



City of San Jacinto

Assessment District No. 2003-1

2011/12 Engineer's Report

July 5, 2011

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**CITY OF SAN JACINTO
ASSESSMENT DISTRICT NO. 2003-1**

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TABLE OF CONTENTS

1. ENGINEER'S LETTER	1-1
2. OVERVIEW	2-1
2.1 Introduction	2-1
2.2 Effect of Proposition 218	2-2
3. PLANS, SPECIFICATIONS AND IMPROVEMENTS	3-1
4. ESTIMATE OF COSTS	4-1
5. METHOD OF APPORTIONMENT	5-1
6. ASSESSMENT DIAGRAM.....	6-1
7. ASSESSMENT ROLL	7-1

1. ENGINEER'S LETTER

WHEREAS, the City Council of the City of San Jacinto ("City"), State of California, directed NBS Government Finance Group, DBA NBS, to prepare and file a report presenting plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the City of San Jacinto Assessment District No. 2003-1 ("District") for Fiscal Year 2011/12. The report includes a diagram for the District, showing the area and properties proposed to be assessed, an assessment of the estimated costs of the maintenance, operations and servicing of the improvements, and the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received;

WHEREAS, the maximum assessment rates and the annual rate escalation factor equal to the percentage change in the Engineering News-Record Construction Cost Index for Los Angeles (the "Construction Cost Index"), measured as of the month of December in the calendar year which ends in the previous fiscal year, with a maximum annual increase of six percent (6.00%) and a minimum annual increase of zero percent (0.00%) were approved by property owners through the assessment balloting procedures set forth in Article XIII D Section 4 of the California Constitution (Proposition 218) and the maximum assessments are being increased by 2.464% for Fiscal Year 2011/12;

NOW THEREFORE, the assessments as detailed in this Engineer's Report and as summarized in the table below are made to cover the portion of the estimated costs of maintenance, operation and servicing of said improvements to be paid by the assessable real property within the District in proportion to the special benefit received.

Description	Maximum Amount	Actual Amount
Street Maintenance	\$1,196,098.21	\$498,313.88
Adjustments	0.00	0.00
Total	\$1,196,098.21	\$498,313.88

I, the undersigned, respectfully submit the enclosed Engineer's Report and, to the best of my knowledge, information and belief, the Engineer's Report, Assessments, and the Assessment Diagram herein have been prepared, computed and levied in accordance with the assessment methodology adopted, approved and ordered by the City Council of the City of San Jacinto at the time of District formation and annexations.

NBS

2. OVERVIEW

2.1 Introduction

This Annual Engineer's Report ("Report") describes the City of San Jacinto Assessment District No. 2003-1 and the assessment levy for Fiscal Year 2011/12 based on the historical and estimated cost to maintain the improvements and provide the services that benefit parcels within the District. The District is divided into multiple zones to allow the assessments to properly match the special benefits provided by the improvements to the assessed parcels within the District. This District, by special benefit assessments, provides funding for the maintenance of interior streets within the boundaries of the Assessment District, including street sweeping, slurry seal, grind and overlay of existing pavement, and replacement of damaged curb, sidewalk, and pavement. Each type of service is described below.

Street Sweeping

This service shall consist of cleaning the streets within the Assessment District's boundary by City forces or by contract with outside forces. The streets will be cleaned on a monthly basis, consistent with the current level of service for existing streets within the City limits.

Slurry Seal

This service shall consist of providing a slurry seal, or asphaltic coating over pavement areas within the District on an average interval of four years. The service shall be performed by City forces or by public works contract, and shall include all required striping and traffic control associated with the work. Slurry seal operations will not occur in interval years where grind and overlay or replacement activities, as described below, are scheduled.

Grind and Overlay

This service shall consist of grinding out the upper 2 inches (approximately) of asphalt paving and replacing with a new layer of asphalt, on an average interval of twelve years. The service shall be performed by City forces or by public works contract, and shall include all required striping and traffic control associated with the work. Grinding and overlay operations shall not occur within interval years where Remove and Reconstruct operations, as described below, are scheduled.

Remove and Reconstruct

It is estimated that approximately every 36 years the asphaltic layer of the pavement structural section will need to be removed and replaced. In addition it is assumed that 10% of curb and sidewalk improvements will need to be repaired or replaced, due to normal damage and deterioration. This service shall consist of such removals and replacements and shall be performed by City forces or by public works contract, and shall include all required striping and traffic control associated with the work.

The word "parcel," for the purposes of this report, refers to an individual property assigned its own assessor's parcel number by the Riverside County Assessor's Office. The Riverside County Auditor/Controller uses assessor's parcel numbers and specific fund numbers to identify on the tax roll properties assessed for special district benefit assessments.

Following consideration of public comments at a public hearing, and review of the Final Annual Engineer's Report, the City Council may confirm the report as submitted and order the levy and collection of assessments for Fiscal Year 2011/12. If approved, the assessment information shall be

submitted to the County Auditor/Controller, and included on the property tax roll for each benefiting parcel for Fiscal Year 2011/12.

2.2 Effect of Proposition 218

On November 5, 1996, California voters approved Proposition 218 by a margin of 56.5% to 43.5%. The provisions of the Proposition, now California Constitutional Articles XIII C and XIII D, adds substantive and procedural requirements to assessments, which affect the City of San Jacinto assessment districts.

The City Council intends to increase the maximum assessments, on an annual basis when necessary, in accordance with the percentage change in the Engineering News-Record Construction Cost Index for Los Angeles (the "Construction Cost Index"), measured as of the month of December in the calendar year which ends in the previous fiscal year, with a maximum annual increase of six percent (6.00%) and a minimum annual increase of zero percent (0.00%). The maximum assessments are being increased by 2.464% for Fiscal Year 2011/12.

3. PLANS, SPECIFICATIONS AND IMPROVEMENTS

Plans, specifications and improvements for Assessment District No. 2003-1 have been prepared and have been approved as part of the improvement plans and each annexation Engineer's Report. In accordance with the conditions of approval and by reference they are made part of this report to the same extent as if said plans, specifications and improvements were attached hereto. Plans and exhibits defining the boundaries of the proposed annexation and the maintenance area are on file and available for review at the office of the City Engineer and, in conjunction with County Assessor's maps of the area to annexed, comprise the assessment diagrams for the respective annexations.

4. ESTIMATE OF COSTS

The estimated costs for Fiscal Year 2011/12 can include maintenance, servicing and administrative costs, and an amount of surplus or deficit in the improvement fund from a previous fiscal year. The table reflects the maximum and actual assessment amounts based on such estimated costs.

Zone Description	Maximum Per Lot/Unit/Acre	Maximum Total Amount	% of Maximum to Levy	Actual Per Lot/Unit/Acre	Actual Total Amount
1 – Sunset Ranch	\$305.71	\$19,871.18	100%	\$305.70	\$19,870.50
2 – Goldencrest	242.49	35,161.82	100%	242.48	35,159.60
3 – Park Meadows	260.72	44,323.80	TR 30878: 0% TR 30878-1: 100%	TR 30878: 0.00 TR 30878-1: 260.72	20,075.44
4 – Goldencrest	285.72	22,000.67	100%	285.72	22,000.44
5 – Summerfield Ranch	265.02	21,732.11	100%	265.02	21,731.64
6 – Durango	291.80	38,809.47	100%	291.80	38,809.40
7 – Park Hill	270.95	36,308.03	100%	270.94	36,305.96
8 – Mosaico	309.38	28,154.31	0%	0.00	0.00
9 – Stallions Crossing	295.16	30,402.34	100%	295.16	30,401.48
10 – Meadowbrook	222.31	46,908.47	100%	222.30	46,905.30
11 – Potter Ranch	250.89	65,985.74	0%	0.00	0.00
12 – Sandalwood	301.65	38,009.13	0%	0.00	0.00
13 – Remington/Lyndon Trails	217.79	44,213.15	100%	217.78	44,209.34
14 – San Jacinto Ranch	308.02	21,253.40	100%	308.02	21,253.38
15 – Parkside Village	236.26	33,077.60	0%	0.00	0.00
16 – Coventry Acres	236.82	50,681.31	0%	0.00	0.00
17 – Creekside	250.75	35,857.91	100%	250.74	35,855.82
18 – Belicia	277.56	16,931.72	100%	277.56	16,931.16
19 – Young California Home	324.80	28,582.74	0%	0.00	0.00
20 – Cottonwood Ranch	207.78	27,219.63	100%	207.78	27,219.18
21 – Tamarisk	235.00	59,455.66	100%	235.00	59,455.00
22 – Groove	280.88	28,088.32	0%	0.00	0.00
23 – CNH	228.13	40,607.30	0%	0.00	0.00
24 – The Cove	308.31	42,547.93	0%	0.00	0.00
25 – The Cove	332.55	15,629.97	0%	0.00	0.00
26 – The Cove	326.17	23,484.52	0%	0.00	0.00
27 – The Cove	358.74	35,874.25	0%	0.00	0.00
28 – The Cove	284.43	30,718.78	0%	0.00	0.00
29 – Cameo Homes	252.78	37,917.64	0%	0.00	0.00
30 – Distinctive Homes	230.51	11,986.88	0%	0.00	0.00
31 – Ron Clark Ernesto Ruiz	N/A	0.00	N/A	N/A	0.00
32 – Griffin Communities	286.30	10,593.36	0%	0.00	0.00
33 – Meadowbrook II	299.79	17,088.48	100%	299.78	17,087.46
34 – Catalpa	240.12	27,853.92	0%	0.00	0.00
35 – Osborne – Cheyenne	350.47	10,163.86	25%	87.62	2,540.98
36 – Osborne Park Avenue (Lots 13-15, 25-31)	590.21	5,902.15	0%	0.00	0.00
36 – Osborne Park Avenue (Lots 12, 32)	295.10	590.21	0%	0.00	0.00
36 – Osborne Park Avenue (Lots 1-11, 16-24, 33-35)	0.00	0.00	0%	0.00	0.00
37 – Shaver	500.36	5,003.63	50%	250.18	2,501.80
38 – KS Development	457.02	5,027.22	0%	0.00	0.00
39 – Shea	209.87	67,368.83	0%	0.00	0.00
40 – Kalpesh	306.24	13,781.21	0%	0.00	0.00
41 – Carolino	551.74	7,724.49	0%	0.00	0.00
42 – DBN Parkside Medical	13,205.07	13,205.07	0%	0.00	0.00
Totals		\$1,196,098.21			\$498,313.88

5. METHOD OF APPORTIONMENT

Assessments levied pursuant to the Benefit Assessment Act of 1982 must be based on the benefit to the parcel, which will be derived from the provision of the services. The services to be financed by the assessments levied within each Zone are the maintenance of interior streets within such Zone. Therefore, the services financed by a given Zone provide direct and special benefit to property within such Zone.

Typically, identification of the benefits associated with maintenance services is the first step in developing the assessment spread methodology. The Assessment District will provide short term and long term maintenance of the streets within each Zone. The resulting benefits to the residential lots within each Zone consist of, but are not limited to:

1. Safe vehicular and pedestrian access; and
2. Clean and presentable streets and gutters.

In order to allocate the assessments in proportion to the direct benefits that each parcel will receive from the services, an in-depth analysis was performed for each Zone upon annexation to Assessment District No. 2003-1, since each Zone has its own interior street facilities. The analysis entailed three component tasks: (1) identification of service costs, (2) allocation of costs, and (3) calculation of assessments. The maximum assessment per lot/unit/acre for each Zone was calculated upon annexation to Assessment District No. 2003-1.

The initial assessment calculation assumed that if the total number of lots or taxable non-residential acreage within a Zone changed based on the recordation of a final map, the total annual cost would be reallocated to the actual number of residential lots or taxable non-residential acreage within such Zone.

The method of apportionment and initial maximum assessment rates have been prepared and have been approved as part of each zone annexation's Engineer's Report. In accordance with the conditions of approval and by reference they are made part of this report to the same extent as if said method of apportionment was attached hereto. The Engineer's Report for each zone annexation is on file and available for review at the office of the City Engineer.

Each year, the maximum assessment rate escalates by an amount equal to the percentage change in the Engineering News-Record Construction Cost Index for Los Angeles (the "Construction Cost Index"), measured as of the month of December in the calendar year which ends in the previous fiscal year, with a maximum annual increase of six percent (6.00%) and a minimum annual increase of zero percent (0.00%).

6. ASSESSMENT DIAGRAM

The assessor's maps on file in the office of the County Assessor serve as the assessment diagram for the District. The lines and dimensions shown on maps of the County Assessor for the current year are incorporated by reference herein and made part of this report. All parcels of real property included within the District are described in detail on the assessor's maps.

7. ASSESSMENT ROLL

The assessment roll is provided on the following pages. The description of each lot or parcel as part of the records of the County Assessor are by reference made part of this Report.