \$17.82 per parcel per year. These costs (in 2012 dollars) are from the formation of PRD 1000-007 in 2012 and are used to re-spread the existing assessment over the additional lots being annexed.

This will also result in a reduction of \$17.54 per parcel for parcels within the existing PRD 1000, Zone No. 007. Previous assessments paid by Phase 2A and 2B lots are not prorated; nor are the assessments eligible for a credit or refund. Only future assessment amounts are recalculated to include all of the lots within PRD 1000, Zone No. 007 (Phases 2A, 2B and 2C). This results in an overall reduction in the base storm drain assessment for Phase 2A and 2B lots.



**STORM DRAIN MAINTENANCE (PHASE 2C):**

For the 18 inch storm drain pipe associated with Sagewood Way in Phase 2C, the replacement cost (in 2015 dollars) of \$85.00 per linear foot is used. This equates to \$16.23 per parcel per year.

**ADMINISTRATION:**

The annualized cost expenditures for collections, administration, management, and contingencies are included in the actual assessments for each assessable lot. The actual cost breakdown worksheet and cost spread (Appendix A) are included in this report. The assessments as calculated are necessary to ensure the funds are available when needed. By using actual, current maintenance cost, the assessments are justified; yet the assessments should not be more than what is necessary for the estimated maintenance costs. The administration costs are determined to be \$24.73 per parcel per year which includes a \$3.00 tax roll fee per assessment parcel per year.

**SCHEDULING:**

The annexation of Phase 2C into existing PRD 1000, Zone No. 007 may create questions concerning when certain maintenance work will be performed with respect to Phases 2A and 2B. The following schedule addresses maintenance of Phases 2A, 2B and 2C. The dates listed for scheduling are based upon the formation/annexation date.

PRD 1000, Zone No. 007 was formed in 2012.

Annexation No. 1 to PRD 1000, Zone No. 007 was formed in 2013.

Annexation No. 2 to PRD 1000, Zone No. 007 is anticipated to be formed in 2016.

Maintenance Work Item	Cycle	Anticipated Years that the Maintenance Work Item will be done	Assessment Diagram Parcel Numbers that benefit
Elmwood Place slurry seal (constructed in Phase 2A)	25 year cycle with the first occurrence on year 12 after the formation of PRD 1000, Zone No. 007	2024, 2049, 2074...	1 through 26
Elmwood Place overlay (constructed in Phase 2A)	25 year cycle with the first occurrence on year 25 after the formation of PRD 1000, Zone No. 007	2037, 2062, 2087...	1 through 26
Storm Drain (Overall) (constructed in Phase 2A)	50 year cycle with the first occurrence on year 50 after the formation of PRD 1000, Zone No. 007	2062, 2112, 2162...	1 through 125
Maplewood Drive slurry seal (constructed in Phase 2B)	25 year cycle with the first occurrence on year 12 after the formation of Annexation No.1 to PRD 1000, Zone No. 007	2025, 2050, 2075...	27 through 63
Maplewood Drive overlay (constructed in Phase 2B)	25 year cycle with the first occurrence on year 25 after the formation of Annexation No. 1 to PRD 1000, Zone No. 007	2038, 2063, 2088...	27 through 63

Maintenance Work Item	Cycle	Anticipated Years that the Maintenance Work Item will be done	Assessment Diagram Parcel Numbers that benefit
Sagewood Way slurry seal (constructed in Phase 2C)	25 year cycle with the first occurrence on year 12 after the formation of Annexation No. 2 to PRD 1000, Zone No. 007	2028, 2053, 5078...	64 through 80 99 through 125
Sagewood Way overlay (constructed in Phase 2C)	25 year cycle with the first occurrence on year 25 after the formation of Annexation No. 2 to PRD 1000, Zone No. 007	2041, 2066, 2091...	64 through 80 99 through 125
Storm Drain (Phase 2C) (constructed in Phase 2C)	50 year cycle with the first occurrence on year 50 after the formation of Annexation No. 2 to PRD 1000, Zone No. 007	2066, 2116, 2166	64 through 80 99 through 125

## VI. CALCULATION OF SPECIAL BENEFIT

Pursuant to Section 4 of Article XIII D of the California Constitution, the lots of the subdivision receiving a special benefit from the maintenance must be identified and the proportionate special benefit must be determined in relationship to the total maintenance expenses estimated to be necessary to maintain the road surface. The benefits are wholly special benefits and each of the lots within Annexation No. 2 to Permanent Road Division 1000, Zone No. 007 receive an equal proportion of special benefit from the identified maintenance in that the roads of this zone serve only the lots in this zone of Permanent Road Division 1000 and are not a part of a larger County traffic system.

Because it cannot be said that any one of the 44 lots served by Sagewood Way is benefiting greater than any other lot in the use of the Sagewood Way, the amount of assessment which is to be imposed on each lot is equal and does not exceed the reasonable cost of the proportional special benefit conferred on that lot.

Because it cannot be said that any one of the 62 lots in Phase 2C, any of the lots in Phase 2A or any of the lots in Phase 2B is benefitting greater than any other lot in the use of the storm drain system constructed as part of Phase 2A, the amount of assessment which is to be imposed on each lot is equal and does not exceed the reasonable cost of the proportional special benefit conferred on that lot. Therefore, all lots within all phases of the subdivision benefit equally and equally share in the special benefit.

Because it cannot be said that any one of the 44 lots served by the Sagewood Way storm drain system is benefiting greater than any other lot in the use of the Sagewood Way drain system, the amount of assessment which is to be imposed on each lot is equal and does not exceed the reasonable cost of the proportional special benefit conferred on that lot.

Accordingly, each lot in this subdivision receives a special benefit from the proposed maintenance programs. I find that each lot will receive the annual special benefit as shown on the cost spread (Appendix A) attached hereto and made a part hereof.



## VII. ASSESSMENT RATE AND METHOD OF ASSESSMENT

### ASSESSMENT RATE:

The rate of assessment for each lot is calculated and is as follows:

Annexation No. 2 to PRD 1000, Zone No. 007, 62 lots

The assessment rate for 2016/2017 tax year is based upon the "Budget Worksheet" attached hereto and made a part hereof and is proposed to be as follows:

	BASE ASSESSMENT	1 <sup>ST</sup> YEAR FORMATION	TOTAL FOR FIRST YEAR
Total Assessment	\$6,921.06	\$1,863.72	\$8,784.78
Annual Cost Per Lot	\$111.63	\$30.06	\$141.69

### METHOD OF ASSESSMENT:

Assessments will be collected in the same way real property taxes are collected by the Humboldt County Tax Collector on behalf of the zone of benefit and will be deposited by the County in a separate fund in the name of "Zone No. 007 of Permanent Road Division No. 1000". Assessments will be collected in two installments and will be available sixty (60) days after the installments are due.

### CONSUMER PRICE INDEX ADJUSTMENT:

The amount of assessment specified for this year may be adjusted annually for the ensuing fiscal year to reflect the Consumer Price Index prepared by the United States Department of Labor, Bureau of Labor Statistics, using the weighted average of Consumer Price Indexes (All Urban Consumers for the State of California). The Board of Supervisors shall be responsible for making the necessary computation each year prior to May 1st and advising the Humboldt County Auditor/Controller what the amount of charge for road maintenance services is to be for the next year as a result of the foregoing computations.

## VIII. ASSESSMENT ROLL

The proposed Assessment Roll for the Central Estates Phase 2C Subdivision PRD is as follows:

ASSESSMENT NO.	LOT #	ASSESSOR PARCEL NUMBER AND PROPERTY OWNER
1000-007-064	1	APN 508-401-001 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-065	2	APN 508-401-002 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-066	3	APN 508-401-003 Central Estates Remainder LLC, a California Limited Liability Company

ASSESSMENT NO.	LOT #	ASSESSOR PARCEL NUMBER AND PROPERTY OWNER
1000-007-067	4	APN 508-401-004 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-068	5	APN 508-401-005 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-069	6	APN 508-401-006 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-070	7	APN 508-401-007 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-071	8	APN 508-401-008 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-072	9	APN 508-401-009 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-073	10	APN 508-401-010 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-074	11	APN 508-401-011 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-075	12	APN 508-401-012 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-076	13	APN 508-401-013 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-077	14	APN 508-401-014 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-078	15	APN 508-401-015 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-079	16	APN 508-401-016 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-080	17	APN 508-401-017 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-081	18	APN 508-401-018 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-082	19	APN 508-401-019 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-083	20	APN 508-401-020 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-084	21	APN 508-401-021 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-085	22	APN 508-401-022 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-086	23	APN 508-401-023 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-087	24	APN 508-401-024 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-088	25	APN 508-401-025 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-089	26	APN 508-401-026 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-090	27	APN 508-401-027 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-091	28	APN 508-401-028 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-092	29	APN 508-401-029 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-093	30	APN 508-401-030 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-094	31	APN 508-401-031 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-095	32	APN 508-401-032 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-096	33	APN 508-401-033 Central Estates Remainder LLC, a California Limited Liability Company



ASSESSMENT NO.	LOT #	ASSESSOR PARCEL NUMBER AND PROPERTY OWNER
1000-007-097	34	APN 508-401-034 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-098	35	APN 508-401-035 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-099	36	APN 508-401-036 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-100	37	APN 508-401-037 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-101	38	APN 508-401-038 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-102	39	APN 508-401-039 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-103	40	APN 508-401-040 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-104	41	APN 508-401-041 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-105	42	APN 508-401-042 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-106	43	APN 508-401-043 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-107	44	APN 508-401-044 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-108	45	APN 508-401-045 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-109	46	APN 508-401-046 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-110	47	APN 508-401-047 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-111	48	APN 508-401-048 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-112	49	APN 508-401-049 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-113	50	APN 508-401-050 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-114	51	APN 508-401-051 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-115	52	APN 508-401-052 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-116	53	APN 508-401-053 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-117	54	APN 508-401-054 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-118	55	APN 508-401-055 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-119	56	APN 508-401-056 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-120	57	APN 508-401-057 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-121	58	APN 508-401-058 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-122	59	APN 508-401-059 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-123	60	APN 508-401-060 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-124	61	APN 508-401-061 Central Estates Remainder LLC, a California Limited Liability Company
1000-007-125	62	APN 508-401-062 Central Estates Remainder LLC, a California Limited Liability Company

IX. PRD BUDGET WORKSHEET

ANNEXATION NO. 2 TO PERMANENT ROAD DIVISION 1000, ZONE NO. 007

BUDGET WORKSHEET

**ROADS (SAGEWOOD WAY) (PHASE 2C)**

**ESTIMATED COSTS**

One 25 year cycle slurry seal at year 12

0.27 mile in length; 36 feet in width; 48,230 ft<sup>2</sup> paved surface

Cost per square foot = \$0.30 (2015 dollars)

One cycle with 25 years to accrue (1 x 48,230 x \$0.30) = \$14,469.00

Cost per year (\$14,469 ÷ 25 years) = ..... \$ 578.76

One 25 year cycle overlay at year 25

0.27 mile in length; 36 feet in width; 48,230 ft<sup>2</sup> paved surface

Cost per square foot = \$1.55 (2015 dollars)

One cycle with 25 years to accrue (1 x 48,230 x \$1.55) = \$74,756.50

Cost per year (\$74,756.50 ÷ 25 years) ..... \$ 2,990.26

**Roads annual cost subtotal (\$578.76 + \$2,990.26) = ..... \$ 3,569.02**

Annual cost per lot (\$3,569.02 ÷ 44 lots) = \$81.11

To eliminate rounding errors in the assessment spread, recalculate the

Total Annual Cost from cost per lot (\$81.11 x 44 lots) = ..... \$ 3,568.84

**STORM DRAIN (OVERALL)**

**ESTIMATED COSTS**

One 50 year replacement at year 50

**18" Storm Drain Pipe**

25 feet in length

Cost per linear foot = \$80.00 (2012 dollars)

One cycle with 50 years to accrue (1 x 25 x \$80.00) = \$2,000.00

Cost per year (\$2,000 ÷ 50 years) = ..... \$ 40.00

**24" Storm Drain Pipe**

140 feet in length

Cost per linear foot = \$100.00 (2012 dollars)

One cycle with 50 years to accrue (1 x 140 x \$100.00) = \$14,000.00

Cost per year (\$14,000.00 ÷ 50 years) = ..... \$ 280.00



**30" Storm Drain Pipe**

540 feet in length

Cost per linear foot = \$121.00 (2012 dollars)

One cycle with 50 years to accrue (1 x 540 x \$121.00) = \$65,340.00

Cost per year (\$65,340.00 ÷ 50 years) = ..... \$ 1,306.80

**36" Storm Drain Pipe**

210 feet in length

Cost per linear foot = \$143.00 (2012 dollars)

One cycle with 50 years to accrue (1 x 210 x \$143.00) = \$30,030.00

Cost per year (\$30,030.00 ÷ 50 years) = ..... \$ 600.60

**Storm Drain annual cost subtotal**

(\$40.00 + \$280.00 + \$1,306.80 + \$600.60) = ..... \$ 2,227.40

Annual cost per lot (\$2,227.40 ÷ 125 lots) = \$17.82

(Note: The storm drain annual cost is spread over 125 lots, which includes 26 lots from Phase 2A, 37 lots from Phase 2B, and 62 lots from Phase 2C.)

Annual cost for Annexation No. 2 to PRD 1000,

Zone No. 007 (\$17.82/lot x 62 lots) = ..... \$1,104.84

**STORM DRAIN (PHASE 2C)****ESTIMATED COSTS****One 50 year replacement at year 50****18" Storm Drain Pipe**

420 feet in length

Cost per linear foot = \$85.00 (2015 dollars)

One cycle with 50 years to accrue (1 x 420 x \$85.00) = \$35,700.00

Cost per year (\$35,700.00 ÷ 50 years) = ..... \$ 714.00

**Storm Drain (Phase 2C) annual cost subtotal = ..... \$ 714.00**

Annual cost per lot (\$714.00 ÷ 44 lots) = \$16.23

To eliminate rounding errors in the assessment spread, recalculate the

Total Annual Cost from cost per lot (\$16.23 x 44 lots) = ..... \$ 714.12

**MAINTENANCE SUB-TOTAL****ESTIMATED COSTS**

Roads (\$3,568.84) + Storm Drain [Overall] (\$1,104.84) +

Storm Drain [Phase 2C] (\$714.12)..... \$ 5,387.80

**ADMINISTRATION (PHASE 2C)****ESTIMATED COSTS**

TAX ROLL FEE: \$3.00 PER PARCEL PER YEAR (62 Lots x \$3.00/LOT) ..... \$ 186.00

**ADMINISTRATION @10%; MANAGEMENT @ 10%; CONTIGENCY @ 5%**

25% OF TOTAL ANNUAL MAINTENANCE COSTS (\$5,387.80 x 0.25) ..... \$ 1,346.95

**TOTAL YEARLY COUNTY ADMINISTRATION COST** ..... \$ 1,532.95

**YEARLY COST PER LOT:** (\$1,532.95 ÷ 62 lots) = \$ 24.73

To eliminate rounding errors in the assessment spread, recalculate the

Administration from cost per lot (\$24.73 x 62 lots) = ..... \$ 1,533.26

**TOTAL BASE ASSESSMENT (\$5,387.80+ \$1,533.26) =** ..... **\$ 6,921.06**

**1<sup>ST</sup> YEAR FORMATION (ANNEXATION) COST (PHASE 2C)****ESTIMATED COSTS**

PUBLIC NOTICE ..... \$ 1,540.00

TAX COLLECTOR/AUDITOR:

(\$200.00 SET-UP+\$1.00 PER PARCEL FOR 62 PARCELS) ..... \$ 262.00

BALLOTS (\$1.00/EACH PER PARCEL FOR 62 PARCELS) ..... \$ 62.00

**TOTAL FORMATION (ANNEXATION) COST (FOR 62 PARCELS)** ..... **\$ 1,864.00**

**TOTAL FORMATION (ANNEXATION) COST PER PARCEL**

**(\$1,864.00 ÷ 62 Lots) = \$30.06**

Recalculate Total Formation Cost from cost per lot (\$30.06 x 62 lots) = ..... \$ 1,863.72

**SUMMARY****ESTIMATED COSTS****TOTAL ANNUAL COST FOR FY 2016/2017 (FIRST YEAR):**

(\$5,387.80 + \$1,533.26 + \$1,863.72) = ..... \$ 8,784.78

**TOTAL ANNUAL COST PER PARCEL FOR FY 2016/2017 (FIRST YEAR):**

(\$8,784.78 ÷ 62 lots) = ..... \$ 141.69

**TOTAL BASE RATE FOR FY2017/18:**

(\$5,387.80 + \$1,533.26) = ..... \$ 6,921.06 + CPI

**TOTAL BASE RATE PER PARCEL FOR FY2017/18:**

(\$6,921.06 ÷ 62 lots) = ..... \$ 111.63 + CPI



# Attachment 3

Affidavit of Valuations

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## AFFIDAVIT OF VALUATIONS

The undersigned, being first duly sworn, states as follows:

1. I am making this declaration in compliance with Streets and Highways Code Section 1163.
2. I have compared the valuations given in this petition with those on the last equalized assessment roll and certify that the valuations as set forth herein are complete and correct.
3. I am over the age of 18, am not a signatory to the petition, and do not own taxable property within the proposed permanent road division sub-zone.

I declare the above to be true under penalty of perjury.

Signature: Max A. Schillinger Date: 12/2/15

Print Name: MAX A. SCHILLINGER





# **Attachment 4**

**Resolution of Intent to establish Annexation No. 2 to PRD 1000, Zone No. 007**

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**BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA**

Certified copy of portion of proceedings, Meeting of December 15, 2015

RESOLUTION NO. 15-131

**RESOLUTION OF INTENT TO ESTABLISH ANNEXATION NO. 2 TO HUMBOLDT COUNTY PERMANENT ROAD DIVISION 1000, ZONE NO. 007 AND TO IMPOSE PARCEL CHARGES FOR ROAD MAINTENANCE**

**WHEREAS**, pursuant to the provisions of Permanent Road Division Law (Streets and Highways Code Sections 1160 et seq.), the Board of Supervisors is authorized to establish a Permanent Road Division as a method of providing road improvement and maintenance services by the County within the unincorporated area; and

**WHEREAS**, on December 17, 2002 the Board of Supervisors adopted Resolution 02-111 establishing the Humboldt County-Wide Permanent Road Division 1000; and

**WHEREAS**, Streets and Highways Code Section 1162.6 authorizes the Board of Supervisors to create zones within the division for specific permanent road projects, with differing special taxes or parcel charges; and

**WHEREAS**, Streets and Highways Code Section 1162.6 provides that parcel charges shall be deemed to be assessments within the meaning of Article XIII D of the California Constitution; and

**WHEREAS**, on June 12, 2012 the Board of Supervisors adopted Resolution No. 12-49 to establish Humboldt County Permanent Road Division 1000, Zone No. 007 and to impose parcel charges for road maintenance; and

**WHEREAS**, on August 20, 2013 the Board of Supervisors adopted Resolution No. 13-63 to establish Annexation No. 1 to Humboldt County Permanent Road Division 1000, Zone No. 007 and to impose parcel charges for road maintenance; and

**WHEREAS**, Streets and Highways Code Section 1168.8 allows property to be annexed to or detached from a permanent road division in the same manner and under the same procedures provided in Sections 1162 to 1168, inclusive, for the formation of a division; and

**WHEREAS**, the Board of Supervisors has received a petition to form Annexation No. 2 to Humboldt County Permanent Road Division 1000, Zone No. 007 for road maintenance; and

**WHEREAS**, the legal description for the proposed annexation area is described within Exhibit A, and is generally shown on Exhibit B, attached hereto and incorporated herein; and

**WHEREAS**, the name of the proposed annexation area is Annexation No. 2 to Humboldt County Permanent Road Division 1000, Zone No. 007; and

**WHEREAS**, the petition has been signed by a majority of the landowners within the proposed annexation area and meets all the other requirements of Streets and Highways Code Sections 1162 and 1163; and

**WHEREAS**, the proposed services to be provided within the proposed annexation area are: road maintenance and storm drain rehabilitation maintenance; and

**WHEREAS**, a detailed Engineer's Report has been prepared to meet the requirements of Article XIII D of the California Constitution; and

**WHEREAS**, a copy of the Engineer's Report has been provided to the Board of Supervisors and the original is on file with the Department of Public Works; and

**WHEREAS**, the boundaries of the proposed annexation area, number of acres therein, and a description of the roads to be maintained are set forth in the Engineer's Report; and

**WHEREAS**, Streets and Highways Code Section 1164 requires that the petition be published with a notice stating the time of the meeting at which the Board of Supervisors will consider the petition; and



**BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA**

Certified copy of portion of proceedings, Meeting of December 15, 2015

**RESOLUTION NO. 15-131**

**WHEREAS**, Streets and Highways Code Section 1162.6(d) allows proceedings to form a zone to be consolidated with an assessment ballot proceeding pursuant to Government Code Section 53753.

**NOW, THEREFORE, BE IT RESOLVED** that:

1. The Board of Supervisors finds that all of the recitations made hereinabove are true and correct.
2. The Director of the Department of Public Works shall provide mailed notice to the record owner of each parcel in proposed Annexation No. 2 to Permanent Road Division No. 1000, Zone 007 as required by Government Code Section 53753 and Article XIII D, Section 4 of the California Constitution.
3. The Director of the Department of Public Works shall post the petition, notice of formation (annexation) and notice of assessment as required by Streets and Highways Code Section 1195.
4. A public hearing shall be held on February 2, 2016 at 1:30 p.m. or soon thereafter which shall be not less than 45 days after notice has been mailed to the record owner of each parcel, at which time the Board of Supervisors shall consider all protests against the proposed assessment, tabulate the ballots, and determine whether to form Annexation No. 2 to Permanent Road Division 1000, Zone No. 007.
5. The Clerk of the Board shall publish the petition and the public hearing notices for formation and assessment in accordance with Streets and Highways Code Sections 1164 and 1196.
6. The question placed before the property owners shall read as follows:

**QUESTION**

Shall the Board of Supervisors of Humboldt County be empowered and authorized to impose an annual assessment for road resurfacing and storm drain rehabilitation up to the amounts set forth below:

Fiscal Year 2016/2017

Not to exceed \$1.00 per benefit unit plus first year formation cost of \$30.06 per parcel.

Fiscal Year 2017/2018 and thereafter

Not to exceed \$1.00 per benefit unit plus an inflation factor compounded based on Consumer Price Index prepared by the United States Department of Labor, Bureau of Labor Statistics using the weighted average of Consumer Price Indexes (All Urban Consumers for the State of California).

☐

Tax---Yes

☐

Tax---No



Dated: December 15, 2015

ESTELLE FENNELL, Chair  
Humboldt County Board of Supervisors

**BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA**

Certified copy of portion of proceedings, Meeting of December 15, 2015

RESOLUTION NO. 15-131

Adopted on motion by Supervisor Lovelace, seconded by Supervisor Bass, and the following vote:

AYES:	Supervisors	Sundberg, Lovelace, Fennell, Bohn, Bass
NAYS:	Supervisors	--
ABSENT:	Supervisors	--
ABSTAIN:	Supervisors	--

STATE OF CALIFORNIA    )  
County of Humboldt     )

I, KATHY HAYES, Clerk of the Board of Supervisors, County of Humboldt, State of California, do hereby certify the foregoing to be an original made in the above-entitled matter by said Board of Supervisors at a meeting held in Eureka, California.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said Board of Supervisors.



By ANA HARTWELL  
Deputy Clerk of the Board of Supervisors of the  
County of Humboldt, State of California



**Exhibit "A"**  
**(Legal Description)**

All that real property situated in the County of Humboldt, State of California, described as follows:

That portion of the Northeast Quarter of Section 6, Township 6 North, Range 1 East, Humboldt Meridian, described as follows:

Lots 1 through 62 and all that portion of Sagewood Drive as shown on Tract No. 647 of the Central Estates Phase 2C Subdivision, as filed in Book 25 of Maps, pages 48-51, in the Office of the County Recorder of said County.

Dated: 3/2/2015

By:

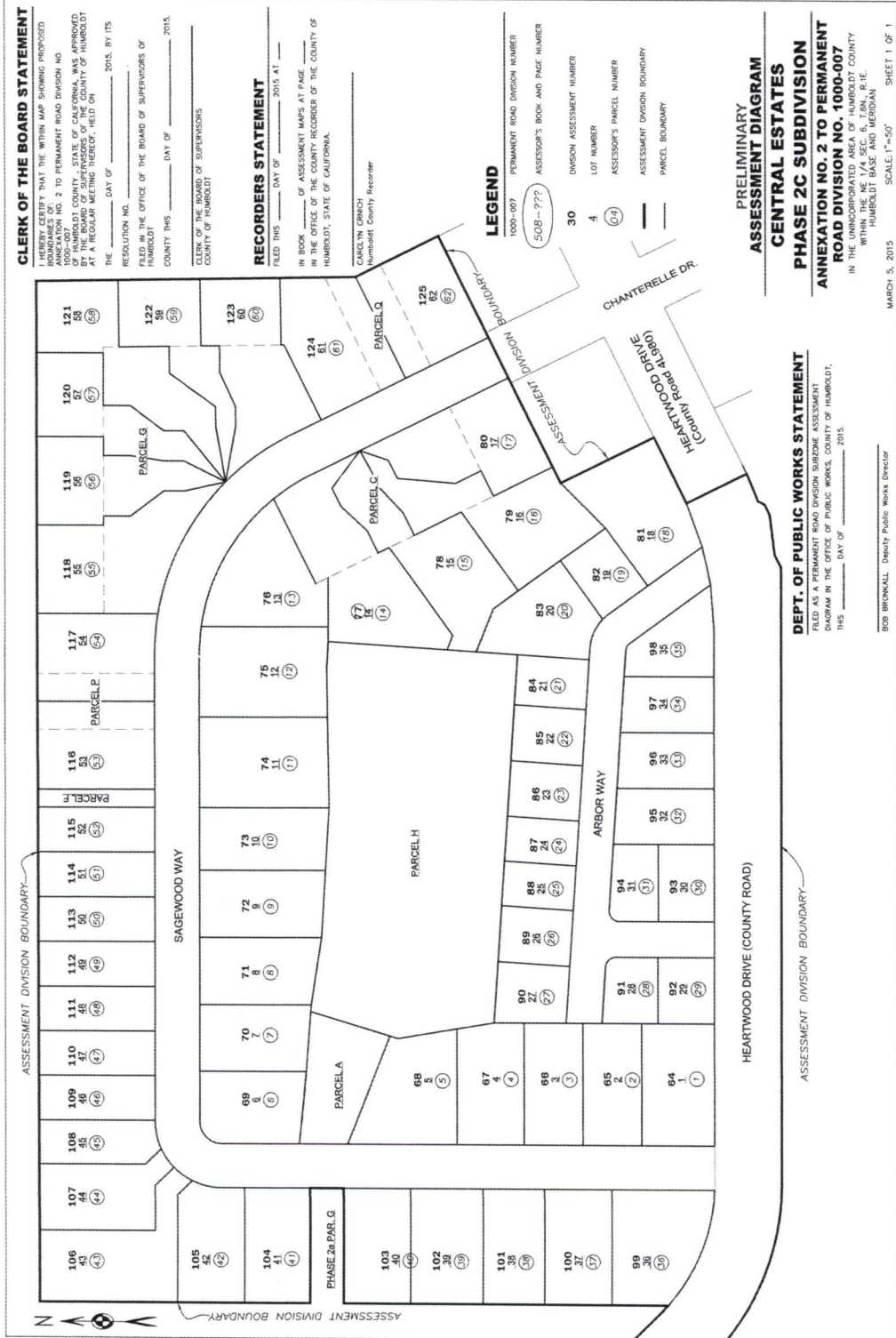
Max A. Schillinger

Max Schillinger

LS 7969



# Exhibit "B" (Assessment Diagram)





# Attachment 5

Notice of hearing to consider formation of Annexation No. 2 to PRD 1000, Zone No. 007

**NOTICE OF A PUBLIC HEARING BY THE HUMBOLDT COUNTY BOARD OF SUPERVISORS, AT THE HUMBOLDT COUNTY COURTHOUSE, BOARD OF SUPERVISORS CHAMBERS, EUREKA, CALIFORNIA, TO CONSIDER THE FORMATION OF ANNEXATION NO. 2 TO PERMANENT ROAD DIVISION 1000, ZONE NO. 007 FOR ROAD MAINTENANCE FOR THE CENTRAL ESTATES PHASE 2C SUBDIVISION**

NOTICE IS HEREBY GIVEN, pursuant to Streets and Highways Code §1164, that the Humboldt County Board of Supervisors will hold a public hearing on February 2, 2016 at 1:30 p.m. or soon thereafter, at the Humboldt County Courthouse, Board of Supervisors Chambers, Eureka, California, to consider the formation of Annexation No. 2 to Permanent Road Division 1000, Zone No. 007 for road maintenance consisting of road resurfacing and storm drain rehabilitation for the Central Estates Phase 2C Subdivision.

Estelle Fennell  
Chair, Humboldt County Board of Supervisors



# **Attachment 6**

**Notice of hearing to consider an assessment on real property to fund road maintenance  
within Annexation No. 2 to PRD 1000, Zone No. 007**

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**NOTICE OF A PUBLIC HEARING BY THE HUMBOLDT COUNTY BOARD OF SUPERVISORS, AT THE HUMBOLDT COUNTY COURTHOUSE, BOARD OF SUPERVISORS CHAMBERS, EUREKA, CALIFORNIA, TO CONSIDER AN ASSESSMENT ON REAL PROPERTY WITHIN THE PROPOSED ANNEXATION NO. 2 TO PERMANENT ROAD DIVISION (PRD) 1000, ZONE NO. 007 TO FUND ROAD MAINTENANCE.**

NOTICE IS HEREBY GIVEN that the Humboldt County Board of Supervisors will hold a public hearing on February 2, 2016 at 1:30 p.m. or soon thereafter, at the Humboldt County Courthouse, Board of Supervisors Chambers, Eureka, California, to hold an election of all property owners within the proposed Annexation No. 2 to PRD 1000, Zone No. 007 to consider an assessment for road resurfacing and storm drain rehabilitation.

THE ASSESSMENT is to be imposed upon each parcel within the proposed Annexation No. 2 to PRD 1000, Zone No. 007 and will be based on units of benefit and land use on each parcel. Units of benefit per parcel are shown on Attachment A, attached to this notice.

The total assessment for the proposed Annexation No. 2 to PRD 1000, Zone No. 007 is projected to be \$8,784.78 in its first year. This first year assessment includes the base value of \$6,921.06 plus \$1,863.72 for administration costs in establishing Annexation No. 2 to PRD 1000, Zone No. 007. The amount of the assessment for the first year will not exceed \$1.00 per unit of benefit plus the per parcel shared administration cost of forming Annexation No. 2 to PRD 1000, Zone No. 007. The maximum assessment per parcel for the first year is set forth on Attachment A.

For the second and subsequent years, the amount of the assessment will not exceed \$1.00 per unit of benefit. The total assessment base value will be increased by an inflation factor compounded based upon the Consumer Price Index. This assessment will recur annually until changed by new law or a vote of the property owners or a special election by all voters of PRD 1000, Zone No. 007, including Annexation No. 2.

PROCEEDS OF THIS ASSESSMENT will be used to pay for road resurfacing and storm drain rehabilitation. The amount of assessment attributable to each parcel, as shown in Attachment A, has been certified as being fair and equitable by a Registered Civil Engineer. The formula for determining each parcel's assessment is shown in the Engineer's Report which is on file with the Department of Public Works – Land Use Division, 3033 “H” Street, Room 17, Eureka California.

BALLOTS INDICATING APPROVAL OR DISAPPROVAL OF THE ASSESSMENT must be filed with the Humboldt County Auditor in writing prior to the end of the public hearing on February 2, 2016 as, by law, the County can only consider written ballots in its final tabulation. Each ballot shall be signed. Ballots in favor of or against the assessment can be sent to: Annexation No. 2 to PRD 1000, Zone No. 007, C/O Humboldt County Auditor-Controller, 825 Fifth Street, Room 126, Eureka, California 95501 by February 2, 2016. The ballot shall remain sealed until tabulated by the

Humboldt County Auditor, provided that an assessment ballot may be submitted, changed or withdrawn by the person who submitted the ballot prior to the conclusion of the public hearing on February 2, 2016. The enclosed ballot will indicate your ownership of record as of January 1, 2015, in addition to the weighted value of your vote. This weighted value is based upon the proportionate financial obligation imposed upon your parcel.

At the end of the public hearing all written ballots for or against the assessment together with those ballots mailed in prior to said meeting will be tallied and certified by the Humboldt County Auditor, which tally shall be reported to the Board of Supervisors of Humboldt County as well as to those County agencies which will assess and collect the assessment.

A majority protest received at the conclusion of the public hearing means the assessment shall not be imposed. A majority protest exists if, upon the conclusion of the hearing, the ballots submitted in opposition to the assessment exceed the ballots submitted in favor of the assessment. In tabulating the ballots, ballots shall be weighted according to the proportional financial obligation of an affected parcel.

Estelle Fennell  
Chair, Humboldt County Board of Supervisors



Attachment A				
No.	APN	1st Year	2nd Year	Benefit Units
64	508-401-001	\$ 169.95	\$ 139.89	139.8900
65	508-401-002	\$ 169.95	\$ 139.89	139.8900
66	508-401-003	\$ 169.95	\$ 139.89	139.8900
67	508-401-004	\$ 169.95	\$ 139.89	139.8900
68	508-401-005	\$ 169.95	\$ 139.89	139.8900
69	508-401-006	\$ 169.95	\$ 139.89	139.8900
70	508-401-007	\$ 169.95	\$ 139.89	139.8900
71	508-401-008	\$ 169.95	\$ 139.89	139.8900
72	508-401-009	\$ 169.95	\$ 139.89	139.8900
73	508-401-010	\$ 169.95	\$ 139.89	139.8900
74	508-401-011	\$ 169.95	\$ 139.89	139.8900
75	508-401-012	\$ 169.95	\$ 139.89	139.8900
76	508-401-013	\$ 169.95	\$ 139.89	139.8900
77	508-401-014	\$ 169.95	\$ 139.89	139.8900
78	508-401-015	\$ 169.95	\$ 139.89	139.8900
79	508-401-016	\$ 169.95	\$ 139.89	139.8900
80	508-401-017	\$ 169.95	\$ 139.89	139.8900
81	508-401-018	\$ 72.61	\$ 42.55	42.5500
82	508-401-019	\$ 72.61	\$ 42.55	42.5500
83	508-401-020	\$ 72.61	\$ 42.55	42.5500
84	508-401-021	\$ 72.61	\$ 42.55	42.5500
85	508-401-022	\$ 72.61	\$ 42.55	42.5500
86	508-401-023	\$ 72.61	\$ 42.55	42.5500
87	508-401-024	\$ 72.61	\$ 42.55	42.5500
88	508-401-025	\$ 72.61	\$ 42.55	42.5500
89	508-401-026	\$ 72.61	\$ 42.55	42.5500
90	508-401-027	\$ 72.61	\$ 42.55	42.5500
91	508-401-028	\$ 72.61	\$ 42.55	42.5500
92	508-401-029	\$ 72.61	\$ 42.55	42.5500
93	508-401-030	\$ 72.61	\$ 42.55	42.5500
94	508-401-031	\$ 72.61	\$ 42.55	42.5500
95	508-401-032	\$ 72.61	\$ 42.55	42.5500
96	508-401-033	\$ 72.61	\$ 42.55	42.5500
97	508-401-034	\$ 72.61	\$ 42.55	42.5500
98	508-401-035	\$ 72.61	\$ 42.55	42.5500
99	508-401-036	\$ 169.95	\$ 139.89	139.8900
100	508-401-037	\$ 169.95	\$ 139.89	139.8900
101	508-401-038	\$ 169.95	\$ 139.89	139.8900
102	508-401-039	\$ 169.95	\$ 139.89	139.8900
103	508-401-040	\$ 169.95	\$ 139.89	139.8900
104	508-401-041	\$ 169.95	\$ 139.89	139.8900
105	508-401-042	\$ 169.95	\$ 139.89	139.8900
106	508-401-043	\$ 169.95	\$ 139.89	139.8900
107	508-401-044	\$ 169.95	\$ 139.89	139.8900
108	508-401-045	\$ 169.95	\$ 139.89	139.8900
109	508-401-046	\$ 169.95	\$ 139.89	139.8900
110	508-401-047	\$ 169.95	\$ 139.89	139.8900
111	508-401-048	\$ 169.95	\$ 139.89	139.8900
112	508-401-049	\$ 169.95	\$ 139.89	139.8900
113	508-401-050	\$ 169.95	\$ 139.89	139.8900
114	508-401-051	\$ 169.95	\$ 139.89	139.8900
115	508-401-052	\$ 169.95	\$ 139.89	139.8900
116	508-401-053	\$ 169.95	\$ 139.89	139.8900
117	508-401-054	\$ 169.95	\$ 139.89	139.8900
118	508-401-055	\$ 169.95	\$ 139.89	139.8900
119	508-401-056	\$ 169.95	\$ 139.89	139.8900
120	508-401-057	\$ 169.95	\$ 139.89	139.8900
121	508-401-058	\$ 169.95	\$ 139.89	139.8900
122	508-401-059	\$ 169.95	\$ 139.89	139.8900
123	508-401-060	\$ 169.95	\$ 139.89	139.8900
124	508-401-061	\$ 169.95	\$ 139.89	139.8900
125	508-401-062	\$ 169.95	\$ 139.89	139.8900

Totals =>	\$ 8,784.78	\$ 6,921.06	6,921.0600
Engineer's Report Amounts =>	\$ 8,784.78	\$ 6,921.06	
difference* =>	\$ -	\$ -	

\* Note:  
Assessment Total is different from Engineers Report Total due to rounding to nearest cent of proportional costs.

# Attachment 7

Sample Ballot

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SAMPLE BALLOT

Assessor Parcel Number: **508-401-001-000**

Units of Benefit: **139.89**

Annual Cost to Owner:

Fiscal Year 2016/2017: **\$169.95**

Fiscal Year 2017/2018 and thereafter: **\$139.89** each year plus an inflation factor compounded based on the Consumer Price Index.

Owner: **CENTRAL ESTATES REMAINDER LLC  
3329 HALFWAY AVENUE  
MC KINLEYVILLE, CA 95519**

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QUESTION

Shall the Board of Supervisors of Humboldt County be empowered and authorized to impose an annual assessment for road resurfacing and storm drain rehabilitation up to the amounts set forth below:

Fiscal Year 2016/2017	Not to exceed \$1.00 per benefit unit plus first year formation cost of \$30.06 per parcel.
Fiscal Year 2017/2018 and thereafter	Not to exceed \$1.00 per benefit unit plus an inflation factor compounded based on Consumer Price Index prepared by the United States Department of Labor, Bureau of Labor Statistics using the weighted average of Consumer Price Indexes (All Urban Consumers for the State of California).

☐ **Tax---Yes**

☐ **Tax---No**

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**INSTRUCTIONS**

1. Please use pen and mark one box only.
2. Please mail or deliver ballot to: Annexation No. 2 to Permanent Road Division 1000, Zone No. 007, c/o Humboldt County Auditor, 825 Fifth Street, Room 126, Eureka, CA 95501.
3. ALL BALLOTS MUST BE RECEIVED PRIOR TO THE END OF THE PUBLIC HEARING ON 02/02/2016.