COUNTY OF HUMBOLDT

For the meeting of: 1/7/2025

File #: 25-63

To: Board of Supervisors

From: Public Works

Agenda Section: Public Hearing

Vote Requirement: 4/5th

SUBJECT:
Formation of Permanent Road Division (PRD) 1000, Zone No. 009 and Imposition of Parcel Charges for Morgan Subdivision, McKinleyville (4/5th Vote Required)

RECOMMENDATION(S):
That the Board of Supervisors:

1. Open the continued public hearing regarding the formation of PRD 1000, Zone No. 009, and imposition of parcel charges for maintenance of roads and drainage facilities for the Morgan Subdivision, receive public testimony and close the public testimony portion of the public hearing (4/5th Vote Required); and
2. Direct the Auditor-Controller to tally the ballots received to impose parcel charges for maintenance of road and drainage facilities in the Morgan Subdivision (4/5th Vote Required); and
3. Based upon the public testimony and results of the election, adopt the attached Resolution to Establish Humboldt County Permanent Road Division 1000, Zone 009 and to Impose Parcel Charges for Maintenance of Road and Drainage Facilities (4/5th Vote Required); and
4. Adopt the Resolution of Acceptance to Accept the Rights of Way for Lynnea Court for Public Road Purposes, and Public Sidewalk Easement Purposes, all as shown dedicated to the County of Humboldt on Tract No. 0603, filed in Book 24 of Maps, pages 57 through 59 in the Office of the Humboldt County Recorder (4/5th Vote Required); and
5. Direct the Auditor to calculate yearly the compounded inflation factor based upon the Consumer Price Index (CPI) to the parcel charges for maintenance of roads and drainage facilities (4/5th Vote Required); and
6. Direct the Auditor-Controller to establish fund number 2309 for PRD 1000, Zone No. 009.

STRATEGIC PLAN:
This action supports the following areas of your Board's Strategic Plan.

Area of Focus: Safe & Healthy Communities
Strategic Plan Category: 1007 - Improve the transportation network to be multi-model, safe, sustainable and equitable

DISCUSSION:
On Dec. 17, 2002, the Board of Supervisors adopted Resolution Number 02-111, establishing the Humboldt County-Wide PRD 1000. Streets and Highways Code (S&H) Section 1162.6 authorizes the Board of Supervisors to create zones within the division for specific permanent road projects.

Mr. Daniel Morgan submitted a petition requesting that the Board of Supervisors hold the necessary hearings and election to establish a zone within PRD 1000 for the benefit of the Morgan Subdivision.

As required by S&H Section 1162, the petition includes the name of the zone, the signatures of the landowners, the boundaries of the zone, the number of acres in the zone and the assessed valuation, the value of improvements on the real estate, the number of inhabitants therein and a description of the road to be maintained. The petition requested that an assessment be levied to pay the costs for future maintenance of road and drainage facilities.

An engineer's report and an affidavit of valuations accompanied the petition. The engineer's report provided the basis for the estimation of assessment to cover the cost of the requested maintenance. The affidavit of valuations was required by S&H Section 1163 and stated that the affiant had compared the valuations given in the petition and found them to be complete and correct.

In order to form a zone within PRD 1000, the Board of Supervisors had to receive and accept the petition and the affidavit of valuations and must hold a public hearing to hear any protests to the formation of the zone. The Board of Supervisors must also conduct a public hearing regarding the proposed parcel charges for maintenance of roads and drainage facilities within the subdivision.

On Oct. 22, 2024, the Board of Supervisors received the Petition, Affidavit of Valuations and Engineer's Report and adopted Resolution Number 24-114. The Resolution was entitled "RESOLUTION OF INTENT TO ESTABLISH HUMBOLDT COUNTY PERMANENT ROAD DIVISION 1000, ZONE NO. 009 AND TO IMPOSE PARCEL CHARGES FOR MAINTENANCE OF ROAD AND DRAINAGE FACILITIES." The Resolution scheduled a public hearing to be held Dec. 10, 2024, at 9:00 a.m. to consider all protests against the proposed assessment, tabulate the ballots and determine whether to form PRD 1000, Zone No. 009. The Resolution directed the Department of Public Works (Department) to mail notice of the hearing to form the zone and to impose special parcel charges for maintenance of road and drainage facilities to each record owner of each parcel within the proposed zone as required by Government Code Section (GC) 53753 and Article XIII D, Section 4 of the California Constitution. Resolution Number 24-114 also directed the Clerk of the Board to publish the petition and notices of hearing in accordance with S&H Section 1196.

The Petition, Notice of Hearing to Consider formation of PRD 1000, Zone 009 and the Notice of Hearing to Consider an Assessment on Real Property were inadvertently not published according to law prior to the hearing scheduled for Dec. 10, 2024. Therefore, the public hearing scheduled for Dec. 10, 2024, was opened, public testimony was heard, and the hearing was continued to Jan. 07, 2025, to allow time to properly notice the hearings. The Petition and updated notices (Attachments 1 and 2) were subsequently published on Dec. 21, 2024, Dec. 28, 2024, and Jan. 4, 2025.

The Petition to Form the Zone, the Notice of Hearing to Consider Formation of PRD 1000, Zone 009 and the Notice of Hearing to Consider an Assessment on Real Property to Fund Maintenance of Road and Drainage Facilities Within PRD 1000, Zone Number 009 were posted on the property by the Department in conformance with S&H Section 1195 on Oct. 24, 2024.

Ballots and notices of the hearing in conformance with GC Section 53753 were mailed to each record

owner of parcels located within the proposed zone on Oct. 24, 2024. The ballots were addressed to be returned to the Auditors office of the County of Humboldt on or before the close of the hearing for formation of the zone on Dec. 10, 2024.

Jan. 7, 2025, Public Hearing:

It is recommended that the Board of Supervisors open the continued public hearing to form PRD 1000, Zone No. 009 and to impose a parcel assessment, take public testimony, and close the public testimony portion of the public hearing.

At the conclusion of the hearing the Board of Supervisors must decide, based upon the petition and public testimony, whether PRD 1000, Zone No. 009 should be formed (S&H §1166). The Department supports the creation of Zone No. 009.

The Board of Supervisors must decide whether to accept the petition and provide the maintenance services requested (S&H §1169). The Department has reviewed the engineer's report submitted with the petition and finds the costs appropriate for maintaining the requested services.

The Board of Supervisors, based upon all objections and protests during the public hearing, if any, must decide whether the assessment for the petitioned maintenance services should be levied (GC § 53753). The assessment is subject to an annual inflation factor based upon the Consumer Price Index (CPI). The assessment can only be imposed upon a majority vote of the landowners.

The Department supports the proposed assessment. This assessment is necessary to provide the funds to enable the Department to provide the requested maintenance services. Without approval of the assessment the Department does not support the formation of Zone No. 009.

It is recommended that the Board of Supervisors direct the Auditor-Controller or her designee to tally the ballots regarding a parcel assessment for road maintenance within Morgan Subdivision and provide the results to the Board.

Based upon the public testimony and a positive election, it is recommended that the Board of Supervisors adopt the attached resolution to establish PRD 1000, Zone No. 009 and to impose parcel charges.

The formation of the PRD zone and imposition of parcel charges allows the Department to recommend that the Board of Supervisors accept the street (Lynnea Court) within the Morgan Subdivision into the County Maintained Road System. Policy #2, adopted by the Board of Supervisors on Jul. 15, 2003, allows the Department to recommend acceptance of subdivision roads into the County Maintained Road System should a PRD zone be formed to fund future maintenance. The parcel charges provide additional funding to the county for the future maintenance of the roads

within the subdivision. In summary, the proposed maintenance will consist of:

- Funding the resurfacing of Lynnea Court, serving 17 lots (lots 4-18 and adjoining lots 27 & 28). The cost of maintenance of the road is based upon a repetitive 25-year cycle of resurfacing of the road with a year-12 slurry seal, a year-25 asphalt concrete overlay, and a year-25 concrete crossing replacement. The maintenance cycle is as follows:

CYCLE PERIOD YEARS	ACTIVITY
12	Slurry
25	Overlay
25	Concrete Replacement

- Funding the rehabilitation of the storm drain system located within the overall internal boundaries of the Morgan 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 lots 1-26 (adjoining lots 27 and 28 and the rear yard storm system for lot 18 and 23-26 are not included in this storm drain system) in the Subdivision. The storm drain system outside of the internal boundaries are not included in this division.

- In addition, sidewalks within and fronting the subdivision will not be maintained by the County. Pursuant to Resolution 21-39, adopted by the Board of Supervisors on Apr. 20, 2021, maintenance of sidewalks is the responsibility of the fronting landowner.

The Department recommends the establishment of fund number 2309, should the Board adopt the resolution for formation of Zone No. 009 and imposition of parcel charges. The fund is necessary in order to collect, segregate, and track the funds received from the parcel charges for PRD 1000, Zone No. 009.

The Department recommends that the Board of Supervisors direct the Auditor-Controller to calculate the yearly inflation factor based upon the CPI to the parcel charges for maintenance of roads and drainage facilities. The Department contacted the Auditor-Controller's Office, and they indicated their concurrence with this request. They prepare calculations for similar assessment districts within the county on a yearly basis.

Should the Board of Supervisors decide to form PRD 1000, Zone No. 009, it is recommended that the Board of Supervisors adopt the attached resolution accepting the rights of way Lynnea Court for

public road purposes and for public sidewalk easement purposes. This allows the county to have the necessary rights to bring the road into the County Maintained Road System. This recommendation is subject to the Board of Supervisors adopting the resolution for formation of PRD 1000, Zone No. 009 and the establishment of the parcel assessment for maintenance of the road and drainage facilities within the Morgan Subdivision.

SOURCE OF FUNDING:
Land Use 1100166

FINANCIAL IMPACT:

Expenditures (Fund, Budget Unit)	**FY24-25**
Budgeted Expenses	$4,800.00
Total Expenditures	$4,800.00

**Projected amounts are estimates and are subject to change.*

Funding Sources (Fund, Budget Unit)	**FY24-25**
Fees/Other (Assessments)	$4,800.00
Total Funding Sources	$4,800.00

**Projected amounts are estimates and are subject to change.*

Narrative Explanation of Financial Impact:
Streets and Highways Code (S&HC) Section 1197 requires the expense of organizing a zone and conducting an election to be payable out of the General Fund (1100). The first year's assessment includes an amount to reimburse the county's cost for formation of PRD 1000, Zone Number 009. The rest of the parcel assessment shall fund the maintenance described in PRD 1000, Zone Number 009. To offset inflation, the assessment includes a provision for an annual compounded increase based upon the Consumer Price Index.

If the Resolution of Intent to Form the PRD zone is approved, but the landowners within the proposed PRD zone or the Board of Supervisors do not approve the assessment, the General Fund monies used to attempt to create this PRD zone cannot be recovered.

To create the PRD 1000, Zone Number 009 is $4,800, or a total formation cost per parcel equal to $171.43.

STAFFING IMPACT:
No staffing is expected to be impacted.

OTHER AGENCY INVOLVEMENT:
The Humboldt County Auditor-Controller is designated as the person to receive and tabulate the ballots for the election.
The Humboldt County Tax Collector will be responsible for collecting the assessment as part of the property taxes.

ALTERNATIVES TO STAFF RECOMMENDATIONS:
The Board of Supervisors may choose, based upon protest testimony, to not approve the formation of the annexation into PRD 1000, Zone No. 009 and may choose, based upon testimony or the results of the election, to not impose the assessment for the maintenance of road and drainage facilities. In this case, the existing Covenants, Conditions and Restrictions or Road Maintenance Association for the Morgan Subdivision would maintain and repair the improvements contained within the subdivision. Copies of these documents are on file with the Land Use Division.

ATTACHMENTS:
1. Notice of Hearing to Consider Formation of PRD 1000, Zone Number 009
2. Notice of Hearing to Consider an Assessment on Real Property to Fund Maintenance of Road and Drainage Facilities Within PRD 1000, Zone Number 009

3. Resolution to Establish Humboldt County Permanent Road Division 1000, Zone No. 009 and to Impose Parcel Charges for Maintenance of Road and Drainage Facilities.
4. Resolution to Accept the Rights of Way for Lynnea Court for Public Road Purposes and for Public Sidewalk Easement Purposes.

PREVIOUS ACTION/REFERRAL:
Meeting of: 12/10/2024 and 10/22/2024
File No.: 24-1007 and 24-1004
Resolution No.: 24-114