ROCKLIN
CALIFORNIA

City Council Staff Report

Subject: Approving the Fiscal Year 2025/26 Engineer's Reports

Date: May 13, 2025

Submitted By: Megan Bressem, Management Analyst
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Department: Administrative Services - Finance

Recommendation:

A. Adopt a Resolution of the City Council of the City of Rocklin Approving the Fiscal Year 2025/26 Engineer's Report for the Levy of the Annual Assessment for Lighting Maintenance District No. 1.
B. Adopt a Resolution of the City Council of the City of Rocklin Declaring Its Intention to Levy and Collect Annual Assessments for Lighting Maintenance District No. 1 and Setting a Time and Place for Public Hearing Thereon.
C. Adopt a Resolution of the City Council of the City of Rocklin Approving the Fiscal Year 2025/26 Engineer’s Report for the Levy of the Annual Assessment for Landscape and Lighting Maintenance District No. 2.
D. Adopt a Resolution of the City Council of the City of Rocklin Declaring its Intention to Levy and Collect Annual Assessments for Landscape and Lighting Maintenance District No. 2 and Setting a Time and Place for Public Hearing Thereon.

Background:

In accordance with the California Streets and Highways Code, Division 15, Part 2, section 22500 et seq. (the Landscaping and Lighting Act of 1972), the City of Rocklin formed two maintenance districts. On August 6, 1979, Lighting Maintenance District No. 1 (LMD No. 1), was formed for the purposes of maintaining street lights and safety lighting located within the district boundaries. A map of LMD No. 1 district boundaries can be found on page 8 of the LMD No. 1 Engineer's Report (Attachment 2). On November 19, 1984, Landscape and Lighting Maintenance District No. 2 (LLMD No. 2) was formed for the purposes of maintaining street lights and safety lighting, and the maintenance of roadway landscaping located within the district boundaries. A map of LLMD No. 2 district boundaries can be found on page 14 of the LLMD No. 2 Engineer's Report (Attachment 5).

The Landscaping and Lighting Act of 1972 (the Act), identifies the process required to annually levy and collect assessments to meet the needs of the maintenance districts. The Act requires an Engineer’s Report to be prepared each year assessments are to be levied and collected. The report is to contain plans and specifications regarding improvements to be maintained, an estimated cost for maintaining the improvements, a diagram of the proposed assessment area

and an assessment of the estimated costs. On February 25, 2025 the City Council ordered the preparation on the Engineer's Reports for LMD No. 1 and LLMD No. 2.

Pursuant to the Act, upon completion of the reports, in order for the City to levy and collect assessments for Fiscal Year (FY) 2025/26 to pay for the cost of maintaining street lights and safety lighting in LMD No. 1 and street lights, safety lighting, and roadway landscaping in LLMD No. 2, the City Council must approve or modify and approve the completed Engineer's Reports, declare an intent to levy and collect assessments, and set a public hearing.

For areas within the districts created before the 1996/97 tax year, Proposition 218 requires any modification of assessment rates or methodologies to be brought to the voters. The maximum allowable tax for these districts have not changed since the 1996/97 tax year. The maximum tax for areas annexed into LLMD No. 2 after the 1996/97 tax year are based on a base year rate equivalent to the first year's actual utility and maintenance costs, increased by an annual 4% inflationary factor.

For FY 2025/26, budgeted expenses for the LMD No. 1 will equal budgeted assessment revenue. The Engineer's Report (Attachment 2) shows that based on the budgeted needs of LMD No. 1 and depending on location, LMD No. 1's assessment for FY 2025/26 will be between $11.05 and $125.15 for a single-family residential parcel.

For FY 2025/26, budgeted expenses for the LLMD No. 2 exceed budgeted tax revenue by $314,300 due to increases in operating expenses. Reserves will cover the shortfall. The Engineer's Report (Attachment 5) shows that based on the budgeted needs of LLMD No. 2 and depending on location, LLMD No. 2's assessment for FY 2025/26 will be between $5 and $1,585.11.

City Council adoption of the attached resolutions will allow the City to levy and collect assessments for FY 2025/26 to pay the maintenance costs for LMD No. 1 and LLMD No. 2. Staff recommends the City Council set June 10, 2025, as the date for a public hearing regarding these assessments.

Fiscal Impact:
The total LMD No. 1 assessment revenue for FY 2025/26 is approximately $251,800. The budget is equal to the assessments for FY 2025/26.

The total LLMD No. 2 assessment revenue for FY 2025/26 is approximately $2,830,600. Based on the budget, this level of funding will leave LLMD No. 2 with a deficit of $314,300 for FY 2025/26. The deficit will be covered by the existing fund balance.

ATTACHMENTS:
1. Resolution A - Approving LMD No. 1 Engineer's Report
2. Resolution A Exhibit A - LMD No. 1 Engineer's Report
3. Resolution B - Setting Public Hearing LMD No. 1
4. Resolution C - Approving LLMD No. 2 Engineer's Report
5. Resolution C Exhibit A - LLMD No. 2 Engineer's Report
6. Resolution D - Setting Public Hearing LLMD No. 2