Legislation Details (With Text)

File #:	2020-0828		
Type:	Regular Calendar Item	**Status:**	Agenda Ready
File created:	8/11/2020	**In control:**	Transportation and Public Works
On agenda:	9/15/2020	**Final action:**	
Title:	8:30 A.M. - Jenner Water System Financing		
Sponsors:	Transportation and Public Works		
Indexes:			
Attachments:	1. Summary Report, 2. Attachment #1 Resolution, 3. Attachment #2 - Written Report Jenner, 4. Attachment #3 - Jenner Map		

Date	Ver.	Action By	Action	Result

To: Board of Supervisors
Department or Agency Name(s): Transportation and Public Works
Staff Name and Phone Number: Johannes J. Hoevertsz 707-565-2231
Vote Requirement: 4/5th
Supervisorial District(s): Fifth District

Title:
8:30 A.M. - Jenner Water System Financing

Recommended Action:
Conduct a public hearing on the annual written report for County Service Area No. 41, Jenner Zone of Benefit and adopt a Resolution ordering the annual water charge to be collected on the County of Sonoma tax roll for the total amount of $12,518 for Fiscal Year 2020-2021.
(4/5th Vote Required)(Fifth District)

Executive Summary:

The Department of Transportation and Public Works (TPW) is requesting the Board hold a public hearing on the annual written report for County Service Area No. 41, Jenner Zone of Benefit, and adopt a Resolution ordering the annual water charge to be collected on the County of Sonoma tax roll. State law and regulations require that an annual public hearing be held by the Board of Supervisors to direct that annual loan repayments be collected on the County of Sonoma tax roll. Staff is recommending that the Board approve a Resolution ordering that the annual repayment charge for two loans used for water system improvements be collected on the County of Sonoma tax roll for the total amount of $12,518 for Fiscal Year 2020-21. One of the two loans will be paid during FY 20-21, which will represent a reduction of annual charges by $52,940 when compared to prior years.

Discussion:

Background

The Jenner Water System is located in the unincorporated County on the Pacific Ocean (see Attachment 3). The system has 124 accounts, all with a 5/8-inch meter. Of the total accounts, 109 are residential customers and 15 are commercial customers. Several of the commercial property owners have more than one meter on their property. There are 115 property owners that have two annual assessments on the County's tax roll to repay the loans obtained from the State of California to rehabilitate the water system.

Annual Written Report

Each fiscal year, Health and Safety Code section 5473 requires that the Board of Supervisors, as the governing board for the County Service Areas, hold a public hearing and adopt a Resolution directing that the annual charge levy be collected on the County's property tax rolls. The total annual charge levy to be collected on each parcel is detailed on the attached written report, which is a listing of the Assessor's parcel numbers and the dollar amount of the annual charge levy. The amount of anticipated revenues from the charge levy and the biannual payments to the State of California are budgeted in the Fiscal Year 2020-21 adopted budget for the Jenner Water System debt service funds.

On July 18, 1989, the Board of Supervisors authorized the Director of TPW to execute the 30-year agreement with the California State Department of Water Resources, in the amount of $956,800, to cover the costs of acquiring the Jenner Water System from the Jenner Water Works, and purchasing and installation of water main and supply lines, pumps and pumping equipment, a 100,000 gallon storage tank, water treatment system, and building. The annual charge levy for repayment of this loan is $430 per equivalent single family dwelling per year for the term of the loan obligation. However, as the remaining loan balance is $4,856, payments per equivalent single family dwelling for Fiscal Year 2020-21 will be $42.24. This will represent the final payment for this loan.

On December 16, 2008, the Board approved a 20-year agreement with the California Department of Public Health for a Safe Drinking Water Loan, in the amount of $120,000, to fund the purchase, transportation, and installation of a new micro-filtration water treatment plant purchased from the California Water Service Corporation for the then 15-year-old treatment facility in order to meet more stringent State of California water quality standards. The annual charge levy for repayment of this loan is $57 per equivalent single family dwelling per year for the term of the loan obligation. The final payment for this loan will be made in Fiscal Year 2029-30.

The total annual charge to be collected on each parcel is detailed on the attached written report (Attachment 2). Annual charges are budgeted in the approved Fiscal Year 20-21 budget for the Jenner Water District debt service funds.

Notice of a Public Hearing was published on August 31, 2020 and September 10, 2020, once a week for two consecutive weeks in a newspaper of general circulation whose distribution includes the Jenner Water District.

Prior Board Actions:

9/11/19: Board adopted Resolution 19-0383 ordering the annual water charge to be collected on the County of Sonoma tax roll for the amount of $65,458 during Fiscal Year 2019-20.

9/11/18: Board adopted Resolution 18-0370 ordering the annual water charge to be collected on the County of Sonoma tax roll for the amount of $65,458 during Fiscal Year 2018-19.

9/12/17: Board adopted Resolution 17-0333 ordering the annual water charge to be collected on the County of Sonoma tax roll for the amount of $65,458 during Fiscal Year 2017-18.

12/16/09: Board approved a 20-year agreement with the California Department of Public Health.

07/18/89: Board directed the Director of the DTPW to execute a 30-year agreement with the California State Department of Water Resources.

FISCAL SUMMARY

Expenditures	**FY 20-21 Adopted**	**FY21-22 Projected**	**FY 22-23 Projected**
Budgeted Expenses	$12,518	$7,662	$7,662
Additional Appropriation Requested			
Total Expenditures	**$12,518**	**$7,662**	**$7,662**
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other	$12,518	$7,662	$7,662
Use of Fund Balance			
Contingencies			
Total Sources	**$12,518**	**$7,662**	**$7,662**

Narrative Explanation of Fiscal Impacts:

The annual repayment charges for the State of California loans used for water system improvements will be collected on the County of Sonoma tax roll for the total amount of $12,518 for Fiscal Year 2020-21. $4,856 corresponds to direct charges from Tax Code 73000 and $7,662 from Tax Code 73001. Appropriations for the revenue and corresponding expenditures were included in the FY 2020-21 Jenner Water Debt Service and Jenner Water Debt Service #2 adopted budget, and there are no impacts to the General Fund.

Staffing Impacts:			
Position Title (Payroll Classification)	**Monthly Salary Range (A-I Step)**	**Additions (Number)**	**Deletions (Number)**

Narrative Explanation of Staffing Impacts (If Required):
None.

Attachments:

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1. Charge Levy Resolution.
2. County Service Area #41 Jenner Zone of Benefit Charge Levy User Inventory (“Written Report”).
3. Map of the Jenner Zone of Benefit.

Related Items “On File” with the Clerk of the Board:
None