



UNDERGROUND UTILITY ASSESSMENT DISTRICT 2014-2 (WOODS COVE) DISTRICT-WIDE WORKSHOP

September 14, 2023

Introductions

City of Laguna Beach

- Pierre Sawaya, Senior Project Manager
- Tom Perez, Assistant Director of Public Works

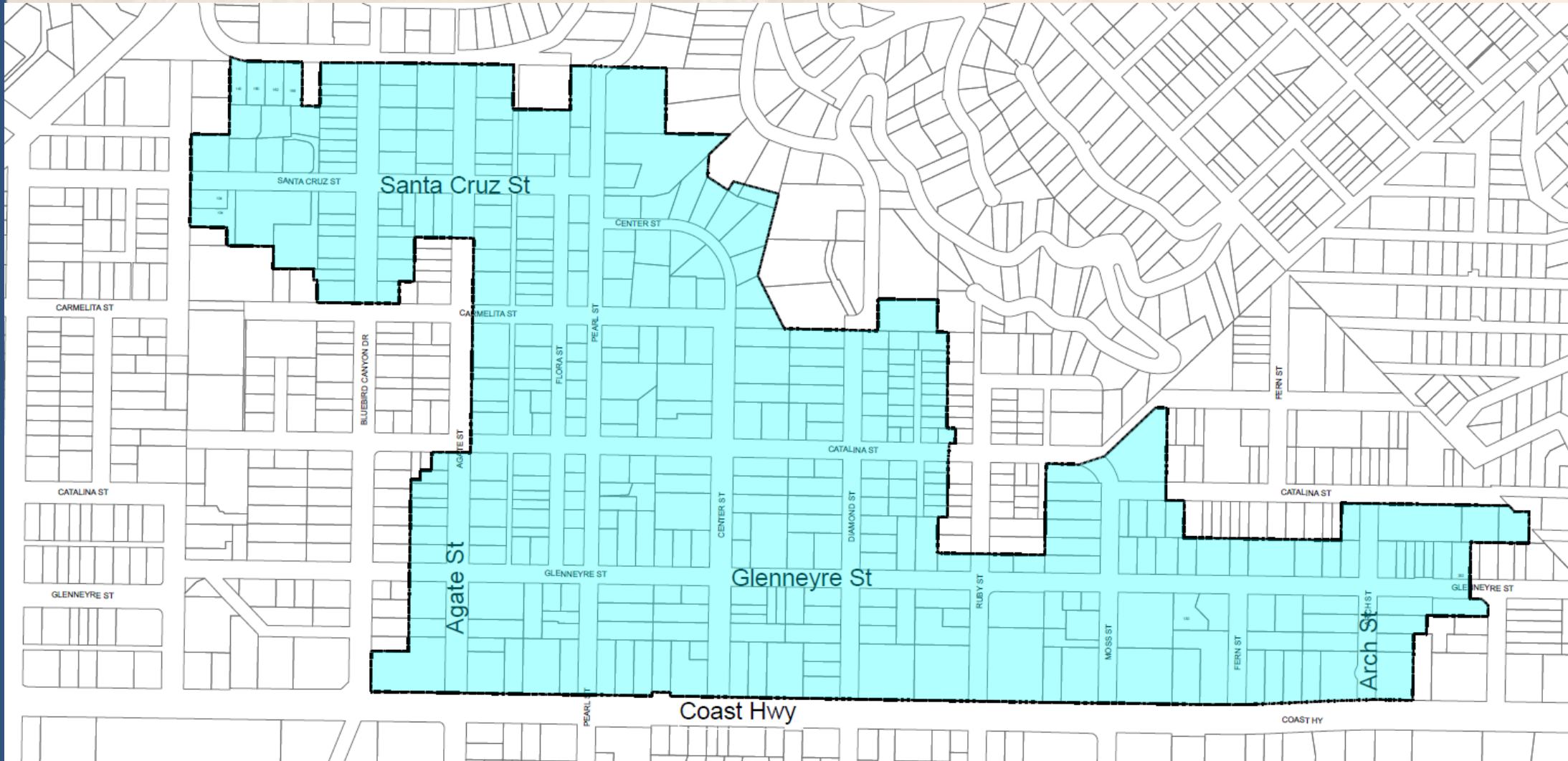
Harris & Associates (Assessment Engineer)

- Adam Marston, Project Manager
- Alison Bouley, Vice President

Background

- Petitioned in 2014
- Project redesigned in 2019
 - Agate/Glenneyre district incorporated into Woods Cove boundary in 2019
- Planning Commission Design Review approval in 2022
- Construction bids received in May 2023
- Draft Engineer's Report posted to City website

Proposed Project Boundary



Woods Cove AD 2014-2



Project Schedule

September 26 – City Council Meeting to Adopt Resolution of Intention and Resolution to Preliminarily Approve Engineer's Report

- Lock in assessment amounts and initiate balloting phase

Early October – Begin Balloting

- Ballots mailed to property owners' addresses on record with County Assessor's Office
- Return ballots to City Clerk's office by mail or in-person.

December 12 – City Council Meeting, Public Hearing and Tally of Ballots

- If majority of returned ballots, as weighted by the assessment amounts, are in favor of the district, the project may proceed into construction. If majority of returned ballots are in opposition, the project may not proceed into district formation.

January to April 2024 – Bond Sale

June 2024 – Begin Construction

Assessment Methodology

- The Methodology of Assessment is based on an objective formula
- Three (3) Special Benefit categories:
 - Neighborhood Aesthetics (70%)
 - Safety (20%)
 - Ocean View Enhancement (10%)
- Only Special Benefits can be assessed to parcels

Neighborhood Aesthetics

- The removal of the overhead utilities enhances the neighborhood aesthetics for parcels within the District by removing the physical and visual impediments of existing overhead utilities.
- The Neighborhood Aesthetics portion of the assessment is based on:
 - Parcel Size
 - Number of Units
 - Number of sides that have overhead utilities
 - Parcel Location on a view corridor

View Corridor Example



BEFORE



AFTER

Safety

- The removal of the overhead utilities removes the potential damage to structures or occupants as well as eliminating the potential delay of emergency responders.
- The Safety portion of the assessment is based on:
 - Number of Units
 - Location of the Overhead Lines and Poles

Ocean View Enhancement

- The removal of the overhead utilities removes visual impediments for properties with an ocean view.
- The Removal of Obstructions to Ocean View portion of the assessment is based on:
 - Elevation of the Property
 - Location of the existing overhead utilities

Cost Estimate

CONSTRUCTION COSTS		Awarded Bid
Joint Trench Construction Costs		
Construction Costs		\$9,247,568.00
Construction Contingency (15%)		1,387,135.20
Utility Cost (Including Design)		
City of Laguna Beach Street Lighting		146,849.00
Southern California Edison		2,201,351.37
Frontier		717,568.63
Cox Communications		347,513.92
Crown Castle		62,225.35
Utility Cost Contingency		250,000.00
Total Construction Costs:		\$14,360,211.47
INCIDENTAL EXPENSES		
Assessment Engineering		\$129,097.50
Surveying		35,000.00
Construction Management/Inspection		900,000.00
Planning Commission Documentation		52,089.40
City Administration (1% of Construction Costs)		143,602.11
Financial Printing, Registration, Filing and Servicing		5,000.00
Fiscal Agent		7,500.00
Filing Fees		1,000.00
Bond Counsel		35,000.00
Financial Advisor		45,000.00
Incidental Contingencies (5% of Incidental Expenses)		67,664.45
Total Incidental Expenses:		\$1,420,953.47
Total Construction & Incidental Expenses:		\$15,781,164.94
LESS: CONTRIBUTIONS FROM OTHER SOURCES		
Contribution from City of Laguna Beach *		(\$1,179,500.00)
City Contribution for General Benefit (10% of C&I)		(\$1,578,116.49)
Total Contributions from Other Sources:		(\$2,757,616.49)
Total Construction & Incidental Expenses Financed:		\$13,023,548.44
FINANCING COSTS		
Disclosure Counsel		\$45,000.00
Underwriter's Discount (2%)		291,000.00
Capitalized Interest		250,352.36
Bond Reserve/Credit Enhancement (One Year Debt Service)		873,000.00
Total Financing Costs:		\$1,459,352.36
TOTAL AMOUNT OF ASSESSMENT:		\$14,485,000.00

* Contribution approved by City Council on August 8th, 2023.

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City Contribution for General Benefit (\$1,578,116.49)
Total Contribution: (\$2,757,616.49)



Financing

- Financed over the term of the bond, typically 20 or 25 years
- Assessments generally range between \$4,000 to \$86,000
 - Average assessment is \$38,000
- Examples (20-year bond term at 7% interest):

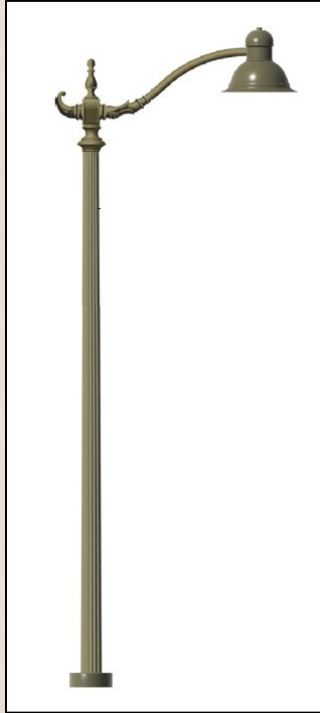
Estimated Assessment	Annual Payment
\$4,000	\$378
\$20,000	\$1,889
\$40,000	\$3,778
\$60,000	\$5,666
\$86,000	\$8,121

- Cash Collections – Pay full assessment up front to avoid financing costs
 - 6-10% reduction in assessment amount
- Loan Deferment Program

Private Connections

- Existing overhead utility services must be undergrounded by property owner on private property
- Costs can vary between approximately \$5,000 to \$15,000
- Cost is in addition to assessment amount
- Over 150 properties within district boundary already have underground service connections

Aboveground Utility Structures



Street Light



Street Light Meter Cabinet



Cox Pedestal

Aboveground Utility Structures



Standpipe Vents



Capacitor Cabinet



Riser Utility Pole

Resources

Pierre Sawaya at (949)497-0751 or psawaya@lagunabeachcity.net

Project Webpage: www.lagunabeachcity.net/woodscv

QR Code to Project Webpage:



Nixle Updates: Text **WOODSCV to 888-777** to receive project updates