



AGENDA ITEM NO. **F-3**

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COUNTY OF HUMBOLDT

For meeting of 9-16-03

DATE: 7/15/03  
 TO: BOARD OF SUPERVISORS  
 FROM: ALLEN W. CAMPBELL, DIRECTOR OF PUBLIC WORKS *Awc*  
 SUBJECT: SUBDIVISION ROADS AND FORMATION OF SUBZONES TO THE COUNTYWIDE PERMANENT ROAD DIVISION (PRD)

RECOMMENDATIONS:

It is recommended that the Board of Supervisors adopt the following County policies relative to the acceptance of roads into the County Maintained Road System, adopt the policy regarding formation of sub-zones to the Countywide Permanent Road Division (PRD) and adopt the attached procedures for formation of a sub-zone.

1. POLICY #1-Roads whose alignment are part of the circulation element of the County General Plans (generally collector and arterial roads) that are constructed to County standards approved by the Department of Public Works shall be recommended to the Board of Supervisors for inclusion into the County Maintained Road System.
2. POLICY #2-Roads that are constructed to County standards approved by the Department of Public Works that are not part of the circulation element of the County General Plans and are not collector or arterial roads shall not be recommended for acceptance into the County Maintained Road System unless funding for the future maintenance of the road and its associated facilities is provided through either a Permanent Road Division (PRD), County Service Area (CSA), or other Board of Supervisors approved Benefit Assessment District.

Prepared by *[Signature]* HARLESS MCKINLEY CAO Approval \_\_\_\_\_

REVIEW: Auditor \_\_\_\_\_ County Counsel \_\_\_\_\_ Personnel \_\_\_\_\_ Risk Manager \_\_\_\_\_ Other \_\_\_\_\_

TYPE OF ITEM:  
 Consent  
 Departmental  
 Public Hearing  
 Other \_\_\_\_\_

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT  
 Upon motion of Supervisor **WOOLLEY**  
 seconded by Supervisor **NEELY**  
 and unanimously carried by those members present, the Board hereby adopts the recommended action contained in this report.

PREVIOUS ACTION/REFERRAL:  
 Board Order No. J2  
 Meeting of 12/17/02

Dated: **SEP 16 2003**  
 LORA CANZONERI, CLERK OF THE BOARD  
 by *[Signature]*

3. POLICY #3-Roads that are constructed (subject to approval by the Planning Commission or the Board of Supervisors) to County standards approved by the Department of Public Works may be allowed to be privately maintained, where maintenance is provided by a Home Owners Association (HOA), Road Maintenance Association (RMA), or other means acceptable to the Planning Commission or the Board of Supervisors.
4. POLICY #4-Roads that meet the policies herein for acceptance into the County Maintained Road System shall not be charged an assessment for insurance associated with the maintenance of items included in a PRD unless directed by the Board of Supervisors.
5. POLICY #5-An assessment collected for maintenance of items included in a PRD shall only be used for the purpose intended as indicated in the Engineer's report used for the PRD sub-zone formation.
6. POLICY #6-An assessment to defray County's cost of management of a PRD sub-zone after its formation shall be included in the formation of any PRD sub-zone.
7. POLICY #7-An assessment to defray the County's cost in forming a PRD sub-zone shall be included in the formation of any PRD sub-zone.
8. PROCEDURES-The general procedures attached as Exhibits A, B, C, D and E shall be used for the formation of a sub-zone of the Countywide PRD.

#### DISCUSSION

During the Board of Supervisors public hearing for the formation of a Countywide PRD on December 17, 2002, it became evident that a clear County policy was needed to address the question of when existing roads or new subdivision roads may be accepted into the County Maintained Road System.

There are two existing policies that address accepting roads into the County maintained system. The first is titled "Policy A" adopted in 1973. It pretty much states that roads in new developments shall be constructed to subdivision standards and upon completion shall be accepted into the maintained system. The second policy was adopted in 1985 which indicates that "road categories 4 through 6 would qualify for inclusion into the County maintained system". Both of these policies require the roads to be constructed to County standards before acceptance by the County.

Due to the severe budget limitations for road maintenance, the Department of Public Works (DPW) has been recommending to the Planning Commission since near the beginning of 2000 that the maintenance of new subdivision roads that are not part of the circulation element of the County General Plans be maintained privately by the formation of Home Owners Associations or Road Maintenance Associations. The development community has voiced their concerns regarding this recommendation. Their concerns have been mainly pointed towards the change in the Board's current policies regarding the acceptance of streets, the effect of the cost of insurance necessary for the maintenance of private roads, and the effect the change may have on the salability of lots on a private road compared to lots on a public road. They have also been concerned regarding the lack of any available procedure that would allow an alternative so the County could accept the roads as publicly maintained.

On December 17, 2002 the Board of Supervisors adopted the formation of a Countywide PRD. The formation of the PRD provided a funding mechanism for subdivision developers to approach the County for maintenance of their subdivision roads as well as maintenance of landscaping, drainage basins, lighting, etc. Items such as landscaping and drainage basins are generally required as conditions of subdivision development and require some formal recorded document for their maintenance.

DPW recommends that the first 3 policies described herein regarding subdivision roads be adopted. DPW believes that these policies provide for clarification of when roads may be accepted into the County

There is an initial cost to the County in creating a sub-zone. The funds to pay for the creation of a sub-zone are required by S&H §1197 to be paid from the General Fund. The cost to the General Fund can be reimbursed by an assessment as per S&H §1178. This office is recommending the adoption of policy #7 to regain these costs to the general fund.

#### OTHER AGENCY INVOLVEMENT

None

#### ALTERNATIVES TO STAFF RECOMMENDATIONS

Not adopt the proposed recommended policies

#### ATTACHMENTS

Exhibit A, Procedure for initiating construction, improvement or maintenance on roads within a permanent road division

Exhibit B, Sample petition to form Permanent Road Division sub-zone for maintenance

Exhibit C, Sample petition to form Permanent Road Division sub-zone for improvement, construction and maintenance

Exhibit D, Sample engineers report

Exhibit E, Sample affidavit of valuations

**Exhibit A**

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**Procedure for Initiating construction, improvement or maintenance  
on roads within a permanent road division**

**PROCEDURE FOR INITIATING  
CONSTRUCTION, IMPROVEMENT OR MAINTENANCE  
ON ROADS WITHIN A PERMANENT ROAD DIVISION**

A Permanent Road Division (PRD) sub-zone must be formed in conformance with Sections (§) 1160 through 1197 of the Streets and Highways Code (S&H).

This procedure establishes general steps necessary to initiate and complete the reconstruction of existing roads and/or establish the maintenance of roads and associated facilities within a PRD subzone. **It is not intended to supercede the provisions in the Streets and Highway Code.**

1. A petition for the formation of a division of the Countywide PRD may be submitted to the Board of Supervisors or in lieu of a submission maybe initiated by the Board of Supervisors in conformance with the Streets and Highway Code. (S&H §1162, §1162.5)

A petition for formation shall include, as a minimum, the following:

- (a) The name of the proposed division.
  - (b) The signatures of at least a majority of the landowners within the proposed division or the signatures of owners of more than 50 percent of the assessed valuation within the division.
  - (c) The boundaries of the proposed division.
  - (d) The number of acres therein and the assessed valuation of such acreage according to the last equalized assessment roll of the County.
  - (e) The value of the improvements on real estate and of the personal property within the proposed division according to the last equalized assessment roll.
  - (f) The number of inhabitants therein.
  - (g) A description of the location of any road, which is desired to be constructed, improved or permanently maintained or maintained for a specific number of years. (S&H § 1162)
2. A petition shall be accompanied by an affidavit stating the affiant has compared the valuations in the petition with the latest equalized assessment role and the valuations are correct. (S&H §1163)
  3. The petition shall be published as per S&H §1196 and shall be scheduled for a hearing before the Board of Supervisors. The Board shall decide whether the Division is to be formed and establish or modify the boundaries of the division based upon evidence or testimony provided at a hearing. (S&H §1164-§1168.5)

4. Concurrent with or after the formation of a sub-zone, a petition for construction, improvement, or maintenance of a road(s), or any portion of a road(s) within the sub-zone may be filed with the Board of Supervisors. This petition shall comply with S&H §1169 and §1170.

The petition shall state the following, if appropriate:

- (a) The recommendations of the petitioners as to the materials to be used and the manner of constructing or improving such highway.
  - (b) An estimate of the probable expense of such work.
  - (c) A request that the Board appropriate for such work a specified sum of money from the road fund of the County.
  - (d) A request that the Board appropriate for such work a specified sum of money from the road district funds of the road district in which any part of the division is located.
  - (e) A request that, in order to raise the balance necessary for such work, a special tax be levied or bonds of the division be issued.
  - (f) A request that annually for the period for which maintenance is proposed the Board levy a special tax upon the division in an amount sufficient for maintenance and annually appropriate such amount for maintenance purposes. (S&H §1170)
5. The Board shall consider the petition at a public hearing and, if approved and warranted, shall cause any necessary plans, specifications and estimates for the work requested in the petition to be prepared. These documents shall exclude any maintenance of the roadways, and may include work on other public roads considered necessary to the requested project. (S & H §1171)
  6. After the preparation of any warranted construction documents, the Board shall take action at a subsequent public hearing to adopt the plans, specifications and estimates.
  7. Prior to the Board's action to adopt construction plans or for adoption of the creation of a special tax for maintenance of a road(s) and associated facilities, an election or ballot of the property owners (or voters if applicable) in the division shall be taken in accordance with the provisions of S&H §1173 and in conformance with the requirements of Proposition 218; to determine whether:
    - A) If the special tax related to the construction of the proposed improvements or the maintenance of the road and associated facilities will be levied or not. In addition, the electors may decide to have the entire amount for any proposed improvements payable in one year or spread out over up to 10 years.
    - B) If the cost of maintenance of the proposed improvements, including any administrative costs due to the County, shall be raised by an annual special tax.

Failure of either one of these warranted actions to receive the necessary 2/3 majority to accept the respective taxes shall be deemed reason for the Board to not adopt the plans and shall preclude the construction of the improvements or maintenance of the road and its associated facilities under the division.

Notices for this election/ballot shall be provided as required by the Streets and Highways Code, Proposition 218 and subsequent legislation. (S & H §1174, §1175, §1195, & §1196).

8. The election and tallying of the ballots shall be done in conformance with the requirements of the Streets and Highways Code §1176 and §1177.
9. If the special tax is approved by the electors, the Board MAY advance to the permanent road division the division's share of the cost of the improvements or defer construction of the improvements until the cost, thereof, has been raised by the tax. (S&H §1178.5)
10. The Board may employ an engineer to prepare any warranted plans and specifications and supervise the work and include any other services as required by the Board (S&H §1191). Alternatively, if the plans, specification and estimates are prepared by others, the Board may appoint inspectors of the work as necessary (S&H §1189). These inspectors shall inspect the work and prepare monthly reports of the progress pursuant to S&H §1189 including an estimate of any unsatisfactory work. The cost of any of these services shall be a charge to the division.

The Board shall make no payments for work deemed unsatisfactory by the inspectors. The contractor shall be afforded the opportunity to complete the work in strict conformance with the plans and specifications. If the work is completed to the satisfaction of the inspectors, the Board shall make necessary payments for the work.

11. The Board may make progress payments for the work, but shall not pay more than 75% of the contract price prior to completion of the work. Final payment shall not be made until the work is accepted by the Board.
12. Any money remaining in the Division fund, after completion of the work and final payment, shall remain in the fund and be expended solely for maintenance of the roads in the division.
13. The work to be completed under this procedure may be done on existing roads at the request of the property owners in the division.
  - A) When a petition requesting maintenance of existing roads is filed by property owners in an area where the roads are not presently constructed to County Standards, the request shall include the construction/ reconstruction of the roads to County Standards, or to such standards as are approved by the Director of Public Works (Director). The level of maintenance of these roads should be to normal County Standards, but may be to another standard as requested by the petitioners and as approved by the Director.

- B) When a petition is filed by person(s) seeking to record a new subdivision, the petition must include provisions for the construction of the roads to County Standards at the developer's expense. This petition must also include provisions for the maintenance of the roads. The level of maintenance shall include, but not be limited to, chip or slurry sealing and asphalt overlays, drainage facilities and any other item listed in the division formation.
- (14) If a sub-zone to a PRD is formed and a tax levy authorized or parcel charges imposed, the expenses shall be recovered by the County from the funds of the division (S&H §1197). The authorized tax shall include sufficient funds to reimburse the county for any expenses recoverable under S&H 1197 (S&H1178)

**Exhibit B**

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**Sample petition to form Permanent Road Division sub-zone for maintenance**

SAMPLE

PETITION TO FORM PERMANENT ROAD DIVISION SUBZONE FOR MAINTENANCE  
(SUBZONE NO. \_\_\_\_\_ )

The undersigned hereby petition the Humboldt County Board of Supervisors to form a Sub-zone to Permanent Road Division No 1000 pursuant to Article 3 (commencing with Section 1160) of Chapter 4 of Division 2 of the Streets and Highways Code (the Permanent Road Division Law).

- (a) The name of the proposed division shall be Humboldt County Permanent Road Division Sub-zone No. \_\_\_\_\_.
- (b) This petition is signed by a majority of the landowners within the proposed division.

OR

This petition is signed by the owners of more than 50 percent of the assessed valuation within the proposed division.

- (c) The boundaries of the proposed division are set forth in Exhibit A, attached hereto and incorporated herein by reference, and shall consist of the following parcels:  
(List parcel numbers)
- (d) Approximately \_\_\_\_\_ acres of real property will be included within the proposed division, with an assessed valuation of \$\_\_\_\_\_ according to the last equalized assessment roll.
- (e) The total value of the improvements on the real property within the proposed division is \$\_\_\_\_\_ according to the last equalized assessment roll. The total value of the personal property within the proposed division is \$\_\_\_\_\_ according to the latest equalized assessment roll. Attached hereto is an "Affidavit of Valuations" submitted for compliance with S&H §1163.
- (f) As nearly as can be ascertained, \_\_\_\_\_ persons reside within the boundaries of the proposed division.
- (g) It is proposed that the division be formed for the purposes of permanently maintaining \_\_\_\_\_ between \_\_\_\_\_ and \_\_\_\_\_ (or whatever) as described in the attached Engineers Report. It is estimated that the costs of maintenance will be \$\_\_\_\_\_ per year.
- (h) It is further proposed that in order to raise the necessary funds to pay for the maintenance activities, the Board of Supervisors impose a special tax of \$\_\_\_\_\_ per parcel per year, with a provision for an annual increase effective July 1 in accordance with the change in the State of California Consumer Price Index for All Urban Consumers for the previous calendar year. Any such special tax shall only become effective upon approval by the voters in compliance with all applicable statutory and constitutional requirements.

EXHIBIT B (1 OF 2)

The undersigned respectfully request that the Board of Supervisors consider the foregoing petition at a hearing held in accordance with Street and Highway Code Section 1165.

Dated: \_\_\_\_\_

Signed: \_\_\_\_\_

Address: \_\_\_\_\_

Parcel No.: \_\_\_\_\_

Acknowledgment of Notary

**Exhibit C**

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**Sample petition to form Permanent Road Division sub-zone for improvement, construction and maintenance**

SAMPLE

PETITION TO FORM PERMANENT ROAD DIVISION SUBZONE FOR IMPROVEMENT,  
CONSTRUCTION AND MAINTENANCE  
(SUBZONE NO. \_\_\_\_\_)

The undersigned hereby petition the Humboldt County Board of Supervisors to form a Sub-zone to Permanent Road Division No 1000 pursuant to Article 3 (commencing with Section 1160) of Chapter 4 of Division 2 of the Streets and Highways Code (the Permanent Road Division Law).

- (a) The name of the proposed division shall be Humboldt County Permanent Road Division 1000, Sub-zone No. \_\_\_\_\_
- (b) This petition is signed by a majority of the landowners within the proposed division.

OR

This petition is signed by the owners of more than 50 percent of the assessed valuation within the proposed division.

- (c) The boundaries of the proposed division are set forth in Exhibit A, attached hereto and incorporated herein by reference, and shall consist of the following parcels:  
(List assessors parcel numbers and ownership)
- (d) Approximately \_\_\_\_\_ acres of real property will be included within the proposed division, with an assessed valuation of \$ \_\_\_\_\_ according to the last equalized assessment roll.
- (e) The total value of the improvements on the real property within the proposed division is \$ \_\_\_\_\_ according to the last equalized assessment roll. The total value of the personal property within the proposed division is \$ \_\_\_\_\_ according to the latest equalized assessment roll. Attached hereto is an "Affidavit of Valuations" submitted for compliance with S&H §1163.
- (f) As nearly as can be ascertained, \_\_\_\_\_ persons reside within the boundaries of the proposed division.
- (g) It is proposed that the division be formed for the purposes of constructing, improving and permanently maintaining \_\_\_\_\_ between \_\_\_\_\_ and \_\_\_\_\_ (or whatever) as in the manner described in the attached Engineers Report.
- (h) It is recommended that the materials and manner of construction described in the attached Engineers Report be used in the improvement of the road.
- (i) It is estimated that the costs of the construction, improvement and maintenance will be \$ \_\_\_\_\_ (submit both the cost of construction and the future yearly maintenance).

EXHIBIT C (1 OF 2)

- (j) It is requested, if appropriate, that the Board of Supervisors appropriate a sum of \$ \_\_\_\_\_ from the road fund or road Districts of the County as authorized by law for the construction and improvement of the road(s) and associated facilities described in (g) above.
- (k) It is requested, if appropriate, that the Board of Supervisors raise the sum of \$ \_\_\_\_\_ for such work described in (g) above by the levy of a special tax or the issuance of bonds of the division.
- (l) It is further requested that in order to raise the necessary funds to pay for the maintenance activities, the Board of Supervisors shall impose a special tax of \$ \_\_\_\_\_ per parcel per year, with a provision for an annual increase effective July 1 in accordance with the change in the State of California Consumer Price Index for All Urban Consumers for the previous calendar year.
- (m) Any such special tax or bonds described within this petition shall only become effective upon approval by the voters within the division in compliance with all applicable statutory and constitutional requirements.

The undersigned respectfully request that the Board of Supervisors consider the foregoing petition at a hearing held in accordance with Streets and Highways Code Section 1165.

Dated: \_\_\_\_\_

Signed: \_\_\_\_\_

Address: \_\_\_\_\_

Parcel No.: \_\_\_\_\_

Acknowledgment

**Exhibit D**

**Sample Engineers Report**

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SAMPLE

**ENGINEERS REPORT**

**FOR**

**SUB-ZONE NO. \_\_\_\_\_**

**PERMANENT ROAD DIVISION NO. 1000**

**HUMBOLDT COUNTY, CALIFORNIA**

EXHIBIT D (1 OF 11)

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## I. INTRODUCTION AND PURPOSE OF THE ASSESSMENT

The \_\_\_\_\_ Estates Subdivision is an approved tentative subdivision map. The project is located to the east of \_\_\_\_\_ and at the north end of \_\_\_\_\_, in the McKinleyville area (AP# \_\_\_\_\_). The development is in the McKinleyville Community Plan Area with a Low/Medium Density Residential General Plan designation.

The petitioners have requested, and the County has agreed to consider the formation of a Sub-zone to Permanent Road Division 1000 to levy a charge to each residential lot and provide the services listed below. Should the Sub-zone be abolished the project homeowners association, or a substitute acceptable to the County of Humboldt, would be responsible for the services.

Services to be provided in this PRD are:

- A. Street Lighting
  - 1) Electricity cost for \_\_\_\_\_ streetlight.
- B. Street Surface Maintenance for \_\_\_\_\_ miles of roads comprising \_\_\_\_\_ square feet.
  - 1) Slurry seal paving after \_\_\_\_\_ years.
  - 2) Slurry seal paving after \_\_\_\_\_ years.
  - 3) Asphalt concrete overlay after \_\_\_\_\_ years.
- C. Storm Drain Maintenance for approximately \_\_\_\_\_ LF of Storm Drainage Pipe.
  - 1) Drain pipes within public easements (located outside of public street right-of-way.\*)
    - \*Inclusion of this wording is dependent on the scope of work associated with road maintenance.

These services represent a special benefit to the \_\_\_\_\_ Estates property in that the services to be funded by the assessments will only benefit the \_\_\_\_\_ Estates property and the individual lots in the \_\_\_\_\_ Estates PRD

The project homeowners association, or a substitute acceptable to the County of Humboldt, will provide the maintenance for all facilities not listed above.

## II. LEGAL REQUIREMENTS

In November 1996 the voters of the State of California passed Proposition 218 which made significant changes in Assessment Law. Among those changes was a requirement that a detailed Engineers Report be prepared and signed by a Registered Professional Engineer in the State of California. This report is being prepared in response to that requirement.

Another requirement of the new law is that the report must establish a substantive "special benefit" to property for the valid levy of an assessment. In the case of this assessment, the

"special benefit" to property being assessed is the availability of street lighting, paved road surfaces and storm drainage to all assessed lots. All the residential lots in the \_\_\_\_\_ Estates PRD are to be assessed an equal amount of the total assessment.

### Engineer's Statement

I do hereby state the amount found in the "Budget Worksheet" attached hereto and made a part hereof is an accurate assessment to be apportioned upon the assessable lots within the "Sub-zone No. \_\_\_\_\_", severally and respectively, in accordance with the special benefits to be received by such lots and more particularly set forth in the Assessments Roll hereto attached as Category VII reference made a part hereof.

Each assessed lot is described in Section VII by reference to its assessment number as shown on the Assessment Diagram. A more particular description of the PRD boundary is included as Exhibit "A".

An Assessment Diagram is attached as Exhibit "B" showing the boundaries of "Sub-zone No. \_\_\_\_\_"

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Engineer

### III. BOUNDARY OF THE \_\_\_\_\_ ESTATES P.R.D.

- 1) See EXHIBIT "A" for a description of the exterior boundary of the Sub-zone.
- 2) See EXHIBIT "B" for an Assessment Diagram depicting the lot lines within the boundary of the Sub-zone.

EXHIBIT "A"  
SUB-ZONE NO. \_\_\_\_\_ to PERMANENT ROAD DIVISION NO. 1000  
Road Maintenance, Storm Drainage and Street Lighting

ALL that real property situated in the County of Humboldt, State of California, described as follows:

*THAT portion of the Southwest ¼ of Section 29, Township North, Range East, M.D.M., included within the land shown and designated as Parcels 2 and 4 of Parcel Map No. \_\_\_\_\_ filed in Book 25 of Parcel Maps, at Page 130, Humboldt County Records.*

End of Description

EXHIBIT "B"

*SUNSET ESTATES*  
ASSESSMENT DIAGRAM  
ZONE OF BENEFIT

## BASIS OF ANNUAL ASSESSMENT

The annual assessments for each maintenance program as defined in this report have been based upon current rates and maintenance cost. Further discussion on each maintenance activity is as follows:

### STREET LIGHTING

The annualized street lighting electricity costs are based on current electric rates for 150 watt high pressure sodium lights as determined by Pacific Gas & Electric Company. The current electric rate for each street light is \$132.00.

### STREET MAINTENANCE

The street pavement resurfacing program is based upon cost to reseal the pavement with a slurry seal after \_\_\_\_\_ and \_\_\_\_\_ years from the initial pavement placement and to resurface the pavement with a layer of asphalt concrete overlay after year \_\_\_\_\_. The annualized cost for these pavement surface treatments were obtained from actual Humboldt County maintenance costs. The slurry seal cost of \$0.15 per square foot and an asphalt concrete overlay cost of \$1.00 per square foot was used. These costs were amortized over a \_\_\_\_\_ year maintenance cycle. The average cost to fund the necessary maintenance has been calculated to be \$ \_\_\_\_\_ per square foot of pavement per year.

### STORM DRAIN MAINTENANCE

The storm drain pipes are generally assumed to have a fifty (50) year service life. The actual annual maintenance of the pipes themselves are usually very minimal. A budgetary cost of the long term drain pipe maintenance as determined by Humboldt County Public Works is figured to be approximately \$1.25 per linear feet of pipe per year.

The annualized cost expenditures for insurance, collections, administration, management and contingencies are included in the actual assessments for each assessable lot. The actual cost breakdown worksheet and cost spread are included in the appendix of this report. The assessments as calculated are necessary to ensure the funds are available when needed. By using actual, current maintenance cost and electric rates, the assessments are justified, yet the assessments should not be more than what is necessary for the estimated maintenance costs.

## V. CALCULATION OF SPECIAL BENEFIT

Pursuant to Section 4 of Article XIII D of the California Constitution, the lots of the subdivision receiving a special benefit from the maintenance must be identified and the proportionate special benefit must be determined in relationship to the total maintenance expenses estimated to be necessary to maintain the lighting, road and drainage improvements. It is my opinion that the benefits are wholly special benefits and each of the lots within this Sub-zone to Permanent Road Division 1000 receive an equal proportion of special benefit from the identified maintenance in that the roads of this sub-zone serve only the lots in this sub-zone of Permanent Road Division 1000 and are not a part of a larger County traffic system. In addition, the lighting provides a benefit only to those persons using these roads and not the public in general and the drainage being maintained serves only lots within this sub-zone. Because it cannot be said that any one lot is benefiting greater than any other lot, the amount of assessment which is to be imposed on each lot is equal and does not exceed the reasonable cost of the proportional special benefit conferred on that lot.

Accordingly, I find that each lot in this subdivision receives a special benefit from the proposed maintenance programs. I find that each lot will receive the annual special benefit as shown on the "Budget Worksheet" attached hereto and made a part hereof.

VI. ASSESSMENT RATE AND METHOD OF ASSESSMENT

ASSESSMENT RATE

The rate of assessment for each lot is calculated and is as follows:

Sub-zone No. \_\_\_\_\_ of Permanent Road Division 1000, \_\_\_\_\_ Lots

The assessment rate for 2002/2003 tax year is based upon the "Budget Worksheet" attached hereto and made a part hereof and is proposed to be as follows:

Total Assessment	\$ _____
Number of lots	_____
Annual Cost Per Lot	\$ _____

METHOD OF ASSESSMENT

Assessments will be collected in the same way real property taxes are collected by the Humboldt County Tax Collector on behalf of the zone of benefit and will be deposited by the County in a separate fund in the name of "Sub-zone No. \_\_\_\_\_ of Permanent Road Division No. 1000". Assessments will be collected in two installments and will be available within sixty (60) days after the installments are due.

Consumer Price Index Adjustment:

The amount of assessment specified for this year may be adjusted annually for the ensuing fiscal year to reflect the Consumer Price Index prepared by the United States Department of labor, Bureau of Labor Statistics, using the weighted average of Consumer Price Indexes (All Urban Consumers for the State of California). The amount of increase shall not exceed 2.5 percent in any one year. The Board of Supervisors shall be responsible for making the necessary computation each year prior to May 1st and advising the Humboldt County Auditor/Controller what the amount of charge for street lighting, drainage and road maintenance services is to be for the next year as a result of the forgoing computations.

VII. ASSESSMENT ROLL

The proposed assessment roll for the \_\_\_\_\_ PRD is as follows:

ASSESSMENT NO.	PROPERTY OWNER
1 through ____	_____ Partnership
	Current Assessors Parcel Numbers for _____ Permanent Road Division 000-000-00 through 9999-999-9999

VIII

PERMANENT ROAD DIVISION 1000,

SUB-ZONE NO. \_\_\_\_\_

BUDGET WORKSHEET

ROADS	ESTIMATED COSTS
21 YEAR CYCLE SLURRY SEALS AT 7 AND 14 YEARS 1 MILES 1 WIDTH IN FEET 12900 SQ FEET PAVED SURFACE 0.1 COST PER SQ FT 2 EACH 21 YEARS TO ACCRUE	\$ 122.86
OVERLAY AT 21 YEARS 1 MILES 1 WIDTH IN FEET 12900 SQ FT PAVED SURFACE 0.6 COST PER SQ FT 1 EACH 21 YEARS TO ACCRUE	\$ 368.57
AVG COST PER SQ FT	\$ 0.0381
STORM DRAIN MAINT.                      243 feet @ \$1.25/FT	\$303.75
UTILITIES                      1 LIGHTS 132 PG & E RATE PER YEAR	\$132.00
FOR 150 W HIGH PRESSURE SODIUM @ 11.00 PER MONTH	
INSURANCE                      FLAT RATE	\$100.00
TAX ROLL FEE                      ONE PERCENT OF BUDGET	\$14.61
ADMIN                              FLAT RATE	\$200.00
MANAGEMENT                      TEN PERCENT OF BUDGET	\$146.09
CONTINGENCY                      FIVE PERCENT	\$73.05

<b>TOTAL COST</b>		<b>\$1460.93</b>
	<b>NUMBER OF PARCELS</b>	<b>11</b>
<b>ANNUAL COST PER PARCEL</b>		<b>\$ 133.00</b>
<b>FORMATION COST</b>	<b>actual costs</b>	<b>\$539.07</b>
<b>FIRST YEAR COST PER PARCEL</b>		<b>\$182.00</b>

**Exhibit E**

**Sample affidavit of valuations**

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SAMPLE

*AFFIDAVIT OF VALUATIONS*

The undersigned, being first duly sworn, states as follows:

1. I am making this declaration in compliance with Streets and Highways Code Section 1163.
2. I have compared the valuations given in this petition with those on the last equalized assessment roll and certify that the valuations as set forth herein are complete and correct.
3. I am over the age of 18, am not a signatory to the petition, and do not own taxable property within the proposed permanent road division sub-zone.

I declare the above to be true under penalty of perjury.

Dated: \_\_\_\_\_

Signed: \_\_\_\_\_