



City of South Lake Tahoe

"making a positive difference now"

June 17, 2013

Ms. Elizabeth Zangari, Department Analyst II
El Dorado County Community Development Agency
Administration and Finance Division
2850 Fairlane Court
Placerville, CA 95667

Dear Ms. Zangari:

**Subject: Annual Public Hearing for Continued Snow Removal Equipment Purchase
Funded through the Existing County Service Area #3 Parcel Assessment**

In accordance with the Extension of the Joint Powers Agreement executed in January 1999 for the purpose of continuing the provision of snow removal services within County Service Area (CSA) #3, City staff is forwarding to you via email the enclosed items:

- 1) The original minute order for the public hearing held at the City Council's regular meeting of May 21, 2013;
- 2) A copy of the staff report for the public hearing; and,

Since no opposition was voiced, it is the recommendation of the City Council of the City of South Lake Tahoe that the \$20.00 per-improved-parcel assessment, levied on CSA #3 parcels for the purpose of purchasing new snow removal equipment, be continued.

County of El Dorado produced a list of parcels within the City upon which the charge is to be levied.

Please do not hesitate to call if you have any questions (530) 542-6034.

Sincerely,


Andra Burnam
Associate Management Analyst

Enclosures

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City of South Lake Tahoe

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MINUTE ORDER

CITY OF SOUTH LAKE TAHOE

CITY COUNCIL

MEETING

Tuesday, May 21, 2013, 9:00 a.m.

City Council Chambers, 1901 Airport Rd.

South Lake Tahoe, California 96150

BY THE ORDER OF THE CITY OF SOUTH LAKE TAHOE CITY COUNCIL:

PUBLIC HEARING:

(a) Annual Public Hearing for Continued Snow Removal Equipment Purchase Funded through the Existing County Service Area No. 3 (CSA #3) Parcel Assessment

Capital Improvement Project (CIP) Manager Marino provided the staff report and furnished historical information on this Joint Powers Agreement (JPA) between the City of South Lake Tahoe and El Dorado County (EDC). He indicated that this agreement allowed the County to levy a \$20 per improved parcel assessment in the Zone of Benefit which was entirely within the municipal boundaries of the City of South Lake Tahoe with those funds dedicated to the purchase of new snow removal equipment for the City of South Lake Tahoe. Marino indicated that approximately \$221,000 was generated per year from this assessment and that currently all those funds were used to pay the debt service on equipment purchased in 2007. He added that this had been a flat assessment which was implemented in 1989 and said there had been no CPI on this and that it had never increased. Marino indicated that what could be purchased in 1989 with \$20 now required \$37.50 and he provided a reminder that snow removal was a core service of the City.

Mayor Davis requested verification that the City would have no funds to purchase any new equipment until 2016.

Marino indicated that was correct.

Davis inquired on the status of the aging fleet.

Marino remarked that once the Asset Development Plan was established that the first equipment that would need replacing in 2016 were the older snow blowers. He indicated that one snow blower was 43-years old and he commended the City's fleet staff for their ability to keep this equipment running. Marino reported that Caterpillar, the company that manufactured the City's graders offers a complete renovation of that entire piece of equipment except for the frame and that the cost for that was approximately 60-percent of the cost of purchasing a new grader. He stated that the fleet staff was reviewing that option but noted that had the parcel assessment been tied to the CPI the debt on the current equipment would have already been paid and the City would be purchasing equipment next year.

Councilmember Swanson referenced the California Air Resources Board (CARB) compliance requirements for fleets to meet stringent emissions standards and inquired if a renovation of the graders would address that matter.

Marino indicated that any renovation would include the requirement that the equipment had to be CARB compliant and added that any new purchases made would need to be CARB compliant so that the City could meet our compliance obligations when they become effective.

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Susan Alessi, MMC, City Clerk • (530) 542-6004

Administrative Center • 1901 Airport Rd. Ste. 206 • South Lake Tahoe, CA 96150-7048 • (530) 542-7411 FAX

salessi@cityofslt.us

MINUTE ORDER • MAY 21, 2013 CITY COUNCIL MEETING MINUTES • PAGE 2

Swanson suggested that next year's budget discussions should include the topic of this parcel assessment baseline amount, the CPI, and a potential ballot measure in 2014.

Marino restated that the current assessment amount received was approximately \$220,000 annually and said that the cost of a new grader was \$300,000 and a snow blower was approximately \$750,000. He added that there was little if any grant money available for these types of equipment purchases.

Councilmember Cole suggested that a public meeting should be conducted on this topic for the public's participation. He stated that the time would come when there would be breakdowns and equipment shortages that would severely impact the ability to remove snow.

Councilmembers conducted brief discussion and indicated their agreement with Cole.

AT 11:35 a.m., Mayor Davis asked if anyone in the audience wished to provide comment on this public hearing matter.

1. Ed Mosur, local resident criticized some of the City's snow equipment operators and said they caused a lot of damage. He furnished suggestions on the type of snow removal equipment the City should consider purchasing.

Mayor Davis closed the public comment period at 11:37 a.m.

IT WAS MOVED BY COUNCILMEMBER COLE AND SECONDED BY COUNCILMEMBER CONNER TO CONTINUE SNOW REMOVAL EQUIPMENT PURCHASE FUNDED THROUGH THE EXISTING COUNTY SERVICE AREA NO. 3 (CSA #3) PARCEL ASSESSMENT; DIRECT THE CITY CLERK TO FORWARD COMMENTS AND RECOMMENDATIONS TO THE EL DORADO COUNTY BOARD OF SUPERVISORS VIA MINUTE ORDER; AND TO DIRECT THE CONDUCT OF EITHER A SPECIAL MEETING OR PLACEMENT ON A FUTURE AGENDA THE TOPIC OF THE PARCEL ASSESSMENT FEE AND A POSSIBLE BALLOT MEASURE TO MODIFY THE CURRENT ASSESSMENT AMOUNT AND TO TIE THE ASSESSMENT TO THE CONSUMER PRICE INDEX.

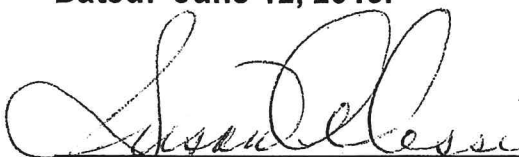
Swanson said that she would like that discussion to include a possible amendment that this parcel assessment not only be for the purchase of new equipment but also for the repairs and maintenance of equipment and for replacement parts.

Councilmembers conducted brief discussion.

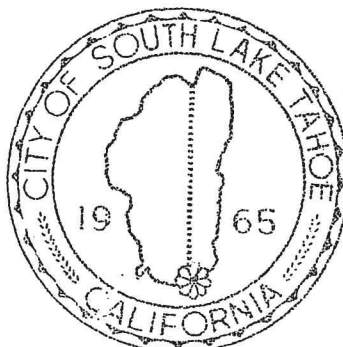
AT THIS TIME MAYOR DAVIS CALLED FOR THE VOTE AND THE MOTION WAS UNANIMOUSLY CARRIED.

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I, Susan Alessi, City Clerk for the City of South Lake Tahoe, do hereby certify that the above is a true and correct excerpt of the May 21, 2013 regular City Council meeting minutes which were approved by the City Council on June 11, 2013.

Dated: June 12, 2013.



Susan Alessi, City Clerk
City of South Lake Tahoe





City of South Lake Tahoe

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Staff Report
City Council Meeting of May 21, 2013

To: Nancy Kerry, City Manager

From: Jim Marino, Capital Improvement Manager

Re: **Annual Public Hearing for Continued Snow Removal Equipment Purchase Funded through the Existing County Service Area No. 3 Parcel Assessment**

Recommendation:

Hear staff report; receive public comment; receive City Council comments; and direct the City Clerk to forward comments and recommendations to the El Dorado County Board of Supervisors via Minute Order.

History and Discussion:

On September 20, 1989, a Joint Powers Agreement (JPA) between the City of South Lake Tahoe and El Dorado County was executed to allow the County to form a Zone of Benefit within County Service Area No. 3 (CSA 3), which lies entirely within the municipal boundaries of the City of South Lake Tahoe. The agreement allows the County to levy a charge of \$20.00 per improved parcel. The County remits all funds collected to the City, less one percent (1%) for administrative costs. These funds are dedicated to purchase new snow removal equipment for the City of South Lake Tahoe. Due to a ten-year sunset clause in the original JPA, an extension was executed by both parties in March 1999 and the agreement shall be continued in full force and may only be terminated upon 180 days written notice by either party. Upon receipt of such notice, the City and County must meet and mutually agree to the termination of the agreement.

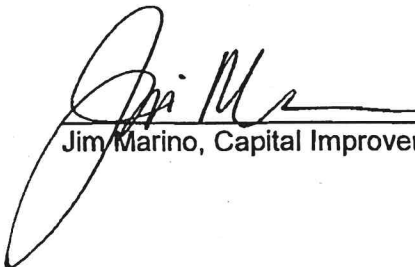
Since the inception of the JPA, the City has purchased fifteen (15) snow graders/plows, one (1) snow blower/loader combination, and two (2) snow blowers. The newest equipment purchased in 2007 (three graders and one blower) is being financed and will be paid in full in 2016. There are no funds available for any future equipment until this purchase is paid in full.

Pursuant to the JPA, the City acts as the advisory board to the County Service Area and shall hold at least one public hearing annually regarding the levy. Following the public hearing, the City is required to forward to the County its recommendations and the substance of the testimony, if any, for County review.

Financial Implications:

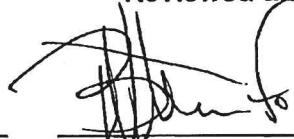
Last year, the City received \$221,344 from the County CSA 3 tax receipts from 11,327 improved parcels.

By:



Jim Marino, Capital Improvement Manager

Reviewed and Approved by:



Nancy Kerry, City Manager

NANCY
KERRY 5/13/13

c: Kerri Williams, El Dorado County, Fiscal Administration Manager

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