



AGENDA REPORT

City of Adelanto

Adelanto Governmental Center

11600 AIR EXPRESSWAY

ADELANTO, CALIFORNIA 92301

Date: June 23 2010
To: Honorable Mayor and Council Members
From: D. James Hart, City Manager
By: George Harris, Deputy City Manager/Management Services

SUBJECT: Adopt Resolutions 10-47 and 10-48 related to Assessment District 1A Annual Levy Collection and Administrative Cost Surcharge

STAFF RECOMMENDATION:

Adopt Resolutions 10-47 and 10-48 as presented.

BACKGROUND:

Resolution 10-48: Section 3114.5 of the Streets and Highways Code and Section 53328.3 of the Government Code allow for the collection of the annual Assessment District 1A levy to be collected by the County as part of the annual property tax bills prepared by County. This Resolution is a requirement of the County for such collection

Resolution 10-47: Section 10204 of the Streets and Highways Code allows an assessment surcharge to be added to the annual installments of parcels within an assessment district. The assessment surcharge is to recover administrative costs related to an assessment district. When Assessment District 1A was established, the Engineer's Report and Resolution authorized the City to collect administrative fees up to \$50 per parcel. Assessment District 1A is expected to incur at least \$22,105 in administrative costs during 2010-11. Staff recommends that the surcharge be 9% of the annual installment, not to exceed \$20 per parcel. All applicable notice requirements have been met and the basis for this adjustment of costs have been made available to the public as required by law.

FISCAL IMPACT:

All estimated annual administrative costs would be recovered.

ATTACHMENTS:

1. Resolution 10-47, with attachment 1
2. Resolution 10-48

RESOLUTION NO. 10-47

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ADELANTO, CALIFORNIA, AUTHORIZING THE LEVY OF AN ASSESSMENT SURCHARGE FOR THE EXPENSE INCURRED IN THE COLLECTION AND ADMINISTRATION OF ASSESSMENT DISTRICT 1A (AD1A).

WHEREAS, The City Council of the City of Adelanto, California has undertaken proceedings pursuant to the “Municipal Improvement Act of 1913” being Division 12 of the Streets and Highways Code of the State of California, has confirmed assessments upon land within Special Assessment District 1A (hereinafter referred to as the “Assessment District”); and

WHEREAS, said proceedings for and the City did subsequently issue bonds pursuant to the “Improvement Bond Act of 1915”, being Division 10 of the Streets an Highways Code of the State of California, said bonds representing unpaid assessments within the Assessment District; and

WHEREAS, Streets and Highways Code Section 10204 does authorize the City to establish an assessment surcharge to pay costs incurred by the City and not otherwise reimbursed which result from the administration and collection of assessments or from the administration and registration of any associated bonds and reserve or other related funds; and

WHEREAS, the City desires to establish such as assessment surcharge as authorizes by said Streets and Highways Code Section 10204; and

WHEREAS, the City estimates that the administrative costs not otherwise reimbursed during 2010-2011 total at least \$22,105, as per attachment 1; and

WHEREAS, all applicable notice requirements have been met and the basis for this adjustment of costs has been made available to the public as required by law.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF ADELANTO HEREBY RESOLVES AS FOLLOWS:

SECTION 1. The above recitals are true and correct.

SECTION 2. Finance Director is hereby directed to add to the annual installments of assessments within the Assessment District a maximum of nine percent (9%) of the amount of the installments and of the interest thereon, not to exceed the Finance Director’s estimates of the administrative costs, and in any case not to exceed \$20 per lot or parcel.

SECTION 3. The above assessment surcharge, when collected, shall belong to the Assessment District and shall be used for the administrative costs incurred by the City and Assessment District during 2010-2011.

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PASSED, APPROVED AND ADOPTED at a regular meeting of the Council of the City of Adelanto, held on the 23rd day of June, 2010.

Mayor, Charley B. Glasper

ATTEST:

City Clerk, Cindy M. Herrera

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I, Cindy M. Herrera, City Clerk of the City of Adelanto, California, do hereby certify that the foregoing Resolution No. 10-48 was duly and regularly adopted at a regular meeting of the Board of the Adelanto Public Utilities Authority on this 23rd day of June, 2010, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS THEREOF, I hereunto set me hand and affix the official seal of the City of Adelanto, on the 23rd day of June, 2010.

Cindy M. Herrera, City Clerk

ATTACHMENT 1

<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
Willdan Financial Services	Assessment District Administration	\$8,071
San Bernardino County Auditor-Collector	Per parcel submitted for collection fee	1,844
Union Bank of California	Trustee Services	2,190
City of Adelanto	Accounting and overhead costs Incurred for Assessment District 1A	<u>10,000</u>
Total Administration Costs		<u>\$22,105</u>

RESOLUTION NO. 10-48

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ADELANTO, CALIFORNIA, ORDERING THE LEVY AND COLLECTION OF ANNUAL ASSESSMENTS RELATED TO THE CITY OF ADELANTO ASSESSMENT DISTRICT (AD1A) FOR FISCAL YEAR 2010-2011.

WHEREAS, The City of Adelanto (hereinafter “City”) requests the County of San Bernardino collect on the County tax rolls certain charges which have been imposed pursuant to Section 3114.5 of the Streets and Highways Code and Section 53328.3 of the Government Code by the City, and

WHEREAS, the County has required as a condition of the collection of said charges that the City warrant the legality of said charges and defend and indemnify the County from any challenge to the legality thereof,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ADELANTO THAT:

1. The City of Adelanto has hereby determined to Levy in Fiscal Year 2010-2011, and for each subsequent Fiscal Year, for each AD1A parcel in the District and to each parcel therein.
2. The Auditor-Controller of San Bernardino County is requested to attach for collection on the County tax rolls these taxes, assessments fees and/or charges.
3. The City warrants and represents that the taxes, assessments, fees and/or charges imposed by the City and being requested to be collected by San Bernardino County comply with all requirements of state law, including but not limited to Article XIIC and XIID of the California Constitution (Proposition 218).
4. The City agrees that its officers, agents and employees will cooperate with the County in answering questions referred to City by County from any person concerning the City’s taxes, assessments, fees and/or charges, and that City will not refer such persons to County officers and employees for response.
5. The City agrees to pay such reasonable and ordinary charges as the County may prescribe to recoup its costs in placing on the tax rolls and collecting the taxes, assessments, fees and charges as provided by Government Code section 29304 and 51800.

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