

ENGINEER'S REPORT

FOR

**LANDSCAPE MAINTENANCE DISTRICT NO. 3
(CENTEX- TRACT 28626)**

FISCAL YEAR 2024-2025

PREPARED FOR THE

CITY OF NORCO

RIVERSIDE COUNTY, CALIFORNIA

PREPARED BY:

CODY A. HOWING, P.E.

ASSESSMENT ENGINEER

**ENGINEER'S REPORT
CITY OF NORCO**

**LANDSCAPE MAINTENANCE DISTRICT NO. 3
(CENTEX – TRACT 28626)
FISCAL YEAR 2024-2025**

The undersigned respectfully submits the enclosed report as directed by the City Council.

Date: November 15, 2023

By: _____
Cody A. Howing, P.E.
R.C.E. No. 86054
Assessment Engineer

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was filed with me on _____, 2023.

City Clerk, City of Norco
Riverside County, California

By: _____

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was approved and confirmed by the City Council of the City of Norco, California, on _____, 2023.

City Clerk, City of Norco
Riverside County, California

By: _____

**FISCAL YEAR 2024-2025
CITY OF NORCO**

**ENGINEER'S REPORT PREPARED PURSUANT TO THE PROVISIONS OF THE
LANDSCAPING AND LIGHTING ACT OF 1972 SECTION 22500 THROUGH
22679 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE**

Pursuant to Part 2 of Division 15 of the Streets and Highways Code of the State of California, and in accordance with the Resolution of Initiation, being Resolution No. 98-97, adopted by the Council of the City of Norco, State of California, in connection with the proceedings for:

**CITY OF NORCO
LANDSCAPING MAINTENANCE DISTRICT NO. 3
(CENTEX – TRACT 28626)**

Hereinafter referred to as the "Assessment District," I, Cody A. Howing, P.E. authorized representative of the City of Norco, the duly appointed ENGINEER OF WORK, submit herewith the "Report" consisting of four parts as follows:

PART A

Plans and specifications for the improvements are as set forth herein and are on file in the Office of the Clerk of the City.

PART B

An estimate of cost of the proposed improvements, including incidental costs and expenses in connection therewith, is as set forth herein.

PART C

The Diagram of the Assessment District Boundaries showing the exterior boundaries of the Assessment District, the boundaries of any zones within the Assessment District, and the lines and dimensions of each lot or parcel of land within the Assessment District has been submitted to the Clerk of the City. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions shown on the maps of the Assessor of the County of Riverside for the year when this Report was prepared. The Assessor's maps and records are incorporated by reference herein and made part of this Report. The legal description of the Assessment District is attached hereto.

PART D

An assessment of the estimated cost of the improvements on each benefited lot or parcel of land within the Assessment District.

PART A

PLANS AND SPECIFICATIONS

**DESCRIPTION OF IMPROVEMENTS
FOR THE CITY OF NORCO
LANDSCAPE MAINTENANCE DISTRICT NO. 3
(CENTEX – TRACT 28626)
FISCAL YEAR 2024-2025**

The improvements are the operation, maintenance, and servicing of landscaping, horse trails, hardscaping, and masonry, and appurtenant facilities including but not limited to personnel, electrical energy, utilities such as water, materials, contracting services, and other items necessary for the satisfactory operation of these services, described as follows:

LANDSCAPING

Landscaping, planting, shrubbery, trees, irrigation, hardscapes, masonry wall surfaces, fencing, fixtures, and appurtenant facilities located within public rights-of-way (parkways), easements (slope and trail) and publicly owned parcels within the boundary of the Assessment District except as specifically excluded.



PART B

**ESTIMATE OF COST
LANDSCAPE MAINTENANCE DISTRICT NO. 3 (CENTEX – TRACT 28626)
NORCO, CALIFORNIA (FUND NO. 53110)**

The estimated costs for the operation, maintenance and servicing of the facilities, shown below, are the estimated costs of maintenance if the facilities were fully maintained for Fiscal Year 2024-2025. The 1972 Act provides that the total cost of the maintenance and services, together with incidental expenses, may be financed from the assessment proceeds. The incidental expenses may include engineering fees, legal fees, printing, mailing, postage, publishing, and all other related costs identified with district proceedings.

Direct Cost		
Contractual Maintenance (34100)		
1. Landscape Maintenance: Generally includes all pruning, weed and pest control, fertilization, turf care, trash and debris cleanup, irrigation to include maintenance and repair, water cost, electrical cost for controllers, tree trimming up to 15 feet, tree staking, backflow testing, rodent control and plant replacement.	\$ 31,730.00	
2. Equestrian Trails: includes minor grading, replacement of wooden posts and rails, and addition of decomposed granite for trail surfaces.	\$ 6,520.00	
3. Slope Maintenance: includes same activities as Item 1 for exterior slopes along Parkview Drive and Norco Hills Road as well as private slopes at Lots 1, 2, 3, and 4 Cost included in item 1.	\$ 0.00	
Utilities (33100)	\$	
Water	\$ 41,870.00	
Electrical	\$ 1,200.00	
Phone	\$ 65.00	
Annual Tree & Plant Replacement (32405)	\$ <u>2,500.00</u>	
Subtotal Direct Cost	\$ 83,885.00	\$ 83,885.00
Operating Contingency (2.0 percent max) (35512)		\$ 1,677.00
Replacement Reserve (0.4 percent)		\$ 379.00
Administrative Costs		
Observation: City Staff to Manage District (30100)	\$ 18,082.00	
Engineer's Report (34105)	\$ 2,704.00	
City Overhead/Administration (34150)	\$ 5,068.00	
Riverside County Admin. Fees (35210)	\$ 266.00	
Incidentals (35511)	\$ 1,000.00	
Subtotal Administrative Costs	\$ 27,120.00	\$ 27,120.00
Operating Reserve		\$ 0.00
Annual Capital Project- Trail Fence	\$	\$ 9,037.00
Prop 218 Hearing	\$ 0.00	\$ 0.00
TOTAL ANNUAL BUDGET		\$ 122,098.00

The 1972 Act requires that a special fund be set up for the revenues and expenditures of the District. Funds raised by assessment shall be used only for the purpose as stated herein. The City may advance funds to the District, if needed, to ensure adequate cash flow, and will be reimbursed for any such advances upon receipt of assessments. Any surplus or deficit remaining on July 1 must be carried over to the next fiscal year. The estimated fund balance for fiscal year ending June 30, 2024 and cash flow funding needs are as follows:

Fund Balance	
Estimated Beginning Fund Balance July 1, 2024	\$ (25,575.00)
Assessment for Future Trail Fence Replacement	\$ 9,037.00
Estimated Current Year Revenue Surplus (Deficit)	<u>\$ (0.00)</u>
Estimated Fund Balance June 30, 2025	\$ (16,538.00)
Estimated Fund Balance Needs:	
Budgeted Trail Fence Replacement Capital Project Balance	\$ 0.00
6 Months Operating Cash Flow	<u>\$ 56,530.00</u>
Estimated Needs	<u>\$ 56,530.00</u>
Estimated Surplus or (Unfunded Needs):	<u><u>\$ (56,530.00)</u></u>

Total Replacement Cost for Vinyl Trail Fence (6,694 Lineal Ft @ \$27.00/LF)	\$ 180,738.00
Set-Aside Balance for Budgeted Trail Fence Replacement *	\$ 0.00

* Replacement cycle for vinyl fencing will be 20 years (9,037.00/yr) as wood fencing is replaced with vinyl. Replacement funds are being set-aside each year, improvement projects to implement the trail fence replacement will commence after adequate funds have been accumulated to initiate work. It is anticipated a trail fence replacement project will occur every 3-5 years.

The total annual levy of assessments hereunder may be increased annually by an amount not to exceed the increase in the consumer price index applicable to the City of Norco. In no case may the increase exceed the actual cost of providing the services rendered within and pursuant to the District.

PART C

ASSESSMENT DIAGRAM

An Assessment Diagram for the Assessment District is on file in the office of the City Clerk. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions shown on the maps of the Assessor of the County of Riverside, for the year when this Report was prepared, and are incorporated by reference herein and made a part of this Report. A reduced scale map depicting the assessment diagram is attached hereto. Also attached as Exhibit "A" is the Legal Description of Assessment District.

EXHIBIT A

**LEGAL DESCRIPTION
LANDSCAPE MAINTENANCE DISTRICT NO. 3 (CENTEX – TRACT 28626)**

That certain real property situated in the City of Norco, County of Riverside, State of California, more particularly described as follows:

Lots 1 through 82 inclusive, of Tract No. 28626 in the City of Norco, County of Riverside, State of California, as per map recorded in Book 295, Pages 46 through 53, inclusive, of Maps in the Office of the County Recorder of Said County.



NOTES:
1. SEE TRACT 28626
2. SEE TRACT 28626
3. SEE TRACT 28626

CENTEX HOMES
TRACT 28626



PART D

ASSESSMENT

WHEREAS, on April 18, 2001, the City Council of the City of Norco, California, pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2 (commencing with Section 22500) of Division 15 of the California Streets and Highways Code (the "Act") adopted its Resolution of the City Council of the City of Norco Initiating Proceedings for the Formation for a Maintenance Assessment District and thereafter formed Landscape Maintenance District No. 3 (Centex – Tract 28626) (the "District") as more particularly described in said proceedings; and

WHEREAS, said resolution directed the undersigned to prepare and file a report pursuant to Section 22565, et seq., of said Act;

WHEREAS, at this time, this City Council is desirous to provide for the annual levy of assessments for the territory within the District for the next ensuing fiscal year, to provide for the costs and expenses necessary for continual maintenance of improvements within said District; and

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under said Act and the order of the City Council of said City, hereby makes the following assessment to cover the portion of the estimated cost of the maintenance of said improvements and the costs and expenses incidental thereto to be paid by said District.

The amount to be paid for the maintenance of said improvement, and the expenses incidental thereto, are as follows:

	(1) As Filed	(2) As Preliminarily Approved	(3) As Finally Approved
Cost of Maintenance	\$ 83,885.00	\$	\$
Incidental Expenses	\$ 27,120.00	\$	\$
Operating Contingency/Reserve	\$ 2,056.00	\$	\$
Trail Fence CIP Fund	\$ 9,037.00	\$	\$
Prop 218 Hearing	\$ 0.00	\$	\$
Total Cost	\$ 122,098.00	\$	\$
Estimated Budget Deficit			
Fiscal Year 2024-2025	\$ (0.00)	\$	\$
NET TO BE ASSESSED FOR FISCAL YEAR 2024-2025	\$ 122,098.00	\$	\$

The total annual levy of assessments hereunder may be increased annually by an amount not to exceed the increase in the consumer price index applicable to the City of Norco. In no case may the increase exceed the actual cost of providing the services rendered within and pursuant to the District. For fiscal year 2024-25, an increased assessment of 19% has been proposed. The increase exceeds the likely CPI ending March 31, 2024 and thus a protest hearing process conforming to the applicable provisions of Government Code Section 53753 was undertaken to ballot the owners of the property.

The noticed protest hearing occurred on November 15, 2023. At the conclusion of the protest hearing, City Council determined that a majority protest does not exist. The proposed increase established the maximum per parcel assessment from \$1,252.00 to \$1,489.00. The maximum per parcel assessment of \$1,489.00 will be levied. The total District wide levy will be \$122,098.00.

The 1972 Act requires that a special fund be set up for the revenues and expenditures of the District. Funds raised by assessment shall be used only for the purposes as stated herein. A contribution to the District by the City may be made to reduce assessments, as the City Council deems appropriate. Any balance remaining on July 1 must be carried over to the next fiscal year. The estimated fund balance for fiscal year ending June 30, 2025 is a deficit of \$16,538.00.

As required by said Act, a diagram is hereto attached showing the exterior boundaries of said District. The lines and dimensions of each lot or parcel of land within the said District as the same existed at the time of the passage of said resolution are as shown on the maps of the County Assessor of the County of Riverside. Reference is hereby made to said maps and said maps shall govern for all details concerning the lines and dimensions of such lots and parcels.

I do hereby assess the net amount to be assessed upon all assessable lots or parcels of land within said District by apportioning that amount among the several lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the maintenance of said improvements, and more particularly set forth in the list hereto attached and by reference made a part hereof.

Said assessment is made upon the several lots or parcels of land within the District in proportion to the estimated benefits to be received by said lots or parcels, respectively, from the maintenance of said improvements. The diagram and the assessor's map are the documents to which reference is hereby made for a more particular description of said property.

Each lot or parcel of land assessed is described in the assessment list by reference to its parcel number as shown on the Assessor's Maps of the County of Riverside for the Fiscal Year 2024-2025 and includes all of such parcel. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of said County.

City of Norco

Dated: _____, 2023

Cody A. Howing, P.E.
Assessment Engineer

EXHIBIT B

METHOD AND FORMULA OF ASSESSMENT SPREAD

The law requires and the statutes provide that assessments, as levied pursuant to the provisions of the "Landscaping and Lighting Act of 1972," must be based on the benefit that the properties receive from the works of improvement. The statute does not specify the method or formula that should be used in any special assessment district proceedings. The Assessment Engineer is appointed for the purpose of making an analysis of the facts and determining the correct apportionment of the assessment obligation. For these proceedings, the City has based its determination on standard assessment practices utilized by consulting civil engineers with a background of experience in the design of such works of improvement and experience in the completion of assessment district formation projects.

IDENTIFYING THE BENEFIT

First of all, it is necessary to identify the benefit that the public improvement will render to the properties within the Assessment District. The landscaping, irrigation, and equestrian trails have been designed and will be constructed for the benefit of enhanced aesthetics and neighborhood identity for all properties within the Assessment District.

APPORTIONMENT OF COSTS

In further making the analysis, it is necessary that the property owners receive a special and direct benefit distinguished from that of the general public. In this case, several factors are being used in the final method and spread and assessment.

The individual parcels of land within the Assessment District are currently developed or have the potential for development to single family residential units. The proposed improvements are designed to enhance the appearance and appeal of the District and all of the parcels within. The improvements will provide a sense of neighborhood identity for the District. As such, each parcel will benefit equally from the proposed improvements.

In conclusion, it is my opinion that the assessments for the referenced Assessment District have been spread in direct accordance with the benefits that each parcel receives from the works of improvements.

**LIST OF ASSESSMENTS
LANDSCAPE MAINTENANCE DISTRICT NO. 3 (CENTEX – TRACT 28626)
FISCAL YEAR 2024-2025**

<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>	<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>
1	\$1,489.00		45	\$1,489.00	
2	\$1,489.00		46	\$1,489.00	
3	\$1,489.00		47	\$1,489.00	
4	\$1,489.00		48	\$1,489.00	
5	\$1,489.00		49	\$1,489.00	
6	\$1,489.00		50	\$1,489.00	
7	\$1,489.00		51	\$1,489.00	
8	\$1,489.00		52	\$1,489.00	
9	\$1,489.00		53	\$1,489.00	
10	\$1,489.00		54	\$1,489.00	
11	\$1,489.00		55	\$1,489.00	
12	\$1,489.00		56	\$1,489.00	
13	\$1,489.00		57	\$1,489.00	
14	\$1,489.00		58	\$1,489.00	
15	\$1,489.00		59	\$1,489.00	
16	\$1,489.00		60	\$1,489.00	
17	\$1,489.00		61	\$1,489.00	
18	\$1,489.00		62	\$1,489.00	
19	\$1,489.00		63	\$1,489.00	
20	\$1,489.00		64	\$1,489.00	
21	\$1,489.00		65	\$1,489.00	
22	\$1,489.00		66	\$1,489.00	
23	\$1,489.00		67	\$1,489.00	
24	\$1,489.00		68	\$1,489.00	
25	\$1,489.00		69	\$1,489.00	
26	\$1,489.00		70	\$1,489.00	
27	\$1,489.00		71	\$1,489.00	
28	\$1,489.00		72	\$1,489.00	
29	\$1,489.00		73	\$1,489.00	
30	\$1,489.00		74	\$1,489.00	
31	\$1,489.00		75	\$1,489.00	
32	\$1,489.00		76	\$1,489.00	
33	\$1,489.00		77	\$1,489.00	
34	\$1,489.00		78	\$1,489.00	
35	\$1,489.00		79	\$1,489.00	
36	\$1,489.00		80	\$1,489.00	
37	\$1,489.00		81	\$1,489.00	
38	\$1,489.00		82	\$1,489.00	
39	\$1,489.00				
40	\$1,489.00				
41	\$1,489.00				
42	\$1,489.00				
43	\$1,489.00				
44	\$1,489.00				

**TOTAL PARCELS TO BE ASSESSED: 82
TOTAL TO BE ASSESSED: \$ 122,098.00**