Resolution Preliminarily Approving the Engineers Report, Boundary Map, and Directing Related Actions for Assessment District No.05-1 Don Pedro Wastewater Facilities Project, Lake Don Pedro County Service Area 1-M, Sewer Zone No.1.

The resolution preliminarily approving the engineers report gives tentative approval to the engineers assessment report and sets the date, time and place for the public hearing which is to be on June 13, 2006, at 2:00 p.m. in the Board of Supervisors Chambers. The date and time for the public hearing allows for the Proposition 218 prescribed 45-day mailing of notices. The proposed resolution will also direct the mailing of notice and ballot (Exhibit A) and directs the recording of the assessment district boundary map.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

On December 6, 2005, the Board of Supervisors adopted a Resolution of Intent to form Assessment District No.05-1 for the Don Pedro Wastewater Facilities Project for Lake Don Pedro County Service Area 1-M, Sewer Zone No.1. The Resolution of Intention to form Assessment District No.05-1 formally began the process under the Municipal Improvement Act of 1913 and complied with the requirements for starting the assessment process.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

1) Do not approve. The project will not move forward and another option will need to be considered.

<table>
<thead>
<tr>
<th>Financial Impact?</th>
<th>( ) Yes</th>
<th>( ) No</th>
<th>Current FY Cost: $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budgeted In Current FY?</td>
<td>(X) Yes</td>
<td>( ) No</td>
<td>( ) Partially Funded</td>
</tr>
</tbody>
</table>

| Amount in Budget: | $ |
| Additional Funding Needed: | $ |
| Source: | |
| Internal Transfer | |
| Unanticipated Revenue | 4/5's vote |
| Transfer Between Funds | 4/5's vote |
| Contingency | 4/5's vote |
| ( ) General | ( ) Other |

CLERK'S USE ONLY:

<table>
<thead>
<tr>
<th>Res. No.</th>
<th>Ord. No.</th>
<th>Vote – Ayes:</th>
<th>Noes:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absent:</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Approved

( ) Minute Order Attached ( ) No Action Necessary

The foregoing instrument is a correct copy of the original on file in this office.

Attest: MARGIE WILLIAMS, Clerk of the Board
County of Mariposa, State of California

By: Deputy

Revised Dec. 2002

COUNTY ADMINISTRATIVE OFFICER:

<table>
<thead>
<tr>
<th>Requested Action Recommended</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Opinion</td>
</tr>
</tbody>
</table>

Comments:

CAO:
TO: DANA HERTFELDER, Public Works Director
FROM: MARGIE WILLIAMS, Clerk of the Board
SUBJECT: ADOPT A RESOLUTION PRELIMINARILY APPROVING THE ENGINEERS REPORT, BOUNDARY MAP, AND DIRECTING RELATED ACTIONS FOR ASSESSMENT DISTRICT No. 05-1 DON PEDRO WASTEWATER FACILITIES PROJECT, LAKE DON PEDRO COUNTY SERVICE AREA 1-M, SEWER ZONE No. 1; AND SETTING PUBLIC HEARING FOR JUNE 13, 2006 AT 2:00 p.m.

RESOLUTION 06-153

THE BOARD OF SUPERVISORS OF MARIPOSA COUNTY, CALIFORNIA

ADOPTED THIS Order on April 25, 2006

ACTION AND VOTE:

b) Adopt a Resolution Preliminarily Approving the Engineers Report, Boundary Map, and Directing Related Actions for Assessment District No. 05-1 Don Pedro Wastewater Facilities Project, Lake Don Pedro County Service Area 1-M, Sewer Zone No. 1; and Setting Public Hearing for June 13, 2006 at 2:00 p.m.

BOARD ACTION: Discussion was held with Dana Hertfelder, and he advised that only one bid was received for the project which exceeded the Engineer’s estimate by over two million dollars. He reviewed options and advised of the possibility of obtaining a grant from the State Water Resources Control Board. Fred Solomon, project manager, advised of the timelines involved in this project and the notification of the grant award. Discussion was held. Supervisor Bibby asked about the status of receiving confirmation that this project could be constructed and that the Williamson Act Land Conservation issues have been resolved. Dana Hertfelder stated he feels the issues have been resolved. Tom Guarino, County Counsel, advised that no information has been received since the Board acted previously on this item; and he feels that it meets the process. Fred Solomon also responded relative to the letter received from the Department of Conservation on this issue, and he advised of the process for the Board to allow a public improvement on Williamson Act land.

Input from the public was received from the following:

Dennis Bunning advised that the last correspondence received by the Agricultural Advisory Committee advised that unless there is a cancellation of the Williamson Act contract on the land, the project would need to wait for the contract to expire or is cancelled; or the Board would be in violation of the regulations. He advised that Planning has a copy of the letter and that he spoke with Dennis O’Brien at the Department of Conservation.
Discussion was held. Supervisor Bibby asked about holding this process until there is clarification. Tom Guarino, County Counsel, advised that the Board could take action today and direct staff to further evaluate any issues and come back if there is a problem. Dana Hertfelder clarified that the action today moves the project forward and does not commit to construction. He advised that they could have an answer to any concerns about the land prior to the public hearing and construction of the project. The matter was continued for the LAFCo to continue its meeting.

**11:06 a.m.** Chairman Stetson advised that LAFCo would convene after the following items.

Further discussion was held relative to the Don Pedro wastewater project and options. (M)Turpin, (S)Pickard, Res. 06-153 was adopted preliminarily approving the Engineer’s Report and the Boundary Map; approving the alternative number two recommendation which forgives or lets stand as an un-assessed loan the past Nolte/biological/environmental consultant work in the amount of $218,692, deletes the SCADA telemetry system budgeted at $275,000, eliminates the project planning contingency of $112,000, and assumes additional grant funding of $1,541,000; with direction for the Assessment Engineer to modify the report to reflect those changes; directing related actions for the Assessment District No. 05-1, Don Pedro Wastewater Facilities Project, Lake Don Pedro County Service Area 1-M, Sewer Zone No. 1; and directing that the concerns relative to the Williamson Act contract be clarified. Supervisor Bibby clarified that the $218,692 is an un-assessed loan and that the Board is not determining today to forgive the loan – the motion was amended, agreeable with the maker and second, to include this clarification. Ayes: Unanimous.

Cc: Mary Hodson, Administration
    Tom Guarino, County Counsel
    Marjorie Wass, Treasurer/Tax Collector
    Chris Ebie, Auditor
    File
RESOLVED, by the Board of Supervisors (the “Board”) of the County of Mariposa (the “County”), State of California, as follows:

1. Resolution of Intention. On December 6, 2005, this Board adopted its Resolution of Intention to Make Acquisitions and Improvements, (the “Resolution of Intention”) under the Municipal Improvement Act of 1913, Division 12 of the Streets and Highways Code of California, (the “Act”) to initiate proceedings under the Act in and for the County’s Assessment District No. 05-1 (Wastewater Facilities Project for Lake Don Pedro County Service Area 1-M, Sewer Zone No. 1) (the “Assessment District”).

2. Engineer’s Report. The Resolution of Intention referred the acquisitions and improvements described therein to the person designated therein as the “Engineer of Work” and directed the Engineer of Work to prepare and file with the Clerk of the Board a report (the “Engineer’s Report”) pursuant to the Act and containing information set forth in the Resolution of Intention, to which reference is hereby made for further particulars.

3. Engineer’s Report Preliminarily Approved. The Engineer of Work has prepared and filed the Engineer’s Report with the Clerk of the Board. This Board, with the aid of County staff, has reviewed the Engineer’s Report, and hereby finds it to be sufficient for, and that it shall stand for purposes of subsequent proceedings for, the Assessment District, and the Engineer’s Report is hereby preliminarily approved, with those changes that have been submitted by County staff at this meeting, which are hereby approved by this Board and incorporated into the Engineer’s Report. The changes hereby approved are set forth in detail in the staff report submitted at this meeting, and generally consist of changes to the project costs resulting from an additional source of funds for the acquisitions and improvements (an anticipated SWRCB grant), and from certain changes to the scope of the acquisitions and improvements (generally, the removal of line items for (i) the SCADA telemetry system and related instrumentation (a non-essential project component), (ii) reimbursement of prior County expenditures for certain consultant studies, and (iii) a contingency for project planning). However, the total assessment amount, individual assessment amounts, and method of assessment spread remain unchanged. The Engineer of Work is directed to prepare a modified report reflecting those changes and to submit a modified Engineer’s Report to be placed on file with the Clerk of the Board.

4. Public Hearing. Pursuant to the Act, this Board hereby orders that a public hearing shall be held before this Board, in the regular meeting place thereof, County of Mariposa, Administrative Center, 5100 Bullion Street, Mariposa, California on June 13, 2006, at the hour of 2:00 o’clock p.m., for the purposes of this Board’s determination whether the public interest, convenience and necessity require the acquisitions and improvements, whether the
properties in the Assessment District are specially benefited by the acquisitions and improvements. The tabulation of special assessment ballots shall take place (unless otherwise directed by this Board) on June 15, 2006. The final determination of the existence of any majority protest, and this Board’s final action upon the Engineer’s Report and the assessments therein, is scheduled for June 20, 2006. The public hearing may be continued from time to time as determined by the Board and such continuation shall affect the dates for the tabulation and final determination as set forth above.

5. Notice. The Clerk of the Board is hereby authorized and directed to cause notice of the hearing ordered under Section 4 hereof to be given by mailing, postage prepaid, in the United States mail, and this notice shall be deemed to have been given when so deposited in such mail. The notice shall be substantially in the form of Exhibit A hereto. The envelope or cover of the mailing shall include the name of the County and the return address of the Clerk of the Board as the sender.

The mailed notice shall be given to all owners of property proposed to be assessed within the Assessment District as shown in the Engineer’s Report by such mailing by name to those persons whose names and addresses appear on the last equalized assessment roll of the County of Mariposa or the State Board of Equalization assessment roll, as the case may be. The amount of the proposed assessment for each parcel shall be calculated and the record owner of each parcel shall be given written notice by mail of the proposed assessment, the total amount thereof chargeable to the entire Assessment District, the amount chargeable to the owner’s particular parcel, the anticipated duration of payments for the assessment if bonded, the reason for such assessment and the basis upon which the amount of the proposed assessment was calculated.

Each such mailed notice to owners shall contain a ballot which includes the property owner’s name, identification of the parcel and support of or opposition to the proposed assessment. Each notice shall include, in a conspicuous place, a summary of the procedures applicable to the completion, return and tabulation of ballots, including a disclosure that the existence of a majority protest (whereby ballots submitted in opposition exceed those submitted in favor of the assessment, with ballots weighed according to proportional financial obligation of the affected property) will result in the assessment not being imposed. The notice herein provided shall be mailed not less than 45 days before the date of the public hearing ordered under Section 4 hereof. Each mailed ballot shall include a sealable return envelope with the County’s address for receipt of completed ballots.

6. Ballots. The assessment ballots shall be substantially in the form of Exhibit A hereto. The Clerk of the Board, with the assistance of the Engineer of Work for the Assessment District, shall cause the Ballots to be mailed as part of the notice prescribed in Section 5 above. The ballots shall be received up to the time the public hearing is closed. Ballots shall remain sealed until the close of the public hearing and the beginning of the tabulation, provided that ballots may be submitted prior to the conclusion of the public hearing, or changed or withdrawn by the person submitting the ballot prior to the conclusion of the public hearing. The Clerk of the Board, with the assistance of the Engineer of Work for the Assessment District, is hereby designated as the impartial person responsible for the tabulation of the ballots. The Clerk of the Board shall maintain a separate and secure file for the safekeeping of the assessment ballots as they are received and pending tabulation. During and after tabulation, the ballots shall be disclosable public records under Section 6252 of the California Government Code.

7. Boundary Map. The proposed boundaries of the proposed Assessment District are hereby described as shown on a map thereof on file in the office of the Clerk of the Board
(the "Boundary Map"), which indicates by a boundary line the extent of the territory to be included in the proposed Assessment District. The Boundary Map shall govern for all details for further purposes of the proceedings for the Assessment District, and reference is hereby made to the Boundary Map for further particulars. The Clerk of the Board is hereby authorized and directed to endorse upon the original and at least one copy of the Boundary Map the date on which it was filed with the Clerk of the Board and date and adoption of this resolution, and to cause a copy of the Boundary Map to be filed with the County Recorder of the County within 15 days after the adoption of this resolution, but in no event later than 15 days before the date of the public hearing ordered under Section 4 hereof. The County Recorder shall endorse upon the Boundary Map the time and date it is filed with the County Recorder, and shall fasten the Boundary Map securely in a book of maps of assessment districts and community facilities districts which the County Recorder shall keep in his or her office. The County Recorder shall index the Boundary Map by the name of the County and by the distinctive designation of the proposed Assessment District.

***************

PASSED AND ADOPTED this 25th day of April, 2006 by the following vote:

AYES: STETSON, TURPIN, BIBBY, FRITZ, PICKARD

NOES: NONE

ABSENT: NONE

ABSTAINED: NONE

COUNTY OF MARIPOSA

LEE STETSON, Chairman

ATTEST:

MARGIE WILLAMS, Clerk of the Board

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

THOMAS P. GUARINO, County Counsel
EXHIBIT A

FORM OF NOTICE AND BALLOT

NOTICE OF
PROPOSED NEW ASSESSMENTS
and
ASSESSMENT BALLOT
for the
COUNTY OF MARIPOSA
Assessment District No. 05-1
(Wastewater Facilities Project for
Lake Don Pedro County
Service Area 1-M,
Sewer Zone No. 1)

ASSESSMENT BALLOT:
The Property Owner shown opposite selects one of the following:

☐ IN FAVOR OF ASSESSMENT
☐ OPPOSE ASSESSMENT

__________________________
Signature of Property Owner

Detach Here and Mail or Deliver to Clerk of the Board of Supervisors at the Above Address - See Part 4 Below

THE COUNTY OF MARIPOSA GIVES NOTICE that:

1. Purpose of Assessments. The County is proposing to levy new assessments in the above Assessment District that includes your property. The purpose of the assessments is to fund the estimated costs of building the wastewater project and of related administrative and incidental costs, including the costs of forming the Assessment District and issuing bonds.

2. The Assessments. There are two parts to the proposed assessment. They are:

   a. The Fixed Lien Assessment. This is to help pay for building the wastewater project. This part may be paid off anytime after assessments are confirmed, or at the option of the property owner, allowed to be bonded for up to 40 years. If confirmed, the Fixed Lien Assessment cannot be increased without further assessment ballot approval. The proposed Fixed Lien Assessment for the whole Assessment District is $_________ and the amount for your property is shown above.

   b. The Administration Assessment. This is to pay for the annual costs of administering the Assessment District and creating reserves required for the financing. This part of the assessment, if approved, would be in the amount of $____ per year plus 10% of the parcel's annual Fixed Lien Assessment payment of principal and interest on the bonds. The $_____ part of the assessment continues for so long as the Assessment District bonds are unpaid and the 10% addition will continue for the first ten years of assessment installments, but may decrease as reserves are built up. For fiscal year 2006-2007, the proposed Administration Assessment for the whole Assessment District is $_________ and the amount for your property is shown above.
A summary of the method of the levy of the assessments is attached to this Notice. A full discussion is found in the Engineer’s Report on file with the County. The County has applied to the United States Department of Agriculture for a loan, with interest at ____% for 40 years and no prepayment penalty. Under this financing, the annual payment would be about $_____ per $1,000 of Fixed Lien Assessment.

3. **Public Hearing.** Before taking final action on the proposed Assessment District and the assessments, the County Board of Supervisors will hold a Public Hearing at County of Mariposa, Government Center, Board Chambers, 5100 Bullion Street, Mariposa, California on June 13, 2006, at 2:00 p.m. to take final public testimony, hear protests and to receive the Assessment Ballots.

4. **Assessment Ballot.** Anytime before the end of the Public Hearing, any property owner in the Assessment District may submit the Assessment Ballot, which is the upper part of this Notice, to the Clerk of the Board of Supervisors. To do so, the owner must: cut off the Ballot portion above; mark the Ballot either “In Favor of Assessment” or “Oppose Assessment;” sign the Assessment Ballot and place it in the return envelope provided with this Notice. Seal the envelope and return it and the Ballot by mail (affix postage, please) or by hand delivery to the County at the address on the envelope. Any Assessment Ballot returned unmarked, unsigned or not enclosed in the return envelope will be rejected and not counted. The law requires that the Assessment Ballots remain sealed until the Public Hearing is officially closed and tabulation begins. The Assessment Ballot may be submitted, changed or withdrawn at any time before the end of the Public Hearing. If you need a replacement Assessment Ballot, contact the person shown in Section 5 below.

The Board has designated the Clerk of the Board of Supervisors as the impartial person to conduct the tabulation of the ballots. The tabulation will take place in the Board Chambers of the Mariposa County Government Center beginning at 10:00 a.m. on June 15, 2006. The tabulation will be open to the public. Once opened, the Assessment Ballots are available for public inspection. Unless the Public Hearing is continued, the County expects that the ballots will be tabulated and the results reported to the Board at its meeting of June 20, 2006 for final action.

The assessment shall not be imposed if the Assessment Ballots submitted in opposition to the assessment exceed the Assessment Ballots submitted in favor of the assessments, with Ballots weighted according to the proportional financial obligation of the affected property. If there is majority approval and the Board votes to proceed, there will be a cash payment period for the confirmed assessments, after which bonds will be issued for any unpaid assessments.

5. **More Information.** If you have questions about your Assessment or need more information contact: Dana Hertfelder, Public Works Director, Public Works Department, County of Mariposa, 4639 Ben Hur Road, Mariposa, California, 95338, Telephone: (209) 966-5356. The Engineer’s Report and other written material about the Assessment District may be seen at the office of the Lake Don Pedro Community Services District, 9751 Merced Falls Road, La Grange, California, 95329, and at the Department of Public Works, 4639 Ben Hur Road, Mariposa, California, 95338 during regular business hours.

Dated as of ________________, 2006

Clerk of the Board of Supervisors