



City of Del Mar

Utility Undergrounding Packet
February 2007

To: Residents Interested in Forming An Assessment District to Pay for the Undergrounding of Overhead Utilities

From: Lauraine Brekke-Esparza, City Manager

Over the last several years there has been considerable interest among Del Mar residents to underground overhead utility lines primarily to improve both aesthetics and/or views.

City staff has put together the attached packet to help guide you and your neighbors through this process. Our belief is that residents are better able to decide on the relative merits of undergrounding when they have all the information available to them from the beginning.

Generally there is a person in the neighborhood who initiates the process noted in the checklist as the Neighborhood Coordinator. If you are that person in your neighborhood, please read the checklist (Attachment A) carefully. We suggest you meet first with the Assistant City Manager, Joe Hoefgen, who will provide you with an overview of the process and answer any initial questions you might have. We strongly urge you to talk with all your neighbors to assess their interest in undergrounding before you meet with Mr. Hoefgen.

Whether the district formation moves forward depends in large part on making sure all those property owners to be included in the proposed district are fully informed and interested in participating. As you will see from the checklist, staff will meet with your group to go over the process and answer questions. Staff is here to assist and facilitate this detailed process.

Once you have decided to proceed with the petition phase, we will have the assessment engineer provide an estimate of the cost to property owners to consider prior to signing the petition.

Be advised, undergrounding is costly. Property owners will, at the conclusion of the assessment district formation process, have an opportunity to either pay their costs up front or to participate in a bonding issue in which the costs of the undergrounding to the property owner are placed on their property tax bills with payments made over a number of years rather than in a lump sum. However, the cost of connecting the utilities from the street to each home is the responsibility of the property owner and those costs may not be legally included in the bond issue.

There is a lot of detail so expect the total process, including construction, to take about two years, depending on SDG&E's construction schedule.

The following are phone numbers of individuals who will be able to answer your questions regarding the various phases of the process. You may wish to talk with some of us before you begin discussions with your neighbors.

General Information:

Assistant City Manager, Joe Hoefgen 858-755-9313

Landscape, Right of Way Issues:

Planning Director, Linda Niles 858-755-9313

Financing/Bonds:

Finance Director, Kim Krause 858-755-9354

Street /Trench Repair:

Public Works Director, David Scherer 858-755-3294

Assessments, Engineering Issues:

Principal Engineer, Ernesto Aguilar 760-753-1120

Utility Issues:

SDG&E Representative, Maricela Leon 858-654-8339

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ATTACHMENT A

Assessment District Formation Checklist

CITY OF DEL MAR
ASSESSMENT DISTRICT PROCESS FOR UNDERGROUND UTILITY DISTRICTS
February 2, 2007

City of Del Mar Process for Formation of Assessment District For Undergrounding		
Responsible Party	Action	Timing
1. Neighborhood Coordinator	Meet with Assistant City Manager regarding the steps in the process to form an assessment district. Discuss alternative of trench repair versus more significant street repairs.	
2. Neighborhood Coordinator	Meet with neighbors to assess interest in forming an assessment district. Remember, you must have a petition signed by 66.67% of the property owners in the proposed district who wish to go forward with the formation process. Create a steering committee representing a geographic cross section of the proposed undergrounding district.	
3. Neighborhood Coordinator	Set up meeting with all property owners in proposed district. Invite City staff and representatives from SDG&E, AT&T & Time Warner as well as City Engineer to present information & answer questions about district formation.	
4. Neighborhood Coordinator	Submits proposed boundaries of the district to City Engineering Dept.	
A. Petition Phase		
5. Engineering	In conjunction with Proponents and Utility Companies, determines proposed district boundaries, required improvements and conceptual cost estimate.	2 - 3 months

**CITY OF DEL MAR
ASSESSMENT DISTRICT PROCESS FOR UNDERGROUND UTILITY DISTRICTS**

Responsibility	Action	Timing
6. Bond Counsel Neighborhood Coordinator	Using the above information, prepare the petition. Draft reimbursement agreement between City and proponent to govern deposited funds. Prepare a list of names and addresses of all property owners within proposed boundaries	1 -2 months
7. Finance Dept	Sets up appropriate accounting structure to track the deposit and expenditures.	
8. Neighborhood Coordinator	Obtains property owner signatures representing 66.67% or more of the land area subject to assessment. Submits completed petition to City. <u>Residents within proposed boundaries of District submit required Deposit of 50% of the total estimated project cost, as determined by the Assistant City Manager, including the phases of design, engineering, assessment engineering, bid preparation and other costs to advance the project to a vote of property owners.</u>	2 - 3 months
9. Finance Dept / City Manager's Dept.	Prepare staff report requesting Council appropriation of funds for work on district formation.	
10. Finance, City Clerk, Bond Counsel	Deposit advanced funds and verify validity of petition signatures. Draft reimbursement agreement.	1 month
11. Assistant City Manager	Pay SDG&E for cost of preparing construction drawings.	

**CITY OF DEL MAR
ASSESSMENT DISTRICT PROCESS FOR UNDERGROUND UTILITY DISTRICTS**

Responsibility	Action	Timing
	B. Initiation of the District	
12. Bond Counsel	Review petition and prepare draft Resolutions initiating proceedings to consider formation of the District for Council approval.	1 month
13. Assistant City Manager Bond Counsel Engineering Dept	Finalize resolutions for Council in order to accept the initial deposit, approve the reimbursement agreement, accept the petition, approve the boundary map, declare intention to form District, and order the preparation of an Engineer's Report.	1 month
14. City Council	Approve above resolutions.	
	C. Project Design and Bidding	
15. Engineering Utility Companies	Coordinate with utility companies to finalize project design and construction plans.	3 - 5 months
16. Engineering	Prepare bid packet in order to solicit competitive construction bids.	2-3 months
17. Utilities	Complete private work orders.	2-3 months
	D. Assessment Report	
18. Engineering	Prepare Assessment Engineer's Report. The Engineer's Report includes a map of the assessment district boundaries, a description of the improvements, an estimate of the total costs of the improvements, the methodology by which the special benefit is determined and the assessments are to be spread and the amount to be assessed upon each parcel.	3 - 5 months

**CITY OF DEL MAR
ASSESSMENT DISTRICT PROCESS FOR UNDERGROUND UTILITY DISTRICTS**

Responsibility	Action	Timing
	E. Assessment Proceedings	
19. City Staff Bond Counsel	Prepare documents and resolution for Council to approve the Engineer's Report and set the time, date and location of the public hearing.	1 month
20. City Council	Approve above resolution.	
21. Engineering	Prepare and mail notice of Public Hearing and assessment ballots. The notice will contain the estimated total assessment amount chargeable to the district, the amount chargeable to the record owner's parcel, the basis for the assessment, information regarding the public hearing, and a summary of the procedures for the completion, return, and tabulation of the assessment ballots.	1-2 months
	F. Public Hearing	
22. City Manager's Dept. Bond Counsel	Prepare staff report and resolution for Council to conduct the public hearing.	1 month
23. City Council, City Clerk	Conduct public hearing: Council considers objections, if any, to the proposed assessment. Following closure of the public hearing, the City Clerk tabulates ballots and reports results to the City Council. Only those assessment ballots received will be counted. Assessment ballots are weighted on the basis of the dollar amount assessed to each parcel for which the assessment ballot is submitted. If a majority of the weighted assessment ballots returned oppose the proposed assessment, the City Council may not levy the assessments. If a majority of the	not sooner than 45 days from mailed notice

**CITY OF DEL MAR
ASSESSMENT DISTRICT PROCESS FOR UNDERGROUND UTILITY DISTRICTS**

Responsibility	Action	Timing
	weighted assessment ballots returned are in favor, the City Council, in its discretion, may adopt a resolution declaring the results of the tabulation of the assessment ballots, approving the Engineer's Report, authorizing the proposed improvements described in the report, confirming the assessments, and directing the City Manager to file an assessment diagram and notice of assessment with the County Recorder's Office.	
24. Engineering, City Clerk	Records Notice of Assessments with the County Recorder's Office. Mail Statement of Assessments to property owners Cause Statement of Assessments to be published	
25. Finance, Property Owners	Property owners have option to pay all or portion of assessment during cash collection period. Following closure of cash collection period, preparation of list of paid and unpaid assessments	30 days
26. Utilities, Assistant City Manager	City to provide utility service orders to property owners. Property owners advised to hire licensed contractors. City to designate an ombudsman to help property owners with this requirement.	1 month
	G. Bond Issue	
27. Finance	Work with bond counsel and, as needed, financial advisor, depending on the size of the bond issue, to issue bonds to cover all the costs of formation of the district including assessment engineer, staff, attorney, and construction of the project for those property owners who chose not	3 - 5 months (process commences upon adoption of resolution)

**CITY OF DEL MAR
ASSESSMENT DISTRICT PROCESS FOR UNDERGROUND UTILITY DISTRICTS**

Responsibility	Action	Timing
	to pay their assessment in total.	of intention and is completed approximately 4-6 weeks after end of cash collection period.)
	H. Annual Assessment Installments	
28. Finance	Place annual assessment installment on County Property Tax bills.	Not later than August 10
29. Finance	Post assessment collections to appropriate City fund. Pay debt service on bonds	Dec/Apr March 2 and September 2
30. Finance	When bonds issued, reimburse district proponents for advanced funds. Reimburse City for staff time used.	
	I. Project Construction	
31. Engineering	City of mark out location of transformers in advance of construction.	
32. Engineering	Coordinate project construction	6-12 months

ATTACHMENT B

Petition

Honorable Mayor and Members of the City Council
City of Del Mar
1050 Camino del Mar
Del Mar, CA 92014

Re: Petition Requesting the Initiation of Proceedings to Consider the Formation of an Assessment District to Finance the Costs of Undergrounding Existing Overhead Utilities

Mayor and Members of the City Council:

We are the owners (the "Owners") of the properties located in the City of Del Mar (the "City") which are identified adjacent to our signatures below and are also shown on the map attached to this Petition as Attachment A hereto.

The Owners respectfully petition the City Council of the City (the "City Council") to initiate proceedings pursuant to the Municipal Improvement Act of 1913 (Streets and Highways Code Section 10000 and following) to consider the formation of an assessment district for the purpose of financing the costs of undergrounding certain existing overhead utilities. The existing overhead utilities proposed to be undergrounded are shown on Attachment A. The properties proposed to be included within the boundaries of assessment district are also shown on Attachment A.

We understand that if an assessment district is formed as we have petitioned the following costs will be assessed against those properties that will receive special benefit from the undergrounding of the utilities:

1. The costs of the design, engineering, plan checking and all other incidental costs related to the preparation of the plans and specifications for the undergrounding;
2. The costs of the acquisition of additional right-of-way, if any, necessary for the location of the underground utilities and any related above ground facilities such as pedestals;
3. The costs of the removal of the overhead utilities and the installation of the underground utilities; and
4. The costs of forming the assessment district and the financing costs related to the issuance of bonds to finance all of the above costs.

In addition the annual costs of administering the assessment district and the bonds issued for the assessment district will be separately assessed against those properties that will receive a special benefit from the undergrounding of the utilities.

The Owners understand that those costs of converting our private property so that we can connect our residences to the underground utilities may not be financed through the assessment district.

We further understand that if the City Council elects to initiate the proceedings to consider the formation of an assessment district as we have petitioned:

1. The record owners of the properties proposed to be assessed will receive notice of a public hearing to be held by the City Council. At such public hearing any interested person may present written or oral testimony and the City Council will consider all objections or protests to the proposed assessment.

2. The record owners of the properties proposed to be assessed will also receive an assessment ballot by which such record owners may express their support for or opposition to the proposed assessment.

3. All assessment ballots received by the City prior to the conclusion of the public hearing will be tabulated following the conclusion of such public hearing. The City Council shall have the authority to form the assessment district and levy the proposed assessments only if the assessment ballots submitted in favor of the levy of the proposed assessments exceed the assessment ballots submitted in opposition to such levy. In tabulating the assessment ballots, the assessment ballot for each parcel is weighted by the amount of the assessment proposed to be levied on such parcel.

In submitting this petition we are not waiving our right: (a) to testify orally or in writing at the public hearing described above, (b) to object to or protest the levy of the assessments if we do not agree with the amount of the assessment proposed to be levied on our property or (c) to submit an assessment ballot in opposition to the levy of the proposed assessment on our property if we do not agree with the amount of such proposed assessment.

This petition is respectfully submitted by:

Name of Property Owner(s)	Street Address or Assessor's Parcel No.
Telephone Number	Email Contact
Date	Signature of Property Owner(s)

Office Use Only	
Check No.	
Date Rec'd	

ATTACHMENT C

Reimbursement Agreement

ASSESSMENT DISTRICT REIMBURSEMENT AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____, 20__, by and between the CITY OF DEL MAR, a municipal corporation (the "City"), and the property owners listed on Exhibit A hereto which is incorporated herein by this reference (the "Owners").

RECITALS

A. The Owners have asked the City to initiate proceedings under the provisions of the "Municipal Improvement Act of 1913", being Division 12 of the Streets and Highways Code of the State of California, to form an assessment district (the "Assessment District") to finance the undergrounding of certain existing overhead public utilities, together with appurtenances and appurtenant work, to serve and specially benefit properties within the boundaries of the Assessment District.

B. The City is willing to initiate the proceedings to consider the formation of the Assessment District if the Owners agree to advance funds to the City for the payment of all initial consulting and administration costs and expenses related to the proceedings to consider the formation of the Assessment District and to subsequently authorize, issue and sell bonds for the Assessment District (the "Proceedings"). Such monies shall be subject to reimbursement or credit pursuant to the provisions of this Agreement upon the successful sale of bonds for the Assessment District and the receipt by the City of the proceeds of such bonds.

C. The Owners have agreed to advance such funds and the City and the Owners, therefore, desire to enter into an Agreement to provide for the advance of monies and reimbursement or credit for monies so advanced.

AGREEMENT

The parties hereto, for mutual consideration, agree as follows:

SECTION 1. Advances. The Owners shall advance monies to the City in such amounts and at such times as specified below to pay all costs and expenses incurred by the City in undertaking the Proceedings, including without limitation, the following:

- A. Assessment Engineering services;
- B. City Engineering including SDG&E deposit; and
- C. City Attorney

All such costs and expenses are collectively referred to as the "Formation and Issuance Costs."

Advances shall be made to the City pursuant to the following schedule:

- A. Owners have advanced \$ _____ to the City, receipt of which is hereby acknowledged by the City.
- B. The City of Del Mar will initially assume responsibility for staff costs and other formation costs not otherwise included in the required deposit as noted above. Should the City Council successfully form the Assessment District, formation costs not covered by the deposit shall be reimbursed to the City through the property assessments.

SECTION 2. Records. The City agrees to keep records consistent with its regular accounting practices of the amount of monies advanced and the expenditure of such monies. Additionally, the City shall enter into and maintain contracts with all consultants that shall specify the scope of services and compensation to be paid to all such consultants. Such records and contracts shall be available for review by the Owners during normal business hours upon reasonable notice to the City.

SECTION 3. Reimbursement. If the Assessment District is formed, the Owners may elect among the following options for the reimbursement of monies advanced pursuant to this Agreement:

- A. All monies advanced shall be reimbursed in cash solely from bond proceeds;
- B. All monies advanced shall be applied as a credit upon the assessments levied against properties owned by the Owners as directed by the Owners;
- C. A combination of the above.

If the Proceedings to form the Assessment District are not completed and are abandoned for any reason at any time prior to the successful sale of bonds or the City is unable for any reason to issue or sell the bonds, there will be no obligation on the part of the City to reimburse the Owners for any monies previously advanced pursuant to this Agreement; provided, however, the City does agree to return to the Owners any monies previously advanced which remain on deposit with the City and which the City determines are in excess of the amount necessary to pay for any outstanding Formation and Issuance Costs previously incurred by the City.

SECTION 4. Ownership of Documents. All plans, specifications, reports and other documentation as prepared as a part of the Proceedings shall become the property of the City, regardless as to whether the Assessment District is actually formed.

SECTION 5. No Obligation to Form Assessment District. The Owners acknowledge that the decision of the City Council to form the Assessment District is an exercise of the legislative authority of the City Council and that the City may not enter into a contract to obligate the City Council to exercise its legislative discretion in a particular manner. This Agreement does not, therefore, in any way create a contractual, legal or equitable obligation of or commitment by the City to approve the formation of the Assessment District. The City expressly reserves the right to abandon the Proceedings for any reason at any time prior to the completion

thereof. Should the Owners desire to abandon the Proceedings, the Owners shall provide written notification of such desire to the City and request the City to immediately terminate all consulting agreements and use all efforts to minimize any and all Formation and Issuance Costs.

SECTION 6. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

SECTION 7. Singular and Plural; Gender. Whenever used herein, the singular number shall include the plural, the plural number shall include the singular, and the masculine feminine or neuter gender shall include the others whenever the context of the Agreement so indicates.

SECTION 8. Entire Agreement. This Agreement contains the entire Agreement between the parties hereto with respect to the subject matter hereof. This Agreement may not be altered, modified or amended except by an instrument in writing executed by all of the parties.

SECTION 9. Governing Law. This Agreement has been executed in and shall be governed by the laws of the State of California.

SECTION 10. Construction. This Agreement shall be construed as a whole and in accordance with its fair meaning. Captions and organizations are for convenience and shall not be used in construing meaning.

SECTION 11. Severability. If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable the remainder of the provision thereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

SECTION 12. Notices. All notices and demands shall be given in writing by personal delivery or first-class mail, postage prepaid. Notices shall be addressed as appears below for the respective party; provided that, if any party gives notice of a change of name or address, notices to the giver of that notice shall thereafter be given as demanded in that notice. Notices shall be deemed received seventy-two (72) hours after deposit in the United States mail.

CITY: CITY OF DEL MAR
1050 Camino Del Mar
Del Mar, CA 92014
Attention: Director of Finance

OWNERS:

To the Owners at their addresses as they appear in Exhibit A hereto.

SECTION 13. Waiver. The waiver by one party of the performance of any covenant, condition or promise shall not invalidate this Agreement, nor shall it be considered a waiver by

him of any other covenant, condition or promise. The waiver by either or both parties of the time for performing any act shall not constitute a waiver of the time for performing any other act or an identical act required to be performed at a later time. The exercise of any remedy provided in this Agreement shall not be a waiver of any consistent remedy provided by law, and any provision of this Agreement for any remedy shall not exclude other consistent remedies unless they are expressly excluded.

SECTION 14. Amendment. No provision of this Agreement may be modified, waived, amended or added to except by a writing signed by the party against which the enforcement of such modification, waiver, amendment or addition is or may be sought.

[End of page - next page is signature page]

Signature Page
to
Assessment District Reimbursement Agreement
between
the City of Del Mar
and
the Owners

IN WITNESS WHEREOF, the City and the Owners have executed this Agreement thereby indicating that they have read and understood same, and indicate their full and complete consent to its terms.

CITY OF DEL MAR

Director of Finance

OWNERS

Exhibit A

Owners

Name of Owner	Address of Owner

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ATTACHMENT D

Assessment Methodology

CITY OF DEL MAR

Guideline for Determination of Special Benefits and Cost Assessments to Properties Resulting from the Undergrounding of Utilities

In general, the City of Del Mar will utilize the following guidelines to determine the special benefits and cost assessments to properties resulting from the undergrounding of overhead utilities. It should be remembered, that site specific conditions will be considered for each assessment district. As a result, the special benefits and corresponding assessment methodology may vary somewhat between various assessment districts.

Description of Special Benefits

Applicable law requires that the assessment of the costs of the construction or installation of improvements must be based on the special benefit that the properties receive from those improvements. In general, there are two special benefits that properties will receive from the undergrounding of utilities. These special benefits can be separated into two categories: Undergrounding Utility Service Special Benefits and Aesthetic Views Special Benefits.

Undergrounding Utility Service Special Benefits

The Undergrounding Utility Service Special Benefit is a special benefit that is received equally and uniformly by all properties within the assessment district. This special benefit results from the conversion of utility service from overhead service to new underground service by the under-grounding of overhead wires in public road right-of-ways. This special benefit accrues to each property within the assessment district and includes both improved safety and improvement of the overall aesthetics within the assessment district. The removal of utility poles along the road right-of-way will produce greater safety for vehicles traveling within the assessment district, as there are no poles for vehicles to collide with. The removal of overhead utility wires and poles in public right-of-ways also removes visual impediments thus enhancing the district's aesthetics. This special benefit also includes the upgraded utility service that the properties will receive from the installation of new and upgraded utility lines and equipment that replaces the existing overhead lines and equipment.

Aesthetic Views Special Benefits

The Aesthetic Views Special Benefit is a special benefit that directly benefits each property in the assessment district, but to varying degrees. Removal of overhead wires and poles from the front, rear and sides of a property directly improves the aesthetic views from that property's vantage point. This special benefit will vary from property to property based on the length of property frontage which is directly benefiting from under-grounding of existing overhead utilities. This

special benefit will also vary from property to property depending upon the physical location and length of the existing overhead wires and poles in relation to each property. Properties with greater lengths of utility abutment will benefit to a greater degree than properties with less abutment length. Properties, which do not directly front on overhead utilities, will not receive any Aesthetic Views Special Benefit.

Undergrounding of overhead wires benefit each property differently when it comes to impacts on ocean views. All property frontages receive a varying degree of special benefit. Three categories of views special benefit have been identified. Each view category is assigned a numerical “view unit.”

A property is considered to have an ocean view primarily based upon the topographic lay of the land relative to the ocean. The orientation or elevation of any existing structures, window locations, presence of trees and vegetation, etc. will not typically be considered in determining the view category which will be assigned to a property. Assessments for each parcel is based on parameters associated with the parcel and not the structures that may currently occupy a given parcel. This allows the property to be modified without affecting the benefit assessment.

Direct Ocean View

Those property frontages where overhead wires directly obstruct an ocean view. These frontages will be assessed a unit of 2.00.

Partial Ocean View

Those property frontages where overhead wires indirectly or diagonally obstruct an ocean view. These frontages will be assessed a unit of 1.50.

No Ocean View

Those property frontages with no ocean views. These frontages will be assessed a unit of 1.00.

Description of Cost Assessment Methodology

The total project cost is assessed to each property based upon the Special Benefits received by each property. A portion of the total project cost is apportioned to each of the two types of special benefits. The total cost assessment to each property is the sum of the cost attributed to each of the two types of special benefits

Apportionment of Project Cost Between the Two Types of Special Benefit

The total project cost is apportioned to each of the two types of special benefits based on the ratio of the frontage length of each type of special benefit. The frontage length of Underground Utility Service Special Benefit equals the total

length of benefiting property frontages located within the public road right-of-way. The frontage length of Aesthetic Views Special Benefit equals the total length of property frontages with direct benefit from the removal of overhead utilities. The following example illustrates the apportionment method.

A= Underground Utility Service Special Benefit Footage	= 1,600 feet
B= Aesthetic Views Special Benefit Footage	= <u>2,200 feet</u>
C= Total Special Benefit Footage	= 3,800 feet

Undergrounding Utility Service Special Benefits represent 42% (A divided by C) of the total special benefit footage. Therefore, 42% of all undergrounding costs will be applied to the Undergrounding Utility Service Special Benefit and will be equally apportioned to each property within the assessment district.

Aesthetic Views Special Benefits represent 58% (B divided by C) of the total special benefit footage. Therefore, 58% of all undergrounding costs will be apportioned to Aesthetic Views Special Benefits and assessed to each property based upon its prorata share of benefiting property frontage.

Assessment of Cost to Individual Properties

The total cost to be assessed to each property is the sum of the costs associated with the Underground Utility Service Special Benefit plus the cost attributed to the Aesthetic Views Special Benefit.

Undergrounding Utility Service Special Benefit and costs are equally apportioned to all properties. Each property pays an amount equal to the total cost attributed to Undergrounding Utility Service Special Benefits divided by the total number of benefiting properties within the district.

Aesthetic Views Special Benefits are apportioned to each benefiting property based on the linear quantities of benefiting frontage multiplied by a view unit. The view unit is dependent on the view category that the frontage falls in. Costs will be assessed to fronting properties based on the length of directly benefiting frontage, including, front, side, rear and crossing frontage. Properties which abut existing overhead utilities will be assessed based upon the length of abutting property frontage, including properties which are located on both sides of a public street or easement, regardless of which side of the street the utilities are located. Each property will be assessed a portion of the total cost of the Aesthetic Views Special Benefit based on its weighted prorata share of the total length of benefiting frontage after assignment of the view unit.

ATTACHMENT E

Street Restoration

ORDINANCE NO. 746

AN ORDINANCE OF THE CITY OF DEL MAR, CALIFORNIA, AMENDING DEL MAR MUNICIPAL CODE SECTION 23.28.050 OF CHAPTER 23.28 TO ADD SUBSECTION G TO PROVIDE FOR THE PROHIBITION OF UNNECESSARY TRENCH CUTS AND FOR THE REPAIR OF STREET SURFACES.

WHEREAS, the City of Del Mar is concerned with an increase of the number of trenches cut in City streets for the installation of underground utilities, cable and fiber-optic facilities, pipeline or water facilities or other work performed in the city's rights of way; and

WHEREAS, frequent trench cuts and road work causes poor quality roads, traffic delays, construction noise, and blocks access to residences and businesses; and

WHEREAS, the City Council of the City of Del Mar seeks to adopt policies and regulations to limit roadwork and to preserve the City streets.

NOW, THEREFORE, the City Council of the City of Del Mar, California, does ordain as follows:

SECTION ONE:

That Section 23.28.050 of Chapter 23.28 of the Municipal Code is amended to add subsection G, to read as follows:

G. 1. No trench shall be opened in any street for the purpose of laying pipes, conduits or ducts except when the prior written consent of the Director of Public Works has been obtained.

2. All excavations shall comply with the policies, standards and requirements established from time to time by the Director of Public Works for compaction, backfill and pavement restoration. The policies, standards and requirements may impose different requirements for different excavations, taking into consideration relevant factors such as: (I) the location, type and extent of excavation performed, (II) the condition of the surface being excavated, and (III) the period of time elapsed since the construction or most recent resurfacing of the surface being excavated.

3. If any part of the work performed under the encroachment permit is not completed within the time required, the Director of Public Works may notify in writing the person performing the work to complete the work within forty-eight (48) hours thereafter, legal holidays excepted. If the work is not

completed within this time period, the Director of Public Works shall have full power to perform the work, including such work as will restore the work area to a safe and passable condition until the work can be completed. The cost thereof, including any inspection costs and administrative overhead incurred by City, shall be assessed against the permittee.

SECTION TWO:

This ordinance was introduced on April 15, 2002.

SECTION THREE:

Section One of this ordinance shall become effective thirty days following its passage and adoption.

SECTION FOUR:

The City Clerk is directed to prepare and have published a summary of this ordinance no less than five days prior to the consideration of its adoption and again within 15 days following adoption indicating votes cast.

PASSED AND ADOPTED this 6th day of May, 2002, by the following vote, to wit:

AYES: Councilmembers Abarbanel, Crawford, Druker, Earnest;
Mayor Whitehead

NAYS: None

ABSTAIN: None

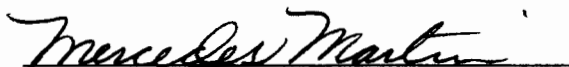
ABSENT: None



Mark Whitehead, Mayor of the City of
Del Mar, California

ATTESTATION AND CERTIFICATE:

I hereby certify that this is a true and correct copy of Ordinance No. 746, which has been published pursuant to law.



Mercedes Martin, City Clerk
City of Del Mar, California

**SUBJECT: POLICY FOR PROHIBITION OR REPAIR OF TRENCH CUTS
IN NEW STREET SURFACES**

PURPOSE:

To establish a policy for coordinating underground trenching and resurfacing projects within the City of Del Mar to avoid pavement cuts within two years after street pavement treatment. The intent of this Policy is to minimize excavation into new street surface to the maximum extent possible.

BACKGROUND:

Scheduling and coordination of City of Del Mar's street work with undergrounding projects of utility companies and districts (Utilities), their subcontractors, cable operators, or private developers has not been sufficient to avoid roadway pavement cuts soon after roads are resurfaced. In addition, cracking, sinking, and other damages caused by street cutting and patching reduces road surface life and increases road maintenance costs.

SCOPE:

This Policy shall apply to all parties performing excavation within road rights-of-way maintained by the City.

POLICY:

Pavement cuts in all new, reconstructed, or resurfaced City-maintained streets shall be prohibited for two years following street pavement treatment. (Treatment will be based upon the last project completed and accepted by the City of Del Mar.) "Pavement Treatment" shall be defined as asphalt concrete surfacing or slurry seals. Prohibition shall include, but not be limited to, excavation for system installations, replacements, and upgrading or planned maintenance for all utilities, cable operators, subcontractors, or private developers.

In the case of regulatory preemption or contractual requirements which may obligate the City to permit pavement cuts not otherwise permitted by this policy, the City

maintains the right to require that pavement repair standards be met or exceeded such that the street surface is protected.

If the City concurs with a request from an agency/private entity for cutting pavement on a City-maintained street, the encroachment permit may condition that repairs shall be made in accordance with the City's encroachment permit ordinance for street restoration.

CITY RESPONSIBILITIES AND PROCEDURES:

This policy requires coordination and cooperation of the City Engineer, Finance Department, Planning Department and the Public Works Department. Staff in each section shall carry out their enumerated responsibilities to ensure objectives of this Policy are achieved. Staff shall forward information regarding projects affected by this policy to other staff when appropriate through project scoping and public meetings. The City Engineer shall notify the utilities in writing of pending street construction and/or resurfacing projects. The Planning Department will issue encroachment permits for street cuts in accordance with existing policies and the City's revised Encroachment Permit Ordinance.

STREET RESTORATION:

All utility trenches installed in a public street must be constructed and repaired using the appropriate methods described in the most current San Diego Regional Standards. Currently those are shown on sheets: G-24, G-25, G-33, G-34, and G-35.

General Requirements for Construction:

All permanent pavement restoration shall be complete within 30 days including pavement markings. Damage to traffic signal loops shall be repaired immediately. All utility location markings (USA-1 call) installed will be removed by blacking out with paint on asphalt surfaces or removed with steam or water pressure on decorative or concrete surface. The Contractor is required to capture and dispose of wash water in the sanitary sewer and not allow water to enter the storm drain. Contractor must prepare needed wash out containment structures for the concrete trucks that furnish slurry or concrete to project. Concrete washout is not permitted to enter the storm drain system. Compliance with the City's Storm Water Ordinance is required.

A. Street Resurfaced with Asphalt Overlay or New Construction Within the Last Seven Years or the Street Has Been Slurry Sealed within the Last Five Years.

City engineer's specifications used for City Annual Street Resurfacing Project will apply (most recent Bid Documents). Construction shall include all traffic controls and restoration of all speed controls (bumps or humps) and all striping or signage disturbed. A licensed traffic engineer shall prepare traffic Control Plans for Coast Boulevard, Camino Del Mar, Jimmy Durante, Via De La Valle and Del Mar Heights (SDG&E and Pac Bell are exempt from this requirement). See Attachment "A", Street Resurfacing Record Drawing, for last year that City streets were resurfaced.

1. Condition: Asphalt overlay and trench length in street is more than 400 feet:

Contract must provide a new surface overlay of a minimum thickness of 1.5 inches and shall be the width of alley or street, if less than twenty feet in width. However for multi-lane streets, a bike lane, parking lane or delineated traffic lane that is affected by trench may be restored versus the entire roadway.

2. Condition: Slurry seal surface and trench length in street is more than 400 feet:

Contract must provide a new slurry seal surface for full width of street. However, for multi-lane streets, a bike lane, parking lane or delineated traffic lane that is affected by trench may be restored versus the entire roadway.

3. Condition: For projects with trench lengths less than 400 feet:

A contribution to City for future maintenance costs shall be included and may be used by the City for any project within City Limits. The amount of contribution shall be equal to the most recent unit costs on the most recent Annual Resurfacing Contract. The same width of repair as items 1 and 2 apply. Utility Companies will improve street rather than contribute funds as agreed upon on a project specific basis. Regulations prohibit their contributions for a fund for future use by municipality. Repair as outlined for major projects is an option available for other trench construction projects also.

Asphalt Overlay:

Bid Price for Asphalt Concrete Resurfacing (1-1/2") is computed in Tons using 140 lbs per cubic foot.

Bid Price for Asphalt Concrete Crack Repair is computed as length of trench times two expressed in linear feet.

Slurry Seal:

Bid Price for Slurry Seal per square foot.

Bid Price for Asphalt Concrete Crack Repair is computed as length of trench times two expressed in linear feet.

B. Street Resurfaced with Asphalt Overlay or New Construction Beyond Seven Year Time Period or the Street Has Been Slurry Sealed Beyond the Five Year Time Period.

City Engineer's specifications used for City Annual Street Resurfacing Project will apply (most recent Bid Documents). Construction shall include all traffic controls and restoration of all speed controls (bumps or humps) and all striping or signage disturbed. A licensed traffic engineer shall prepare traffic Control Plans for Coast Boulevard, Camino Del Mar, Jimmy Durante, Via De La Valle and Del Mar Heights. (SDG&E and Pac Bell are exempt from this requirement by regulation.) See Attachment "A", Street Resurfacing Record Drawing, for last year that City streets were resurfaced.

1. Condition: For projects with trench lengths more or less than 400 feet:

Trench repair required only with pre-approved width repair. See most recent bid documents for trench specifications.

ATTACHMENT F

Landscape Issues

SUBJECT: UNDERGROUND UTILITY POLICY REGARDING EXISTING PUBLIC/PRIVATE LANDSCAPE/HARDSCAPE IMPROVEMENTS

PURPOSE:

To establish a policy for ensuring that existing public/private landscape/hardscape improvements will be reconstructed by the associated Underground District to their existing configuration, where feasible, as part of the requirement of any utility undergrounding project within the City of Del Mar.

BACKGROUND:

Undergrounding projects will require considerable planning in order to be accomplished with the least amount of impact to public and private facilities. It is proposed that prior to implementation of the undergrounding project, a plan shall be submitted that clearly identifies the existing situation of landscape and hardscape improvements, including utility locations in the public right-of-way and the private property within the undergrounding project area for purposes of identifying the required restoration or replacement elements (as required by CEQA, Section 15302, Class 2, c, & d).

SCOPE:

This Policy shall apply to all utility undergrounding projects.

POLICY:

Existing landscape/hardscape improvements public/private shall be reconstructed to their existing configuration, where feasible, as part of the requirement of any utility undergrounding project within the City of Del Mar. A project neighborhood meeting shall be conducted, and/or each property owner shall be contacted individually if necessary, to review the anticipated public/private improvements that will be affected and that will be required to be restored to the condition existing prior to the undergrounding. This meeting shall also be used to identify and discuss all other impacts of the project within the undergrounding area that may be anticipated including the possible interruption of various utility services, the requirement for acquisition of new or modified easements, and duration and phasing of the overall project.

RESPONSIBILITIES AND PROCEDURES:

The utility undergrounding project manager will be required to coordinate the neighborhood meeting to include the property owners and residents in, and within 300' of the undergrounding area, and appropriate City and utility representatives. The following information will have been identified by the undergrounding area manager, and available for review in an understandable format, such as a site plan and photographs, for discussion.

1. Protected Trees – Protected trees that are anticipated to be affected by the undergrounding project shall be surveyed by the City arborist. The arborist shall report on the benefit of maintaining or removing/replacing the tree.
2. Other Trees, landscape and hardscape – Shall be surveyed and identified on a site plan for the purpose of restoring them to the condition existing prior to the commencement of the undergrounding, if feasible and if so desired by the subject property owner.
3. Other facilities (i.e., drainage facilities, irrigation, etc.) – Shall be surveyed and identified on a site plan for determination of appropriate action to ensure replacement and/or relocation as appropriate.
4. Utility boxes/facilities – Coordination with all utilities shall be required to determine impacts to existing utility facilities, and placement of new facilities (i.e., utility boxes, vaults, etc.). New facilities shall be reviewed and approved for determination of the appropriate placement and need for an encroachment permit by the City. Relocation of old facilities and placement of new facilities shall be identified on a site plan, as soon as the locations are available, for review at the original or a subsequent neighborhood meeting. DRB review and approval may be required for large facilities or walls.

ATTACHMENT G

Property Tax Postponement Program

Property Tax Postponement for Senior Citizens, Blind or Disabled Citizens

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PROGRAM DESCRIPTION

The Property Tax Postponement Program allows eligible homeowners to postpone payment of part or all of the property taxes on their residence. To participate in this program, the homeowner must complete the [claim form](#) and submit it to the State Controller's Office. A [claim form](#) must be filed each year the individual desires to have their property taxes postponed. If the claim is approved, Certificates of Eligibility are mailed to the homeowner. The homeowner must mail or take the certificates to the county tax collector's office to postpone the property taxes due.

To secure the postponed amount, the State Controller's Office records a lien against the property. Interest is charged on the postponed taxes on a simple interest basis. The postponed amount and interest are not due until: (1) the homeowner moves from the qualified property; (2) the homeowner sells or conveys title to the home; (3) the homeowner dies and does not have a spouse, or domestic partner, or other qualified individual who continues to reside in the home; or (4) future property taxes or other senior liens are allowed to become delinquent. The homeowner may pay all or part of the obligation before it becomes due.

You may qualify for additional assistance. The Homeowner Assistance Program is a separate program administered by the [Franchise Tax Board \(FTB\)](#). If you qualify, you may participate in both the Homeowner Assistance Program and the Property Tax Postponement Programs. The State Controller's Office encourages you to participate in the Homeowner's Assistance Program, because any assistance you receive is used to reduce the amount of the obligation secured by the property tax postponement lien.

To obtain a Homeowner Assistance claim form (FTB9000), contact FTB at (800) 868-4171. The filing period for the Homeowner Assistance Program is July 1, 2006 through October 15, 2006.

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- [Age, Blindness, or Disability](#)
- [Occupancy](#)
- [Income](#)
- [Equity](#)
- [Property Tax Bill](#)
- [Delinquent Taxes](#)

- [Mobilehome or Floating Home](#)
- [Cooperative Housing Corporation](#)
- [Leasehold \(Possessory\) Interest](#)
- [Life Estate](#)
- [Interest Rate on Postponed Taxes](#)
- [Homeowner Assistance Program](#)
- [Account Transfer to New Residence](#)
- [Subordination Provisions](#)
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Eligibility Requirements

To be eligible for property tax postponement, you must meet each of the following requirements.

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Age, Blindness, or Disability

You must be either 62 years of age or older as of December 31, 2006, or be blind or disabled at the time of application. All other recorded owners (except spouse, domestic partner, and direct-line relatives) must also meet this requirement. If you are disabled, your disability must be expected to last for a continuous period of at least 12 months.

Direct-line relatives are defined as (a) parents, children, or grandchildren of the claimant and/or the claimant's spouse, and (b) the spouses of the relatives named in (a).

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Occupancy

You must have owned and occupied the property as your principal place of residence as of December 31, 2005. All other recorded owners (except spouse, domestic partner, and direct-line relatives) must also meet this requirement.

You are still eligible for postponement if: (1) you are temporarily confined to a hospital or medical institution for medical reasons; (2) the property was the principal place of residence immediately prior to confinement; and (3) the residence is not rented.

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Income

Your **total** household income must not have exceeded \$24,000 for calendar year 2005. Household income means income by all persons who lived in your home during 2005, except minors, students, and renters.

EXCEPTION: If you applied and qualified for postponement for the 1983-84 tax year, your total household income must not have exceeded \$34,000 for calendar year 2005.

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Equity

You and any other owners must have a combined 20% equity interest in the home at the time of application. The application cannot be approved if the total amount of liens, deeds of trust, mortgages, or other encumbrances against the home exceeds 80% of its fair market value as determined by the State Controller.

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Property Tax Bill

You must submit a copy of your most recent secured property tax bill. Tax bills are mailed by the county tax collector on or before November 1 of each year.

EXCEPTION: If you are a tenant-stockholder in a cooperative housing corporation, you are not required to submit a copy of the property tax bill. See [Cooperative Housing Corporation](#) for more information.

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Delinquent Taxes

If you are 62 or older and owe delinquent taxes for prior years, you must pay the county tax collector for all taxes that became delinquent prior to your 62nd birthday. If you are blind or disabled and owe delinquent taxes for prior years, you must pay the county tax collector for all taxes that became delinquent prior to the time you became disabled or blind.

Prior-year delinquent taxes are not eligible for postponement if you own a mobilehome or floating home. All prior-year delinquent taxes must be paid at the time the Certificates of Eligibility are used to pay the current year's taxes.

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Mobilehome or Floating Home

A mobilehome or floating home must be on the secured property tax roll of the county in which it is situated. You must obtain the written consent of all registered and legal owners and all junior lien holders. Also, you must submit a copy of your certificate of title issued by the State Department of Housing and Community Development. As mentioned above, prior-year delinquent taxes are not eligible for postponement. If you own a mobilehome or floating home and meet the program eligibility requirements, the State Controller's Office will mail you a security agreement for your signature. After the State Controller's Office receives the signed security agreement, Certificates of Eligibility will be issued to you.

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Cooperative Housing Corporation

Tenant-stockholders own shares in a cooperative housing corporation, which entitles them to occupy for dwelling purposes a house or apartment in a building owned by the corporation. If you are a tenant-stockholder and meet the program eligibility requirements, the State Controller's Office will mail you a Notice of Election to Postpone and a Recognition Agreement. These forms must be completed and executed by you and an officer of the housing corporation. The forms must then be returned to the State Controller's Office, along with a statement signed by the officer of the housing corporation that indicates the amount of your proportionate share of the property taxes. Upon approval of the Notice of Election to Postpone, warrants will be issued to you in the amount you have elected to postpone.

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Leasehold (Possessory) Interest

A leasehold (possessory) interest property is land in California that an individual does not own but has the right to possess and occupy. If you have a leasehold interest, it must be for a period of no less than 45 years from the time you first filed for postponement. For example, if you are a first-time filer in 2005, your leasehold interest must extend to at least January 1, 2051. You must submit a copy of the recorded lease agreement and policy of title insurance. If you meet the eligibility requirements, the State Controller's Office will mail you a Notice of Election to Postpone. This form must be completed and executed along with: (a) an assignment of the remaining term of the leasehold interest; and (b) additional security in the form of a deed of trust. Fee owners and leasehold parties of interest are required to sign consent forms. Upon approval of the Notice of Election to Postpone, Certificates of Eligibility will be issued to you.

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Life Estate or Contract of Sale

A life estate entitles a person to a lifetime residence on real property owned by another person. A contract of sale is an agreement for the purchase of property in which the title remains in the seller's name until the completion of the contract. If your residence is based on a life estate or is under a contract of sale, you must have written consent to postpone property taxes. The consent must be given by the remainderman, i.e., the person(s) who will own the property when you die, or by the person(s) who hold title to the property under the contract of sale. All consent documents must accompany the postponement application when filed with the State Controller's Office. Upon approval of the postponement application, Certificates of Eligibility will be issued to you.

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Interest Rate on Postponed Taxes

Interest is computed monthly on postponed amounts on a simple interest basis (the annual interest rate divided by 12). Interest continues to accrue on the postponement account until all postponed taxes plus interest are repaid to the State. The interest rate is set in July of each year based on the annual yield the State's Pooled Money Investment Account and applies only to that particular year's postponed taxes.

The following table shows the annual interest rates since 1977-78.

<i>Fiscal Year</i>	<i>Rate</i>
1977-78 - 1983-84	7% per annum
1984-85 - 1986-87	10% per annum
1987-88 - 1988-89	7% per annum
1989-90 - 1991-92	9% per annum
1992-93	6% per annum
1993-94 - 2000-01	5% per annum
2001-02	6% per annum
2002-03 - 2003-04	3% per annum
2004-05 - 2005-06	2% per annum
2006-07	4% per annum

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Homeowner Assistance Program

The Homeowner Assistance Program is a separate program administered by the [Franchise Tax Board \(FTB\)](#). If you qualify, you may participate in both the Homeowner Assistance and the Property Tax Postponement programs. The Controller's Office encourages you to participate in the Homeowner's Assistance Program, because any assistance you receive is used to reduce the amount of the obligation secured by the property tax postponement lien.

To obtain a Homeowner Assistance claim form (FTB9000), contact FTB at (800) 852-5711 or (800) 868-4171. The filing period for the Homeowner Assistance Program is July 1, 2006, through October 15, 2006.

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Account Transfer to New Residence

If you pay your postponement account in full and purchase a new residence, you may be eligible to reborrow the amount you repaid to the State. To reborrow the repaid amount, you must submit an application of transfer within six months after the postponement account was paid. Call the Controller's Office to request an application. If your application is approved, you will be sent a refund and a new lien will be recorded against your new residence.

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Subordination Provisions

If you refinance your home or obtain a new loan against the property on which you have postponed taxes, it may not be necessary to pay the postponement lien. The State Controller's Office may subordinate the postponement lien to the new loan if it determines that subordination is appropriate. However, your lender must agree to the subordination.

If you do not wish to pay off the postponement lien, have your lender contact the State Controller's Office for further instructions.

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Account Statement

An account statement is provided to you each year. However, you may obtain an account statement at any time by calling (800) 952-5661 or (916) 327-5587, writing to the State Controller's Office at the address:

John Chiang, State Controller
Division of Collections
Property Tax Postponement Program
P.O. Box 942850
Sacramento, CA 94250-5880

or e-mail your request to Postponement@sco.ca.gov.

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Payments

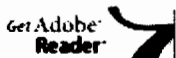
You may make payments on your account in any amount before the obligation become due. All payments received are applied first toward accumulated interest and then toward the outstanding principal balance (postponed tax amount).

Make your check or money order payable to John Chiang, State Controller, and mail it to the address:

John Chiang, State Controller
Division of Collections
Property Tax Postponement Program
P.O. Box 942850
Sacramento, CA 94250-5880

Please include your Social Security number on the check or money order, and on any accompanying documents, to ensure proper credit.

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Property Tax Postponement for Senior Citizens, Blind or Disabled Citizens

FAQ

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- [When do the postponed taxes have to be repaid to the State?](#)
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Who is eligible?

California residents who:

- Are 62 years of age or older by December 31, 2006 or
- Are blind or disabled at the time of filing (for a continuous period of at least one year) and
- Had a total household income for the prior year of \$24,000 or less (\$34,000 for those who filed and qualified for tax postponement in 1983);
- Have a 20 percent equity in their home at the time of filing; and
- Have owned and occupied their home, mobilehome or floating home as of December 31, 2005.

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How does the program work?

An application must be submitted to the State Controller's Office (SCO). If it is approved, the State will issue certificates that may be used to pay all or part of the property taxes to the county.

An account is set up by the SCO for the amount of taxes postponed. This account must be paid, with interest, when the claimant: (a) moves out, (b) sells the home, (c) allows future property taxes or other senior liens to become delinquent, or (d) dies and there is no spouse, domestic partner, or other qualified individual who continues to reside in the home.

A security document or lien is placed on the property to protect the State's interest and ensure eventual recovery of the amount of taxes the State has paid, plus interest.

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Must the eligible person live in the home?

Yes. The dwelling must be the claimant's principal place of residence.

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What is the definition of "household income"?

It is the total income received by all persons, except minors, full-time students, and renters, who resided in the home during the prior calendar year. Social Security benefits are included in the household's total income.

Total income includes:

Annuities	Bonuses
Cash Gifts	Disability
Inheritance	Interest
Life Insurance	Net profit
Net Rental Income	Pensions
Public Assistance	Retirement
Sales/Exchanges	Salaries
Social Security	Tips
Unemployment	Wages

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What is the definition of "disabled"?

You are considered disabled if:

- You are unable to engage in any substantial gainful activity because of a physical or mental impairment;
- The severity of the impairment prevents you from engaging in your previous work and any other type of work, considering your age, education and work experience;
- The impairment is determined medically by a doctor; and
- The impairment is expected to last for at least 12 months in a row.

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Does the State take title to the property?

No. Title remains with the current owner. The State does place a lien on the property for the amount of taxes postponed plus interest, but title to the property does not change.

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If the claimant dies, can the surviving spouse or domestic partner continue in the tax postponement program?

Yes. Any co-owner may continue in the Program as long as he/she meets the basic eligibility requirements. (An otherwise ineligible surviving spouse or domestic partner need not repay the postponed amount as long as he/she continues to reside in the home.)

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When do the postponed taxes have to be repaid to the State?

Repayment is required under the following circumstances:

- The claimant dies or the residence is sold and/or title passes to someone else. (**Reminder:** surviving spouses, domestic partners, or co-owners may continue as claimant if they are eligible.)
- The claimant moves and the home is no longer the principal place of residence.
- The claimant allows the property taxes or other senior liens to become delinquent.

A claimant is free to make a payment in any amount, at any time, to reduce the postponement account balance.

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How do I get filing information?

A claim form must be filed each year the individual desires to have their property taxes postponed. Claim forms can also be obtained by calling (800) 952-5661 or (916) 327-5587, writing to the State Controller's Office at the following address:

John Chiang, State Controller
Division of Collections
Property Tax Postponement Program
P.O. Box 942850
Sacramento, CA 94250-5880

or e-mail the office at Postponement@sco.ca.gov.

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What is the filing period?

The filing period for postponement of property taxes is from May 15 through December 11, 2006.

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What is the interest rate on postponed taxes?

Interest is computed monthly on postponed amounts on a simple interest basis (the annual interest rate divided by 12). Interest continues to accrue on the postponement account until all postponed taxes plus interest are repaid to the State. The interest rate for taxes postponed in 2006-2007 fiscal year is 4%.

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How do I get an account statement?

A statement of your postponed property tax account is provided to you each year. However, you may obtain an account statement at any time by calling (800) 952-5661 or (916) 327-5587, writing to the State Controller's Office at the address:

John Chiang, State Controller
Division of Collections
Property Tax Postponement Program
P.O. Box 942850
Sacramento, CA 94250-5880

or e-mail the office at Postponement@sco.ca.gov.

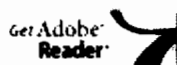
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What is the Homeowner Assistance Program?

The Homeowner Assistance Program is a separate program administered by the Franchise Tax Board (FTB). If you qualify, you may participate in both the Homeowner Assistance Program and the Property Tax Postponement Programs. The State Controller's Office encourages you to participate in the Homeowner's Assistance Program, because any assistance you receive is used to reduce the amount of the obligation secured by the property tax postponement lien..

To obtain a Homeowner Assistance claim form (FTB9000), contact FTB at (800) 868-4171. The filing period for the Homeowner Assistance Program is July 1, 2006 through October 15, 2006.

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ATTACHMENT H

SDG&E Guide to Undergrounding

Working with SDG&E on your Underground Service Conversion

A step-by-step guide to help simplify the process and get your job done

Converting overhead electric facilities to underground electric service is a big job, and SDG&E is here to work with you and get it done. Following these necessary steps will keep your request moving and will ensure your satisfaction with the conversion of your power lines from overhead to underground facilities:

PLANNING PHASE

In the early stages of your job, you will be working with SDG&E's Project Management Department.

1 Call SDG&E at (800) 411-SDGE (7343) to notify us of your interest in replacing the overhead utility lines in the street and to your home or building with underground electric facilities. Your inquiry will be forwarded to an SDG&E Planner. Within three to five working days, your Planner will contact you to determine the scope of your proposed project. If appropriate, a joint meeting at your site will be scheduled.

2 The SDG&E Planner will provide you with preliminary cost estimates and basic information on completing your underground service conversion. If applicable, contact the telephone and cable television companies to determine the cost of converting their overhead lines to underground facilities.

3 If your project will impact other properties, contact all property owners to ensure that you are all in agreement about the project, and designate a

chairperson who will be the point of contact with SDG&E. SDG&E cannot convert overhead power lines without the consent of all affected property owners.

You also may want to contact your local municipality to determine if they offer the option of forming an Assessment District to facilitate moving overhead utility lines underground (not offered in the city of San Diego). This option is normally used with larger projects involving many property owners. A vote of the affected property owners is required, and the project will proceed if approved by a majority of voters. Your municipality will then initiate bonds to pay the utility costs, and property owners will repay the bonds.

Applicable federal and state taxes are waived for municipality-initiated projects, but affected property owners are held responsible for paying the administrative costs to form the

Assessment District and to manage the bonds.

- 4** SDG&E will prepare a design and provide you with construction options and detailed cost information. An engineering fee is required up front to complete this design, which will be applied to the cost of your job. If you decide not to proceed after the design preparation is completed, your fee will be applied to the cost of the study.

Upon completion of the project design, you will be provided with copies of your design sketch and advised of any easements that may be required for our facilities. You will have the option of hiring a contractor to do various portions of the work for you or having SDG&E complete all work. Your study will include the various cost estimates associated with the work options available to you. All costs quoted by SDG&E will include a tax component for applicable federal and state taxes.

If you choose to have SDG&E complete all work, we will coordinate with any other utility companies involved. If you select to do a portion of the work yourself, you or your contractor will be responsible for coordinating with all other utility companies.

- 5** Contact your Planner with your decisions on the following:
- the construction options you've selected
 - if you approve the design submitted to you
 - if you will be working directly with SDG&E or forming an Assessment District through the municipality

- 6** SDG&E will complete the project design based on the options you have selected. Your Planner will send you a job package, complete with a contract, cost information and notification of any additional information you may need to submit for your job. Complete and return all necessary paperwork and fees.

When your contract, applicable fees and other required information is returned, your job will be forwarded to the SDG&E Construction Department. All fees must be received, and the coordination with any other utility companies must be completed, before any construction work is scheduled. We will also need to secure all signed easements, if any are required, prior to issuing your job to construction.

If you will be completing some work yourself, your contractor can begin construction at this time.

CONSTRUCTION PHASE

The construction phases of your project will vary, depending on your decision to hire a contractor or work exclusively with SDG&E. An SDG&E Construction Project Coordinator will manage your project throughout the construction process.

- 1** SDG&E or your contractor will perform the required trenching in the street and will install the conduit and substructures for all affected utility services. This will include the installation of the individual service conduit stub from the SDG&E source to your property line.
- 2** When this phase of construction is completed, you will be mailed a service order package, which will include information to help you install your new underground electric service facilities on your property. Ask your planner to also provide you with a copy of SDG&E's fact sheet "Working with SDG&E on your Building Project (Underground Electric Service)." This fact sheet will help guide you through the steps you will need to take to complete the installation of underground service on your property.
- 3** While you are working on the service installation for your property, SDG&E crews will pull in the new underground cable into the conduits in the street, set the padmounted equipment and make all necessary connections. When this is complete, we will energize the new underground system so it is ready to supply power to your property.
- 4** Complete the work on your private property, following the instructions in "Working with SDG&E on your Building Project (Underground Electric Service)." Upon receipt of your final inspection clearances from SDG&E and your city (San Diego or Orange County for unincorporated areas), SDG&E crews will install and energize the new underground cable to your property.
- 5** When all property owners have had their new underground service connected, the power poles and overhead electric lines will be removed.

To avoid a delay in connecting your underground electric service, make sure you have done the following:

1. Completed the necessary tasks to have underground electric service installed on your private property by following the steps outlined in our brochure "Working with SDG&E on your Building Project (Underground Electric Service)."
2. Obtained final trench inspection from the SDG&E Inspector.
3. Obtained final inspection from the City/County.