



336
615

000867

THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED: May 30, 2007 REPORT NO. 07-094
ATTENTION: Council President and City Council
Docket of June 5, 2007
SUBJECT: Formation of Proposed 1913 Act Assessment District for Undergrounding
Utilities in the La Jolla Mesa Vista Neighborhood
REFERENCE: None

REQUESTED ACTIONS:

In accordance with Council Policy 800-03, "Public Infrastructure Financing Assessment Districts and Community Facilities," a property owner petition containing a sufficient number of signatures was filed with the City to initiate assessment district proceedings for formation of the proposed La Jolla Mesa Vista Undergrounding Utilities Assessment District. The City Council is requested to adopt the resolutions that would begin the legislative action required to form the proposed district.

STAFF RECOMMENDATION:

Consider the resolutions to initiate the proceedings to form the proposed La Jolla Mesa Vista Undergrounding Utilities Assessment District; by approving the resolutions, a public hearing date would be set for July 23, 2007 on formation of the proposed district, and an assessment ballot procedure would be commenced.

SUMMARY:

I. BACKGROUND

Certain property owners within the La Jolla Mesa Vista [LJMV] neighborhood have expressed interest in forming a special assessment district (the "LJMV District") under the Municipal Improvement Act of 1913 [1913 Act], where they would pay for the cost to underground their utilities by means of special assessments.

In May 2006, at the request of district proponents, and with information provided by the various utility companies, City staff assisted in formulating a petition (the "Petition") to be circulated among the affected property owners requesting that district formation proceedings under the Municipal Improvement Act of 1913 be initiated on their behalf. The Petition contained a cost estimate for the project and a boundary map of the proposed LJMV District. The Petition was

000868

signed in favor of initiating formation proceedings by property owners representing 77% of the land area proposed to be assessed, which exceeds the 75% level required pursuant to Council Policy 800-03 (Attachment 1).

In addition to the 1913 Act district formation proceedings, in some cases, provisions of the Improvement Bond Act of 1915 are also used for the issuance of improvement bonds to finance repayment of the cost of the facilities over a number of years. The Petition did not contemplate the issuance of bonds, but instead provided for the assessments to be paid in not more than two installments to be either included on property tax bills or billed manually. The issuance of bonds in this case would not be feasible or cost effective, given the significant additional costs that would be incurred by property owners to issue the bonds and provide for on-going district administration expenses, relative to the costs of this project.

II. DISCUSSION:

Council Policy 600-08 "Underground Conversion of Utility Lines By Utility Company" established in 1968 and last amended by resolution on May 28, 2002, provides policy direction on the underground conversion of utility lines and associated facilities. Since 1967, most underground conversions in the State are performed under the direction of California Public Utility Commission (CPUC) Rule 20. The most used and preferred portion of Rule 20 is referred to as the "20A Program." Under the 20A Program, undergrounding is paid for and performed by the local electrical utility, which, for the City, is San Diego Gas & Electric Company (SDG&E). SDG&E is then reimbursed by CPUC approved expenses as part of their periodic electricity ratemaking case. Thus, the cost recovery for SDG&E is embedded within the electricity rates that it charges to all the customers that it serves. However, most residential streets do not qualify for Rule 20A undergrounding.

While the 20A Program remains intact for major roads, an electric surcharge (commonly referred to as the "Surcharge Program") is used for residential areas that do not meet Rule 20A criteria. The Surcharge Program has more than quadrupled the pace of undergrounding within the City of San Diego. The City's Master Plan for undergrounding currently estimates that the complete undergrounding of all residential areas will take approximately 50 years.

According to the most recent Master Plan, funding will not be allocated for the LJMV neighborhood until 2028, and the project is not scheduled to start until 2031.

In an effort to accelerate the undergrounding process within their neighborhood, certain LJMV property owners approached the City to explore the potential for establishing the LJMV District to generate funding for the project well in advance of the time frame provided in the Master Plan. The 1913 Act provides for a local agency to form an Assessment District to finance certain infrastructure, including the undergrounding of overhead utility lines, upon a successful petition signed by owners of property who want the improvement. If an Assessment District is formed, the City may levy assessments that can be utilized to directly fund the public improvements. Pursuant to the 1913 Act, the San Diego Improvement District Procedural Ordinance (Chapter 6, Article 1, Division 23 of the San Diego Municipal Code), and other applicable provisions of state

law, the assessments that are levied upon each parcel must be based upon the direct and special benefit received by the property.

The City has hired a registered professional engineer certified by the State of California, Bureau Veritas North America, Inc. (the "Assessment Engineer"), to prepare the Preliminary Engineer's Report (Engineer's Report) (Attachment 2), as required by the 1913 Act, Article XIID of the California Constitution and Proposition 218. Bureau Veritas was selected from an as-needed list of Assessment Engineers established through a request for proposals process.

The Engineer's Report contains the plans and specifications for the improvements, an estimate of the costs of the improvements and incidental expenses (i.e., design costs and district formation costs), a diagram of the boundaries of the proposed LJM District, and the apportionment of the total assessment to the parcels within the district, based on the special benefit each parcel would receive from the improvements.

Formation and Levy Process

Adoption of the proposed resolutions would begin the formal legislative proceedings for formation of the proposed LJM District and provide for a public hearing on July 23, 2007, regarding the proposed levy of assessments and related matters contained in the Preliminary Engineer's Report. Also, upon adoption of the proposed resolutions, ballots related to the proposed levy of assessment would be mailed to each property owner. At the public hearing, the City Council would receive public testimony and the City Clerk would count the returned ballots. The proceedings would be terminated by ballot protest from property owners representing more than fifty percent (50%) of the total proposed assessments on those parcels for which ballots have been returned. If there is no majority protest, the City Council may adopt a resolution confirming the proposed assessments. Notwithstanding the ballot results, the City Council retains final discretion in authorizing formation of the district.

Upon adoption of the proposed resolutions, the following schedule would be put in place to proceed with the formation of the proposed LJM District:

- June 5, 2007: City Council adopts Resolutions accepting the property owner Petition, approving the boundary map of the proposed district, declaring its intention to order the conversion of overhead utilities through formation of an Assessment District, preliminarily approves the Engineer's Report, and established the date of the public hearing on the Assessment District as July 23, 2007.
- June 2007: After City Council adoption of the Resolutions, Notice of Public Hearing and assessment ballots mailed to property owners. The Notice would include the estimated total assessment amount, the amount chargeable to each 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.
- July 23, 2007: The Public Hearing would be held July 23, 2007, which is not less than 45 days after the Notice of Public Hearing is mailed, as required by the Government

Code; returned ballots are tabulated by City Clerk. City Council makes final decision on whether to form the LJMV District.

- July 2007: City records Notice of Assessment with County Recorder's Office.
- August 2007: Levy one-time assessment on FY 07/08 County Property Tax Bills or bill manually, with installments due by December 10, 2007 and April 10, 2008.
- December 2007: Post first installment assessment collections to District Improvement Fund.
- December 2007: Reimburse district proponent the funds advanced to pay for formation costs.
- April 2008: Post second installment assessment collections to District Improvement Fund.
- May 2008: Construction of underground improvements begins; estimated completion in April 2009.

Underground Utility District

If the proposed resolutions are adopted to initiate district formation proceedings, it is anticipated Engineering & Capital Projects Department staff would return to City Council with a proposed action to provide for the establishment of an Underground Utility District, the boundaries of which will be contiguous with the proposed Assessment District. The formation of this Underground Utility District would require, by Ordinance, that all individual property owners within the Underground Utility District be wholly responsible for any and all trenching and other related work, including any necessary permits, to convert their individual property to receive electrical, telecommunication and cable television from an underground service.

The expense to convert their private property from the property line to any structures is in addition to the proposed special assessments utilized to finance the underground facilities within the public right-of-way. The estimated cost of this conversion is approximately \$2,000, but may vary among the different parcels within the proposed district. The May 2006 Petition specified that each individual property owner would be responsible for these costs, and that such costs were in addition to the costs to underground facilities within the public right-of-way. The Petition also stated that if all property owners within the proposed district did not convert, the removal of the overhead utilities in the public right-of-way could be delayed.

The establishment of the proposed Underground Utility District would ensure that ALL properties would be required to be configured to accept service from the new undergrounded utilities in order to avoid delays of removing the overhead system that may otherwise still need to remain in order to provide service to only a few customers.

III. FISCAL CONSIDERATIONS:

The estimated total project cost is \$1,070,412, including costs of formation of the district. In accordance with City Council Policy 600-08, the City Council has previously allocated \$280,000

000871

towards the project, including District Formation Costs, as part of its Fiscal Year 2005 Undergrounding of Utilities Annual Allocation (Resolution No. 300051, January 11, 2005) and an additional \$100,000 as part of its Fiscal Year 2006 Undergrounding of Utilities Annual Allocation (Resolution No. 300572, June 21, 2005). The 56 LJMV property owners within the proposed district will bear the remaining costs of the project, estimated at \$690,412. These costs will be apportioned to each property pursuant to the benefit apportionment methodology contained in the Engineer's Report for the proposed district. Based on the Engineer's Report, the average assessment per parcel would be approximately \$12,300. Collections of the assessments will be deposited in a separate Improvement Fund to be established in the name of the District. These funds, in conjunction with the City contributions, will be used to pay the costs of the project. The table below provides a summary of the project costs:

	<u>Estimated Costs</u>
Project Construction Cost	987,912
Design Cost	12,500
Assessment District Formation Costs*	<u>70,000</u>
Total Estimated Project Cost	\$1,070,412
Breakdown of Funding Sources:	
City Contribution - FY 2005 Council Allocation	280,000
City Contribution - FY 2006 Council Allocation	<u>100,000</u>
Total City Contribution	\$380,000
La Jolla Mesa Vista Assessment District	<u>\$690,412</u>
Total Estimated Project Cost	\$1,070,412

* Includes Assessment Engineer costs (\$26,500); outside legal counsel (\$15,000); and City staff costs - City Engineering & Capital Projects, Debt Management Department, and City Attorney's Office (\$25,000); and a contingency (\$3,500).

Certain district formation costs have been advanced by the La Jolla Mesa Vista Homeowner's Association [HOA] on behalf of the property owners within the proposed district, pursuant to a Deposit and Reimbursement Agreement between the HOA and the City. In addition, cost sharing funds from the Fiscal Year 2005 and Fiscal Year 2006 Undergrounding Surcharge Allocations, referenced above, may be used to fund up to 75% of the district formation costs, pursuant to Council Policy 600-08. To date, \$14,146 advanced by property owners and \$42,438 of surcharge allocations have been deposited to fund formation costs. If the district is formed, the formation costs advanced by the HOA will be borne by the district and recovered through the special assessments placed on the properties, and subsequently reimbursed to the HOA. If the district is not formed, any unspent funds from the HOA advance would be refunded. Unspent funds from the surcharge allocations would be returned to the Undergrounding Surcharge Fund.

It is staff's understanding that certain programs (the Homeowner and Renter Assistance Program and the Property Tax Postponement for Senior Citizens, Blind or Disabled Citizens) offered by the State of California for assistance of up to \$472 or postponement of the assessment may be

available to property owners if specific eligibility criteria, including financial hardship, are met. The Notice of Public Hearing will advise property owners that they may contact the California State Controller's Office and the State Franchise Tax Board to obtain information and eligibility requirements for such programs.

IV. PREVIOUS COUNCIL ACTIONS:

1. Allocation of Underground Conversion Projects for Fiscal Year 2005, Resolution 300051, January 11, 2005, Managers Report 05-001, provided for \$280,000 in cost sharing for the LJMV project.
2. Allocation of Underground Conversion Projects for Fiscal Year 2006, Resolution 300572, June 21, 2005, Managers Report 05-149, provided for \$100,000 in cost sharing for the LJMV project.

V. COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

LJMV property owner representatives have worked with Engineering & Capital Projects / Undergrounding Program staff to coordinate with the various utilities to define the project and estimate the costs. At the request of district proponents, Debt Management staff and the City Attorney's Office helped formulate the Petition that was circulated by a primary district proponent.

In addition, on January 4, 2006 and January 25, 2007, the Underground Program Manager and the Debt Management Department, respectively, sent letters to the LJMV property owners providing information regarding the project and the proceedings being undertaken by the City to consider the formation of the district and the levy of assessments on properties for the purpose of undergrounding the overhead utility lines (Attachments 3 and 4).

At the point the Petition was prepared and distributed to the community, the Underground Program Manager met with the community at two different locales and times, both at resident's homes, one during the day and one in the evening, to provide information and answer questions regarding the underground process and information regarding the assessment district formation process.

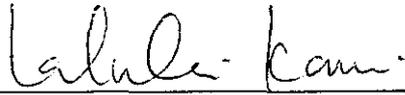
It is also anticipated that the Debt Management Department is expected to send another letter to the LJMV property owners in late May, which would include updated information regarding the project and the proceedings. As described above, and as required by the 1913 Act, if the proposed resolutions are adopted, the Notice of Public Hearing would be mailed to the LJMV property owners at least 45 days prior to the public hearing.

VI. KEY STAKEHOLDERS & PROJECTED IMPACTS:

Property owners within the proposed La Jolla Mesa Vista Underground Utility Assessment District.

000873

Business entities involved in the formation of the district include Bureau Veritas North America, Inc. (Assessment Engineer) and Best, Best and Krieger LLP (Outside Legal Counsel).



Lakshmi Kommi
Debt Management Director



Jay M. Goldstone
Chief Financial Officer



Pati Boekamp
Engineering & Capital Projects Director



R. F. Haas
Deputy Chief of Public Works

Attachments:

1. Petition for Special Assessment Proceedings
2. Preliminary Engineer's Report
3. Letter to Property Owners from Engineering & Capital Projects, dated January 4, 2006
4. Letter to Property Owners from Debt Management Department, dated January 25, 2007
5. Map of the Proposed Boundaries of City of San Diego La Jolla Mesa Vista Undergrounding Assessment District No. 4098

000875

Attachment 1

Petition for Special Assessment Proceedings

000877

PETITION FOR SPECIAL ASSESSMENT PROCEEDINGS

**UNDERGROUNDING OF OVERHEAD UTILITY LINES and the REPLACEMENT OF STREET LIGHTS on portions of the following streets in the La Jolla Mesa Vista area:
Candlelight Drive, Moonlight Lane, and Lamplight Drive
in the City of San Diego, California**

TO THE MAYOR AND CITY COUNCIL OF SAN DIEGO:

1. We, the undersigned, are the owners of the land shown on the map attached as Exhibit A, and made a part of this document.
2. We petition you to undertake special assessment proceedings as a means of financing the undergrounding of utilities within the public right-of-way and the replacement of approximately five existing street lights on the above referenced street (the "Project"). We understand that we will be responsible for undergrounding utility lines from our homes to the utility connection point on our property, that such costs could be significant, and that it is strongly encouraged that we obtain an estimate of such costs prior to signing this petition.
3. We understand that the City Engineer's current total cost estimate for the Project including City staff costs, legal fees, assessment engineering fees and incidental costs in connection therewith, is approximately \$1,011,189. We recognize that the amount to be financed by the proposed assessment district after City contribution is estimated to be \$631,189, and that this cost will be borne by the property owners within the assessment district. We recognize that the cost estimate, including the amount to be borne by landowners within the assessment district, is based on preliminary analysis by the City Engineer and is subject to increase (however, not by more than 10 percent) or decrease thereafter without any new petition being circulated or required.
4. We further understand:
 - (a) THAT the cost of the Project will be a charge against the land which benefits from the Project, including our land.
 - (b) THAT an engineering report will be prepared about the Project, including a general description of improvements to be constructed or acquired, a detailed cost estimate, and a division of costs among the benefited parcels of land, including our land.
 - (c) THAT the cost of engineering, legal, other incidental and City staff costs will be included in the Project cost.
 - (d) THAT there will be additional costs incurred by each property owner if the proposed assessment district is formed, which will be in addition to the estimated costs for this Project, in order to underground all utility services from the property line to the home. Each individual property owner is wholly and financially responsible for performing, or hiring others to perform this work, including obtaining all necessary permits.

000878
PETITION FOR SPECIAL ASSESSMENT PROCEEDINGS (Cont'd)

- (e) THAT failure of all property owners within the proposed assessment district to convert the underground utility lines from the property line to the home may result in the delay in the removal of the overhead utilities in the public right-of-way; such delay is possible because the overhead public right-of-way utility system may not be removed if it is needed to continue to serve even a single customer who has not converted underground utility lines from the property to the home.
 - (f) THAT failure to underground private utility services will not relieve a property from the burden of the assessment.
 - (g) THAT, assuming you proceed with the assessment district and levy an assessment on each of the benefited parcels, each property owner will have the option to pay their assessment either 1) in cash (if paid within 30 days of recordation of the Notice of Assessment), or 2) in not more than two installments typically included on the ad valorem property tax bills due on November 1 and February 1 following the enrollment of the assessment levy by the City with the County Auditor's Office, which must be completed by August 10 for the ensuing tax year. Such enrollment or other billing will not occur until after a Notice of Assessment has been recorded with the County Recorder.
 - (h) THAT property with an assessment lien shall be subject to judicial foreclosure in cases of delinquency and nonpayment.
 - (i) THAT, in accordance with Article XIII D of the California Constitution (Proposition 218), these proceedings may be terminated at the public hearing by ballot protest from property owners representing more than fifty percent (50%) of the total proposed assessments on those parcels for which ballots have been returned to the City Clerk (all property owners of record will be mailed a ballot at least 45 days prior to such scheduled public hearing).
5. We waive investigation proceedings and all other provisions of Division 4, Streets and Highways Code, as provided in Section 2804 of that code.

<u>OWNER'S SIGNATURE</u>	<u>ADDRESS</u>	<u>DATE</u>	<u>COUNTY ASSESSOR'S PARCEL NUMBER</u>
1. <u>Erna Conius</u>	<u>5473 Candlelight Dr</u>	<u>1/12/06</u>	<u>357-702-11-00</u>
2. <u>[Signature]</u>	<u>833 Lamp Light Dr</u>	<u>1/12/06</u>	<u>? 357-701-03-01</u>
3. <u>[Signature]</u>	<u>5561 Moonlight Lane</u>	<u>1/12/06</u>	<u>(05) #22 357-693-03-00</u>
4. <u>Betsy Verhies</u>	<u>5545 Candlelight Dr</u>	<u>1/12/06</u>	<u>357-693-04-02</u>
5. <u>[Signature]</u>	<u>5572 Candlelight Dr</u>	<u>1/12/06</u>	<u>357-691-13-02</u>
<u>[Signature]</u>	<u>5560 Mountgat Lane</u>	<u>1/12/06</u>	<u>357-693-03-01</u>

Document No. _____
 Date: _____

Office of the City Clerk
 San Diego, California

000879

PETITION FOR SPECIAL ASSESSMENT PROCEEDINGS (Cont'd)

- (e) THAT failure of all property owners within the proposed assessment district to convert the underground utility lines from the property line to the home may result in the delay in the removal of the overhead utilities in the public right-of-way; such delay is possible because the overhead public right-of-way utility system may not be removed if it is needed to continue to serve even a single customer who has not converted underground utility lines from the property to the home.
 - (f) THAT failure to underground private utility services will not relieve a property from the burden of the assessment.
 - (g) THAT, assuming you proceed with the assessment district and levy an assessment on each of the benefited parcels, each property owner will have the option to pay their assessment either 1) in cash (if paid within 30 days of recordation of the Notice of Assessment), or 2) in not more than two installments typically included on the ad valorem property tax bills due on November 1 and February 1 following the enrollment of the assessment levy by the City with the County Auditor's Office, which must be completed by August 10 for the ensuing tax year. Such enrollment or other billing will not occur until after a Notice of Assessment has been recorded with the County Recorder.
 - (h) THAT property with an assessment lien shall be subject to judicial foreclosure in cases of delinquency and nonpayment.
 - (i) THAT, in accordance with Article XIID of the California Constitution (Proposition 218), these proceedings may be terminated at the public hearing by ballot protest from property owners representing more than fifty percent (50%) of the total proposed assessments on those parcels for which ballots have been returned to the City Clerk (all property owners of record will be mailed a ballot at least 45 days prior to such scheduled public hearing).
5. We waive investigation proceedings and all other provisions of Division 4, Streets and Highways Code, as provided in Section 2804 of that code.

	<u>OWNER'S SIGNATURE</u>	<u>ADDRESS</u>	<u>DATE</u>	<u>COUNTY ASSESSOR'S PARCEL NUMBER</u>
1.		5542 Candlelight	2/12/06	357-691-08-00
2.				
3.				
4.				
5.				
6.				

Document No. _____
 Date: _____

Office of the City Clerk
 San Diego, California

000880

PETITION FOR SPECIAL ASSESSMENT PROCEEDINGS (Cont'd)

- (e) THAT failure of all property owners within the proposed assessment district to convert the underground utility lines from the property line to the home may result in the delay in the removal of the overhead utilities in the public right-of-way; such delay is possible because the overhead public right-of-way utility system may not be removed if it is needed to continue to serve even a single customer who has not converted underground utility lines from the property to the home.
- (f) THAT failure to underground private utility services will not relieve a property from the burden of the assessment.
- (g) THAT, assuming you proceed with the assessment district and levy an assessment on each of the benefited parcels, each property owner will have the option to pay their assessment either 1) in cash (if paid within 30 days of recordation of the Notice of Assessment), or 2) in not more than two installments typically included on the ad valorem property tax bills due on November 1 and February 1 following the enrollment of the assessment levy by the City with the County Auditor's Office, which must be completed by August 10 for the ensuing tax year. Such enrollment or other billing will not occur until after a Notice of Assessment has been recorded with the County Recorder.
- (h) THAT property with an assessment lien shall be subject to judicial foreclosure in cases of delinquency and nonpayment.
- (i) THAT, in accordance with Article XIID of the California Constitution (Proposition 218), these proceedings may be terminated at the public hearing by ballot protest from property owners representing more than fifty percent (50%) of the total proposed assessments on those parcels for which ballots have been returned to the City Clerk (all property owners of record will be mailed a ballot at least 45 days prior to such scheduled public hearing).

5. We waive investigation proceedings and all other provisions of Division 4, Streets and Highways Code, as provided in Section 2804 of that code.

→ to go to the next step!

	<u>OWNER'S SIGNATURE</u>	<u>ADDRESS</u>	<u>DATE</u>	<u>COUNTY ASSESSOR'S PARCEL NUMBER</u>
1.	<i>Mananne</i>	<i>5382 Candlelight Dr</i>	<i>1-16-06</i>	<i>357-600-03-0</i>
<i>dup.</i> 2.	<i>Cross Johnson</i>	<i>5510 Moonlight Lane</i>	<i>1/11/06</i>	<i>357-693-61-00</i>
3.	<i>Elabor Bluesten</i>	<i>5533 Moonlight Lane</i>	<i>1/11/06</i>	<i>357-692-07-0</i>
4.	<i>[Signature]</i>	<i>5565 CANDLELIGHT DR.</i>	<i>1/15/06</i>	<i>357-692-01-00</i>
5.	<i>[Signature]</i>	<i>5509 Candlelight Dr</i>	<i>1/23/06</i>	<i>357-693-05-0</i>
6.	<i>Conrad J. Vire</i>	<i>5570 CANDLELIGHT</i>	<i>1/24/06</i>	<i>357-691-06-00</i>

Document No. _____
Date: _____

Office of the City Clerk
San Diego, California

000881
PETITION FOR SPECIAL ASSESSMENT PROCEEDINGS (Cont'd)

- (e) THAT failure of all property owners within the proposed assessment district to convert the underground utility lines from the property line to the home may result in the delay in the removal of the overhead utilities in the public right-of-way; such delay is possible because the overhead public right-of-way utility system may not be removed if it is needed to continue to serve even a single customer who has not converted underground utility lines from the property to the home.
- (f) THAT failure to underground private utility services will not relieve a property from the burden of the assessment.
- (g) THAT, assuming you proceed with the assessment district and levy an assessment on each of the benefited parcels, each property owner will have the option to pay their assessment either 1) in cash (if paid within 30 days of recordation of the Notice of Assessment), or 2) in not more than two installments typically included on the ad valorem property tax bills due on November 1 and February 1 following the enrollment of the assessment levy by the City with the County Auditor's Office, which must be completed by August 10 for the ensuing tax year. Such enrollment or other billing will not occur until after a Notice of Assessment has been recorded with the County Recorder.
- (h) THAT property with an assessment lien shall be subject to judicial foreclosure in cases of delinquency and nonpayment.
- (i) THAT, in accordance with Article XIID of the California Constitution (Proposition 218), these proceedings may be terminated at the public hearing by ballot protest from property owners representing more than fifty percent (50%) of the total proposed assessments on those parcels for which ballots have been returned to the City Clerk (all property owners of record will be mailed a ballot at least 45 days prior to such scheduled public hearing).

5. We waive investigation proceedings and all other provisions of Division 4, Streets and Highways Code, as provided in Section 2804 of that code.

	<u>OWNER'S SIGNATURE</u>	<u>ADDRESS</u>	<u>DATE</u>	<u>COUNTY ASSESSOR'S PARCEL NUMBER</u>
1.	<i>[Signature]</i>	5566 Candlelight Dr.	LJ 11/2/06	357-691-12-00
2.	<i>[Signature]</i>	5392 Candlelight Dr.	LJ 1/24/06	357-660-02-00
3.				
4.				
5.				
6.				

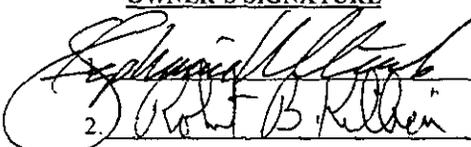
Document No. _____
 Date: _____

Office of the City Clerk
 San Diego, California

PETITION FOR SPECIAL ASSESSMENT PROCEEDINGS (Cont'd)

- (e) THAT failure of all property owners within the proposed assessment district to convert the underground utility lines from the property line to the home may result in the delay in the removal of the overhead utilities in the public right-of-way; such delay is possible because the overhead public right-of-way utility system may not be removed if it is needed to continue to serve even a single customer who has not converted underground utility lines from the property to the home.
- (f) THAT failure to underground private utility services will not relieve a property from the burden of the assessment.
- (g) THAT, assuming you proceed with the assessment district and levy an assessment on each of the benefited parcels, each property owner will have the option to pay their assessment either 1) in cash (if paid within 30 days of recordation of the Notice of Assessment), or 2) in not more than two installments typically included on the ad valorem property tax bills due on November 1 and February 1 following the enrollment of the assessment levy by the City with the County Auditor's Office, which must be completed by August 10 for the ensuing tax year. Such enrollment or other billing will not occur until after a Notice of Assessment has been recorded with the County Recorder.
- (h) THAT property with an assessment lien shall be subject to judicial foreclosure in cases of delinquency and nonpayment.
- (i) THAT, in accordance with Article XIIIID of the California Constitution (Proposition 218), these proceedings may be terminated at the public hearing by ballot protest from property owners representing more than fifty percent (50%) of the total proposed assessments on those parcels for which ballots have been returned to the City Clerk (all property owners of record will be mailed a ballot at least 45 days prior to such scheduled public hearing).

5. We waive investigation proceedings and all other provisions of Division 4, Streets and Highways Code, as provided in Section 2804 of that code.

<u>OWNER'S SIGNATURE</u>	<u>ADDRESS</u>	<u>DATE</u>	<u>COUNTY ASSESSOR'S PARCEL NUMBER</u>
	5385 Candlelight	1/11/06	357-660-01-C
2. Robert B. Kellern	5459 Candlelight Dr.	1/11/06	357-702-12-C
3. _____	_____	_____	_____
4. _____	_____	_____	_____
5. _____	_____	_____	_____
6. _____	_____	_____	_____

Document No. _____

Date: _____

Office of the City Clerk
San Diego, California

000883

PETITION FOR SPECIAL ASSESSMENT PROCEEDINGS (Cont'd)

- (e) THAT failure of all property owners within the proposed assessment district to convert the underground utility lines from the property line to the home may result in the delay in the removal of the overhead utilities in the public right-of-way; such delay is possible because the overhead public right-of-way utility system may not be removed if it is needed to continue to serve even a single customer who has not converted underground utility lines from the property to the home.
 - (f) THAT failure to underground private utility services will not relieve a property from the burden of the assessment.
 - (g) THAT, assuming you proceed with the assessment district and levy an assessment on each of the benefited parcels, each property owner will have the option to pay their assessment either 1) in cash (if paid within 30 days of recordation of the Notice of Assessment), or 2) in not more than two installments typically included on the ad valorem property tax bills due on November 1 and February 1 following the enrollment of the assessment levy by the City with the County Auditor's Office, which must be completed by August 10 for the ensuing tax year. Such enrollment or other billing will not occur until after a Notice of Assessment has been recorded with the County Recorder.
 - (h) THAT property with an assessment lien shall be subject to judicial foreclosure in cases of delinquency and nonpayment.
 - (i) THAT, in accordance with Article XIID of the California Constitution (Proposition 218), these proceedings may be terminated at the public hearing by ballot protest from property owners representing more than fifty percent (50%) of the total proposed assessments on those parcels for which ballots have been returned to the City Clerk (all property owners of record will be mailed a ballot at least 45 days prior to such scheduled public hearing).
5. We waive investigation proceedings and all other provisions of Division 4, Streets and Highways Code, as provided in Section 2804 of that code.

<u>OWNER'S SIGNATURE</u>	<u>ADDRESS</u>	<u>DATE</u>	<u>COUNTY ASSESSOR'S PARCEL NUMBER</u>
1. <i>[Signature]</i>	5506 Candlelight Dr.	11 Jan. 2006	357-691-02-1
2. <i>[Signature]</i>	5503 Candlelight Dr	1/11/06	357-702-10-0
3. <i>[Signature]</i>	5476 Moonlight Ln	1/11/2006	357-702-09-0
4. <i>[Signature]</i>	5554 candlelight Dr	1/11/06	357-691-10-0
5. <i>[Signature]</i>	838 lamp light DR	1/11/06	357-691-01-0
6. <i>[Signature]</i>	5560 Cand'le light DR	1/11/06	357-691-11-00
<i>[Signature]</i>	5526 Moonlight Ln	1/11/06	357-693-02-0

Document No. _____ Office of the City Clerk
 Date: _____ San Diego, California

8. *[Signature]* *[Signature]* *[Signature]* 357-692-08-00
 519 moonlight Ave 1/11/06

000884

PETITION FOR SPECIAL ASSESSMENT PROCEEDINGS (Cont'd)

- (e) THAT failure of all property owners within the proposed assessment district to convert the underground utility lines from the property line to the home may result in the delay in the removal of the overhead utilities in the public right-of-way; such delay is possible because the overhead public right-of-way utility system may not be removed if it is needed to continue to serve even a single customer who has not converted underground utility lines from the property to the home.
 - (f) THAT failure to underground private utility services will not relieve a property from the burden of the assessment.
 - (g) THAT, assuming you proceed with the assessment district and levy an assessment on each of the benefited parcels, each property owner will have the option to pay their assessment either 1) in cash (if paid within 30 days of recordation of the Notice of Assessment), or 2) in not more than two installments typically included on the ad valorem property tax bills due on November 1 and February 1 following the enrollment of the assessment levy by the City with the County Auditor's Office, which must be completed by August 10 for the ensuing tax year. Such enrollment or other billing will not occur until after a Notice of Assessment has been recorded with the County Recorder.
 - (h) THAT property with an assessment lien shall be subject to judicial foreclosure in cases of delinquency and nonpayment.
 - (i) THAT, in accordance with Article XIID of the California Constitution (Proposition 218), these proceedings may be terminated at the public hearing by ballot protest from property owners representing more than fifty percent (50%) of the total proposed assessments on those parcels for which ballots have been returned to the City Clerk (all property owners of record will be mailed a ballot at least 45 days prior to such scheduled public hearing).
5. We waive investigation proceedings and all other provisions of Division 4, Streets and Highways Code, as provided in Section 2804 of that code.

	<u>OWNER'S SIGNATURE</u>	<u>ADDRESS</u>	<u>DATE</u>	<u>COUNTY ASSESSOR'S PARCEL NUMBER</u>
1.	<i>John & Norma Borath</i>	<i>5539 Candlelight Dr</i>	<i>11/11/06</i>	<i>357-692-01-00</i>
2.	<i>Richard Brown</i>	<i>5469 Moonlight Ln</i>	<i>1/11/06</i>	<i>357-703-01-00</i>
3.	<i>Richard Brown</i>	<i>5536 Candlelight Dr</i>	<i>11/11/06</i>	<i>357-691-07-00</i>
4.	<i>Daniel F Ryan</i>	<i>5505 Moonlight Ln</i>	<i>1/11/06</i>	<i>357-692-09-00</i>
5.	<i>Charles H. [Signature]</i>	<i>5547 Moonlight Ln</i>	<i>1/12/06</i>	<i>357-692-06-00</i>
6.	<i>Craig & Jane [Signature]</i>	<i>5510 Moonlight Ln</i>	<i>1/11/06</i>	<i>357-693-01-00</i>

Document No. _____

Date: _____

Office of the City Clerk

San Diego, California

PETITION FOR SPECIAL ASSESSMENT PROCEEDINGS (Cont'd)

- (e) THAT failure of all property owners within the proposed assessment district to convert the underground utility lines from the property line to the home may result in the delay in the removal of the overhead utilities in the public right-of-way; such delay is possible because the overhead public right-of-way utility system may not be removed if it is needed to continue to serve even a single customer who has not converted underground utility lines from the property to the home.
- (f) THAT failure to underground private utility services will not relieve a property from the burden of the assessment.
- (g) THAT, assuming you proceed with the assessment district and levy an assessment on each of the benefited parcels, each property owner will have the option to pay their assessment either 1) in cash (if paid within 30 days of recordation of the Notice of Assessment), or 2) in not more than two installments typically included on the ad valorem property tax bills due on November 1 and February 1 following the enrollment of the assessment levy by the City with the County Auditor's Office, which must be completed by August 10 for the ensuing tax year. Such enrollment or other billing will not occur until after a Notice of Assessment has been recorded with the County Recorder.
- (h) THAT property with an assessment lien shall be subject to judicial foreclosure in cases of delinquency and nonpayment.
- (i) THAT, in accordance with Article XIID of the California Constitution (Proposition 218), these proceedings may be terminated at the public hearing by ballot protest from property owners representing more than fifty percent (50%) of the total proposed assessments on those parcels for which ballots have been returned to the City Clerk (all property owners of record will be mailed a ballot at least 45 days prior to such scheduled public hearing).

5. We waive investigation proceedings and all other provisions of Division 4, Streets and Highways Code, as provided in Section 2804 of that code.

	<u>OWNER'S SIGNATURE</u>	<u>ADDRESS</u>	<u>DATE</u>	<u>COUNTY ASSESSOR'S PARCEL NUMBER</u>
1.	<i>Wes Kemake</i>	<i>Stoetner</i>	<i>5746 Candlelight Dr</i>	<i>1/11/06 357-710-10-00</i>
2.	<i>[Signature]</i>	<i>5551</i>	<i>Candlelight Dr</i>	<i>1/10/06 357-692-02-0</i>
3.	<i>Carol Vandenberg</i>	<i>Fulk</i>	<i>5548 Candlelight Dr</i>	<i>1/12/06 357-692-03-00</i>
4.	<i>[Signature]</i>	<i>5543</i>	<i>Candlelight Dr</i>	<i>1/15/06 357-692-037</i>
5.				
6.				

Document No. _____
Date: _____

Office of the City Clerk
San Diego, California

000886

PETITION FOR SPECIAL ASSESSMENT PROCEEDINGS (Cont'd)

- (e) THAT failure of all property owners within the proposed assessment district to convert the underground utility lines from the property line to the home may result in the delay in the removal of the overhead utilities in the public right-of-way; such delay is possible because the overhead public right-of-way utility system may not be removed if it is needed to continue to serve even a single customer who has not converted underground utility lines from the property to the home.
 - (f) THAT failure to underground private utility services will not relieve a property from the burden of the assessment.
 - (g) THAT, assuming you proceed with the assessment district and levy an assessment on each of the benefited parcels, each property owner will have the option to pay their assessment either 1) in cash (if paid within 30 days of recordation of the Notice of Assessment), or 2) in not more than two installments typically included on the ad valorem property tax bills due on November 1 and February 1 following the enrollment of the assessment levy by the City with the County Auditor's Office, which must be completed by August 10 for the ensuing tax year. Such enrollment or other billing will not occur until after a Notice of Assessment has been recorded with the County Recorder.
 - (h) THAT property with an assessment lien shall be subject to judicial foreclosure in cases of delinquency and nonpayment.
 - (i) THAT, in accordance with Article XIIIID of the California Constitution (Proposition 218), these proceedings may be terminated at the public hearing by ballot protest from property owners representing more than fifty percent (50%) of the total proposed assessments on those parcels for which ballots have been returned to the City Clerk (all property owners of record will be mailed a ballot at least 45 days prior to such scheduled public hearing).
5. We waive investigation proceedings and all other provisions of Division 4, Streets and Highways Code, as provided in Section 2804 of that code.

<u>OWNER'S SIGNATURE</u>	<u>ADDRESS</u>	<u>DATE</u>	<u>COUNTY ASSESSOR'S PARCEL NUMBER</u>
1. 	(vacant lot) MOONLIGHT LN	4/3/06	LOT 38 357702-07-00
2. _____			
3. _____			
4. _____			
5. _____			
6. _____			

Document No. _____
 Date: _____

Office of the City Clerk
 San Diego, California

000887 **PETITION FOR SPECIAL ASSESSMENT PROCEEDINGS (Cont'd)**

- (e) THAT failure of all property owners within the proposed assessment district to convert the underground utility lines from the property line to the home may result in the delay in the removal of the overhead utilities in the public right-of-way; such delay is possible because the overhead public right-of-way utility system may not be removed if it is needed to continue to serve even a single customer who has not converted underground utility lines from the property to the home.
 - (f) THAT failure to underground private utility services will not relieve a property from the burden of the assessment.
 - (g) THAT, assuming you proceed with the assessment district and levy an assessment on each of the benefited parcels, each property owner will have the option to pay their assessment either 1) in cash (if paid within 30 days of recordation of the Notice of Assessment), or 2) in not more than two installments typically included on the ad valorem property tax bills due on November 1 and February 1 following the enrollment of the assessment levy by the City with the County Auditor's Office, which must be completed by August 10 for the ensuing tax year. Such enrollment or other billing will not occur until after a Notice of Assessment has been recorded with the County Recorder.
 - (h) THAT property with an assessment lien shall be subject to judicial foreclosure in cases of delinquency and nonpayment.
 - (i) THAT, in accordance with Article XIID of the California Constitution (Proposition 218), these proceedings may be terminated at the public hearing by ballot protest from property owners representing more than fifty percent (50%) of the total proposed assessments on those parcels for which ballots have been returned to the City Clerk (all property owners of record will be mailed a ballot at least 45 days prior to such scheduled public hearing).
5. We waive investigation proceedings and all other provisions of Division 4, Streets and Highways Code, as provided in Section 2804 of that code.

	<u>OWNER'S SIGNATURE</u>	<u>ADDRESS</u>	<u>DATE</u>	<u>COUNTY ASSESSOR'S PARCEL NUMBER</u>
1.	<i>Julia Soren</i>	8211ump118M	4/03/06	357-701-02-00
2.		San Diego, CA, 9		
3.				
4.				
5.				
6.				

Document No. _____
Date: _____

Office of the City Clerk
San Diego, California

PETITION FOR SPECIAL ASSESSMENT PROCEEDINGS (Cont'd)

000888

THAT failure of all property owners within the proposed assessment district to convert the underground utility lines from the property line to the home may result in the delay in the removal of the overhead utilities in the public right-of-way; such delay is possible because the overhead public right-of-way utility system may not be removed if it is needed to continue to serve even a single customer who has not converted underground utility lines from the property to the home.

- (f) THAT failure to underground private utility services will not relieve a property from the burden of the assessment.
- (g) THAT, assuming you proceed with the assessment district and levy an assessment on each of the benefited parcels, each property owner will have the option to pay their assessment either 1) in cash (if paid within 30 days of recordation of the Notice of Assessment), or 2) in not more than two installments typically included on the ad valorem property tax bills due on November 1 and February 1 following the enrollment of the assessment levy by the City with the County Auditor's Office, which must be completed by August 10 for the ensuing tax year. Such enrollment or other billing will not occur until after a Notice of Assessment has been recorded with the County Recorder.
- (h) THAT property with an assessment lien shall be subject to judicial foreclosure in cases of delinquency and nonpayment.
- (i) THAT, in accordance with Article XIII D of the California Constitution (Proposition 218), these proceedings may be terminated at the public hearing by ballot protest from property owners representing more than fifty percent (50%) of the total proposed assessments on those parcels for which ballots have been returned to the City Clerk (all property owners of record will be mailed a ballot at least 45 days prior to such scheduled public hearing).

5 We waive investigation proceedings and all other provisions of Division 4, Streets and Highways Code, as provided in Section 28014 of that code.

<u>OWNER'S SIGNATURE</u>	<u>ADDRESS</u>	<u>DATE</u>	<u>COUNTY ASSESSOR'S PARCEL NUMBER</u>
1. <i>[Signature]</i>	5512 <i>[Address]</i>	8-21-06	357-691-03-00
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____
5. _____	_____	_____	_____
6. _____	_____	_____	_____

Document No. _____
Date _____

Office of the City Clerk
San Diego, California

PETITION FOR SPECIAL ASSESSMENT PROCEEDINGS (Cont'd)

000889

- (e) THAT failure of all property owners within the proposed assessment district to convert the underground utility lines from the property line to the home may result in the delay in the removal of the overhead utilities in the public right-of-way; such delay is possible because the overhead public right-of-way utility system may not be removed if it is needed to continue to serve even a single customer who has not converted underground utility lines from the property to the home.
- (f) THAT failure to underground private utility services will not relieve a property from the burden of the assessment.
- (g) THAT, assuming you proceed with the assessment district and levy an assessment on each of the benefited parcels, each property owner will have the option to pay their assessment either 1) in cash (if paid within 30 days of recordation of the Notice of Assessment), or 2) in not more than two installments typically included on the ad valorem property tax bills due on November 1 and February 1 following the enrollment of the assessment levy by the City with the County Auditor's Office, which must be completed by August 10 for the ensuing tax year. Such enrollment or other billing will not occur until after a Notice of Assessment has been recorded with the County Recorder.
- (h) THAT property with an assessment lien shall be subject to judicial foreclosure in cases of delinquency and nonpayment.
- (i) THAT, in accordance with Article XIID of the California Constitution (Proposition 218), these proceedings may be terminated at the public hearing by ballot protest from property owners representing more than fifty percent (50%) of the total proposed assessments on those parcels for which ballots have been returned to the City Clerk (all property owners of record will be mailed a ballot at least 45 days prior to such scheduled public hearing).

5. We waive investigation proceedings and all other provisions of Division 4, Streets and Highways Code, as provided in Section 2804 of that code.

<u>OWNER'S SIGNATURE</u>	<u>ADDRESS</u>	<u>DATE</u>	<u>COUNTY ASSESSOR'S PARCEL NUMBER</u>
1. <i>Tracy Moshier</i>	5464 MOONLIGHT LN	1/31	357-702-08-00
2. <i>Jay Wyden</i>	5402 Moonlight Lane	2/16/04	357-702-02-00
3. <i>Jay Wyden</i>	5404 Moonlight Lane	2/2	357-702-03-00
4. <i>Jay Wyden</i>	5416 Moonlight Lane	2/2	357-702-04-00
5. <i>Boyer Feldman</i>	5459 Moonlight	2/1/04	357-703-02-00
6. <i>Ken D. J.</i>	5409 Moonlight	2/17/04	357-703-05-00

Document No. _____

Date: _____

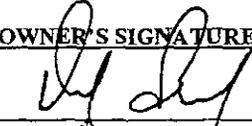
Office of the City Clerk
San Diego, California

PETITION FOR SPECIAL ASSESSMENT PROCEEDINGS (Cont'd)

000890 THAT failure of all property owners within the proposed assessment district to convert the underground utility lines from the property line to the home may result in the delay in the removal of the overhead utilities in the public right-of-way; such delay is possible because the overhead public right-of-way utility system may not be removed if it is needed to continue to serve even a single customer who has not converted underground utility lines from the property to the home.

- (f) THAT failure to underground private utility services will not relieve a property from the burden of the assessment.
- (g) THAT, assuming you proceed with the assessment district and levy an assessment on each of the benefited parcels, each property owner will have the option to pay their assessment either 1) in cash (if paid within 30 days of recordation of the Notice of Assessment), or 2) in not more than two installments typically included on the ad valorem property tax bills due on November 1 and February 1 following the enrollment of the assessment levy by the City with the County Auditor's Office, which must be completed by August 10 for the ensuing tax year. Such enrollment or other billing will not occur until after a Notice of Assessment has been recorded with the County Recorder.
- (h) THAT property with an assessment lien shall be subject to judicial foreclosure in cases of delinquency and nonpayment.
- (i) THAT, in accordance with Article XIID of the California Constitution (Proposition 218), these proceedings may be terminated at the public hearing by ballot protest from property owners representing more than fifty percent (50%) of the total proposed assessments on those parcels for which ballots have been returned to the City Clerk (all property owners of record will be mailed a ballot at least 45 days prior to such scheduled public hearing).

5. We waive investigation proceedings and all other provisions of Division 4, Streets and Highways Code, as provided in Section 2804 of that code.

	<u>OWNER'S SIGNATURE</u>	<u>ADDRESS</u>	<u>DATE</u>	<u>COUNTY ASSESSOR'S PARCEL NUMBER</u>
1.		5518 Candlelight	2/8/06	357-691-04-00
2.		5524 Candlelight Drive	2/8/06	357-691-05-00
3.				
4.				
5.				
6.				

Document No. _____
Date: _____

Office of the City Clerk
San Diego, California

PETITION FOR SPECIAL ASSESSMENT PROCEEDINGS (Cont'd)

000891

- (e) THAT failure of all property owners within the proposed assessment district to convert the underground utility lines from the property line to the home may result in the delay in the removal of the overhead utilities in the public right-of-way; such delay is possible because the overhead public right-of-way utility system may not be removed if it is needed to continue to serve even a single customer who has not converted underground utility lines from the property to the home.
 - (f) THAT failure to underground private utility services will not relieve a property from the burden of the assessment.
 - (g) THAT, assuming you proceed with the assessment district and levy an assessment on each of the benefited parcels, each property owner will have the option to pay their assessment either 1) in cash (if paid within 30 days of recordation of the Notice of Assessment), or 2) in not more than two installments typically included on the ad valorem property tax bills due on November 1 and February 1 following the enrollment of the assessment levy by the City with the County Auditor's Office, which must be completed by August 10 for the ensuing tax year. Such enrollment or other billing will not occur until after a Notice of Assessment has been recorded with the County Recorder.
 - (h) THAT property with an assessment lien shall be subject to judicial foreclosure in cases of delinquency and nonpayment.
 - (i) THAT, in accordance with Article XIII D of the California Constitution (Proposition 218), these proceedings may be terminated at the public hearing by ballot protest from property owners representing more than fifty percent (50%) of the total proposed assessments on those parcels for which ballots have been returned to the City Clerk (all property owners of record will be mailed a ballot at least 45 days prior to such scheduled public hearing).
5. We waive investigation proceedings and all other provisions of Division 4, Streets and Highways Code, as provided in Section 2804 of that code.

	<u>OWNER'S SIGNATURE</u>	<u>ADDRESS</u>	<u>DATE</u>	<u>COUNTY ASSESSOR'S PARCEL NUMBER</u>
1.	J. E. POLICK	845 KAMPLIGHT	7/15/06	357-701-04-00
2.				
3.				
4.				
5.				
6.				

Document No. _____
Date: _____

Office of the City Clerk
San Diego, California

000894

Attachment 2

Preliminary Engineer's Report

000896

**PRELIMINARY ENGINEER'S REPORT
FOR
LA JOLLA MESA VISTA UNDERGROUND UTILITY
ASSESSMENT DISTRICT NO. 4098**

**CITY OF SAN DIEGO
COUNTY OF SAN DIEGO, CALIFORNIA**

Prepared by:

Bureau Veritas North America, Inc.

San Diego, California 92127

May 22, 2007

000897

TABLE OF CONTENTS

	PAGE
INTRODUCTION	i
PART I Plans and Specifications	1
PART II Cost Estimate	1
PART III Assessment and Method of Assessment Spread	2
Method of Assessment Spread	4
PART IV Boundary Map and Diagram of Assessment District.....	6
PART V Description of Facilities	10
APPENDIX	
Certificates.....	A-1 through A-3
Assessment Roll.....	A-4

000898

AGENCY: CITY OF SAN DIEGO
PROJECT: LA JOLLA MESA VISTA UNDERGROUND UTILITY ASSESSMENT
DISTRICT NO. 4098
TO: CITY COUNCIL

**ENGINEER'S "REPORT" PURSUANT TO THE
PROVISIONS OF SECTION 10204
OF THE STREETS AND HIGHWAYS CODE**

Pursuant to the provisions of Article XIIID of the State Constitution and Division 23 "San Diego Improvement District Procedural Ordinance" of Article 1 "Public Improvement and Assessment Proceedings", Chapter 6 "Public Works and Property", of the San Diego Municipal Code, and the Resolution of Intention, adopted by the City Council of the CITY OF SAN DIEGO, State of California, in connection with the proceedings for *La Jolla Mesa Vista Underground Utility Assessment District No. 4098* (hereinafter referred to as the "Assessment District"), I, K. Dennis Klingelhofer, P.E., a Registered Professional Engineer and authorized representative of Bureau Veritas North America, Inc., the duly appointed Engineer of Work, herewith submits the "Report" for the Assessment District, consisting of six (6) parts as stated below.

PART I

This part contains the plans and specifications which describe the general nature, location and extent for the proposed improvements, and are filed herewith and made a part hereof. Said plans and specifications are on file in the Office of the Superintendent of Streets.

PART II

This part contains an estimate of the cost of the proposed improvements, including capitalized interest, if any, incidental costs and expenses in connection therewith as set forth herein and attached hereto.

PART III

This part consists of a proposed assessment of the total amount of the costs and expenses of the proposed improvements upon the several subdivisions of land within the Assessment District, in proportion to the estimated special benefits to be received by such subdivisions from said improvements, which is set forth upon the assessment roll filed herewith and made a part hereof.

PART IV

This part contains a map showing the boundaries of the Assessment District, and a diagram showing the Assessment District, the boundaries and the dimensions of the subdivisions of land within said Assessment District, as the same existed at the time of the passage of the Resolution of Intention, is filed herewith and made a part hereof, and part of the assessment.

000899

PART V

This part shall consist of the following information:

- A. Description of Facilities
- B. Right-of-Way Certificate
- C. Environmental Certificate

This report is submitted on the 22ND day of May, 2007.

BUREAU VERITAS NORTH AMERICA, INC.



K. DENNIS KLINGELHOFER, P.E.
ENGINEER OF WORK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

000500

Part I - Plans and Specifications

The plans and specifications to construct the utility undergrounding improvements and any ancillary improvements thereof, for the area generally described as "La Jolla Mesa Vista Underground Assessment District" dated November 6, 2006, as prepared by the various utility companies and are on file in the office of the Superintendent of Streets.

Part II - Cost Estimate

Table 1 below shows the estimated costs for the improvements based upon the plans and specifications which have been prepared for the construction of the improvements and includes the costs of district formation.

Table 1
Estimated Costs

	Estimated Costs		
	Preliminary	Confirmed	Modified
Construction Costs			
SDG&E Conversion Costs	\$654,455		
Time Warner Joint Trench Costs to SDG&E	\$29,594		
SBC Joint Trench Costs to SDG&E	\$90,658		
Time Warner Cable & Splicing	\$55,648		
Street Lights (5)	\$30,000		
Slurry Sealing of Streets	\$16,090		
Sub-total	\$876,445	0	0
Construction Contingency	\$111,467		
Total Estimated Construction Costs	\$987,912		
Incidental Expenses			
Design Costs	\$12,500		
Assessment District Formation Costs			
Assessment Engineer	\$26,500		
Outside Legal Counsel	\$15,000		
City Engineering Department	\$5,000		
City Debt Management Department	\$15,000		
City Attorney	\$5,000		
Contingencies	\$3,500		
Total Incidental Expenses	\$82,500		
Less City Contribution through FY 2005 Council Allocation	(\$280,000)		
Less City Contribution through FY 2006 Council Allocation	(\$100,000)		
Total Amount to Assessment	\$690,412		

000901

Part III - Assessment and Method of Assessment Spread

WHEREAS, on _____, 2007 the City Council of the CITY OF SAN DIEGO, State of California, did, pursuant to the provisions of Division 23 "San Diego Improvement District Procedural Ordinance" of Article 1 "Public Improvement and Assessment Proceedings", Chapter 6 "Public Works and Property", of the San Diego Municipal Code, adopt its Resolution of Intention No. _____, for the installation and construction of certain public improvements, together with appurtenances and appurtenant work in connection therewith, in a special assessment district known and designated as:

LA JOLLA MESA VISTA UNDERGROUND UTILITY ASSESSMENT DISTRICT NO. 4098

(hereinafter referred to as the "Assessment District" or "District"); and

WHEREAS, said Resolution of Intention, as required by law, did direct the Engineer of Work to make and file a "Report", consisting of the following as required by Section 61.2325 of the Code:

- a. Plans;
- b. Specifications;
- c. Cost Estimates
- d. Assessment Diagram showing the Assessment District and the subdivisions of land therein;
- e. A proposed assessment of the costs and expenses of the works of improvement levied upon the parcels within the boundaries of the Assessment District;

For particulars, reference is made to the Resolution of Intention as previously adopted.

NOW, THEREFORE, I, K. Dennis Klingelhofer, the authorized representative of BUREAU VERITAS NORTH AMERICA, INC., pursuant to Article XIID of the California Constitution and Division 23 "San Diego Improvement District Procedural Ordinance" of Article 1 "Public Improvement and Assessment Proceedings", Chapter 6 "Public Works and Property", do hereby submit the following:

1. Pursuant to the provisions of law and the Resolution of Intention, I have assessed the costs and expenses of the works of improvement to be performed in the Assessment District upon the parcels of land in the Assessment District specially benefited thereby in direct proportion and relation to the estimated special benefits to be received by each of said parcels. For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is attached hereto and incorporated herein.
2. As required by law, a Diagram is hereto attached, showing the Assessment District, as well as the boundaries and dimensions of the respective parcels and subdivisions of land within said District as the same existed at the time of the passage of said Resolution of Intention, each of which subdivisions of land or parcels or lots respectively have been given a separate number upon said Diagram and in said Assessment Roll.

000902

**City Of San Diego – La Jolla Mesa Vista Underground Utility A. D.
Preliminary Engineer's Report – May 22, 2007**

3. The subdivisions and parcels of land, the numbers therein as shown on the respective Assessment Diagram as attached hereto, correspond with the numbers as appearing on the Assessment Roll as contained herein.
4. By virtue of the authority contained in Division 23 "San Diego Improvement District Procedural Ordinance" of Article 1 "Public Improvement and Assessment Proceedings", Chapter 6 "Public Works and Property", and by further direction and order of the legislative body, I hereby recommend the following Assessment to cover the costs and expenses of the works of improvement for the Assessment District based on the costs and expenses as set forth below:

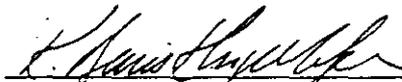
	As Preliminary Approved	As Confirmed and Recorded	As Modified after Recordation
Estimated Construction Costs	\$987,912		
Estimated Incidental Expenses	\$82,500		
Less City Contributions	(\$380,000)		
Total to Assessment	\$690,412		

For particulars as to the individual assessments and their descriptions, reference is made to Appendix "A" attached hereto.

5. The Total to Assessment has been spread to each parcel of land within the Assessment District based upon the Method of Assessment as set forth in this report to each parcel specifically benefited by the improvements to be constructed.

Dated: May 22, 2007

BUREAU VERITAS NORTH AMERICA, INC.



K. DENNIS KLINGELHOFER, P.E.
R.C.E. No. 50255
ASSESSMENT ENGINEER
CITY OF SAN DIEGO
STATE OF CALIFORNIA

METHOD OF ASSESSMENT

Since the improvements are to be funded by the levying of assessments, Division 23 "San Diego Improvement District Procedural Ordinance" of Article 1 "Public Improvement and Assessment Proceedings", Chapter 6 "Public Works and Property", and Article XIID of the State Constitution require that assessments must be based on the estimated special benefit that the properties receive from the works of improvement. In addition, Article XIID, Section 4 of the State Constitution requires that a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel. Section 4 provides that only special benefits are assessable and the local agency levying the assessment must separate the general benefits from the special benefits. It also requires that publicly owned property which specially benefit from the improvements be assessed. Neither the Act nor the State Constitution specifies the method or formula that should be used to apportion the costs to properties in any special assessment district proceedings.

The responsibility for recommending an apportionment of the costs to properties which specially benefit from the improvements rests with the Assessment Engineer, who is appointed for the purpose of making an analysis of the facts and determining the correct apportionment of the assessment obligation. In order to apportion the assessments to each parcel in direct proportion with the special benefit which it will receive from the improvements, an analysis has been completed and is used as the basis for apportioning costs to each property within the Assessment District.

Based upon an analysis of the special and direct benefit to be received by each parcel from the construction of the works of improvement, the Assessment Engineer recommends the apportionment of costs as outlined below. The final authority and action rests with the City Council after hearing all testimony and evidence presented at a public hearing and tabulating the assessment ballots previously mailed to all record owners of property within the Assessment District.

Upon the conclusion of the public hearing, the City Council must make the final determination whether or not the assessment spread has been made in direct proportion to the estimated special benefits received by each parcel within the Assessment District. Ballot tabulation will be finalized at that time and, if a majority of the ballots submitted, weighted by assessment amount, are in opposition to the Assessment District, then the District must be abandoned. If this is not the case, then the City Council may form the Assessment District and levy the special assessment against the parcels therein.

The following sections set forth the methodology used to apportion the costs of the improvements to each parcel.

Special Benefit

In further making the analysis, it is necessary that the properties receive a special and direct benefit distinguished from general benefits conferred on real property located in the District or to the public at large.

The proposed improvements (the undergrounding of power, telephone and cable facilities) are all located along local residential streets. The undergrounding will provide a higher level of service to all properties being undergrounded because the facilities will be upgraded and the undergrounding will reduce the threat of interrupted service due to downed power lines either by wind, rain or fire. In addition, if the overhead utility lines are undergrounded, they will not

present a hazardous situation of restricting or slowing access to emergency personnel in the event the utility lines are downed.

The removal of the existing poles and overhead wires will also remove physical and visual impediments, thus improving the aesthetic environment of all parcels that are adjacent to these facilities. By undergrounding the existing overhead facilities, the proposed improvements will increase the desirability and will specifically enhance the value of the properties within the Assessment District. Therefore, 100% of the proposed improvements are of direct and special benefit to the properties within the boundaries of the Assessment District.

All general benefits, if any, to the surrounding community and the public in general from the undergrounding of these local overhead utilities are intangible and are not quantifiable.

Method of Apportionment

Based upon the findings described above, the special benefits received by the properties within the boundaries of the District are:

- 1) Improved Safety and Reliability from Upgraded Utility System
- 2) Aesthetic Enhancement of the Neighborhood Area

The two special benefits described above are estimated to be of equal benefit to the parcels located within the District boundaries. Therefore the total cost of the undergrounding will be spread 50% to those properties who benefit from the conversion to a more safe and reliable upgraded utility system and the other 50% of the costs spread to the properties that receive the aesthetic enhancement benefit to the neighborhood area. The method of spread for each special benefit is described below:

- **Improved Safety and Reliability**

There are fifty six (56) parcels which have the safety and reliability of their utility system improved by the undergrounding of the existing overhead utilities. Fifty five (55) parcels receive a direct safety and reliability benefit (their overhead utility service will be converted to an underground utility system) and will be assigned a safety and reliability benefit factor ("BF") of (1.00 BF). One (1) parcel (Assessor's Parcel Number 357-660-01) receives an indirect safety and reliability benefit since they will still have an overhead service adjacent to their property, although they will be served by the newly undergrounded system. This parcel will be assigned a safety and reliability benefit factor of one-half (0.50 BF). Therefore the estimated total cost for the upgraded utility system which provides improved safety and reliability, \$345,206 (50% of the total project cost) will be spread to each parcel based upon their pro-rata share of safety and reliability benefit units. There are a total of fifty five and one-half (55.50) benefit units within the District resulting in an assessment of \$6,219.93 per benefit unit. Parcels which receive a direct safety and reliability benefit will be assessed \$6,219.93 per parcel and parcels which receive an indirect safety and reliability benefit will be assessed \$3,109.96 per parcel.

- Aesthetic Enhancement Benefit

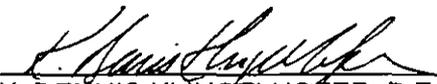
There are fifty six (56) parcels which will receive an aesthetic enhancement benefit from the removal of utility poles and overhead utility lines. Fifty three (53) parcels receive a direct aesthetic enhancement benefit (obstructions removed directly adjacent to their property lines) and will be assigned an aesthetic benefit factor ("BF") of (1.00 BF). Three (3) parcels (Assessor's Parcel Numbers 357-660-01, 357-691-12 and 357-691-13) receive an indirect aesthetic enhancement benefit (minor obstructions remaining adjacent to their property lines) and will be assigned an aesthetic benefit factor of one-half (0.50 BF). Therefore the estimated total cost for the aesthetic enhancement, \$345,206 (50% of the total project cost) will be spread to each parcel based upon their pro-rata share of aesthetic enhancement benefit units. There are a total of fifty four and one-half (54.50) benefit units within the District resulting in an assessment of \$6,334.06 per aesthetic enhancement benefit unit. Parcels which receive a direct aesthetic enhancement benefit will be assessed \$6,334.06 per parcel and parcels which receive an indirect aesthetic enhancement benefit will be assessed \$3,167.03 per parcel.

For particulars as to the assessment roll, reference is made to Appendix "A".
A detailed itemization of improvement costs may be found in Part II of this report.

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

Dated: May 22, 2007

BUREAU VERITAS NORTH AMERICA, INC

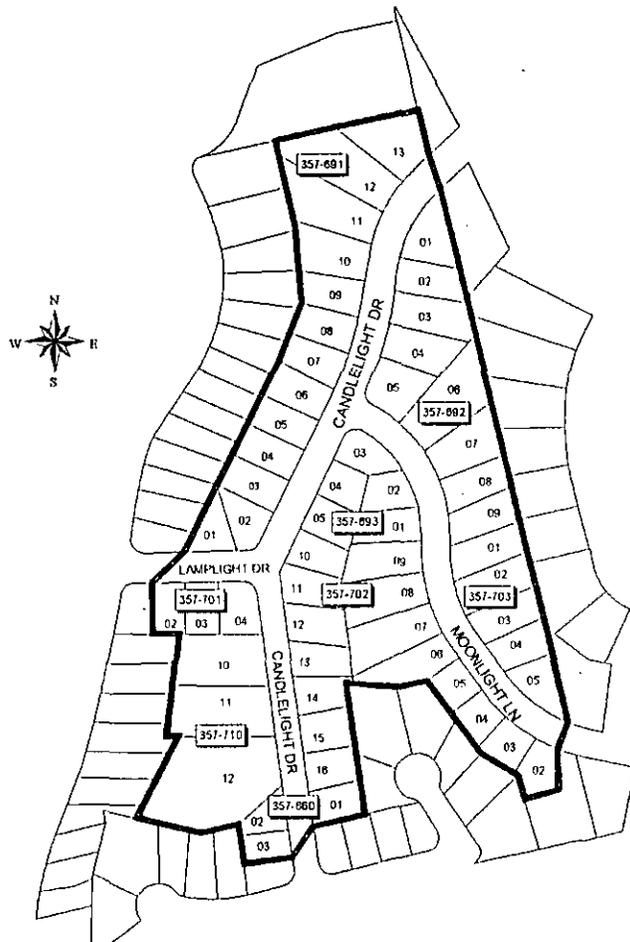

K. DENNIS KLINGELHOFER, P.E.
R.C.E. No. 50255
ASSESSMENT ENGINEER
CITY OF SAN DIEGO
STATE OF CALIFORNIA

Part IV - Boundary Map and Diagram of Assessment

A reduced copy of the Boundary Map and Assessment Diagram is attached hereto. Full-sized copies of the Boundary Map and Assessment Diagram are on file in the Office of the City Clerk, of the City of San Diego.

As required by the Act, the Assessment Diagram shows the exterior boundaries of the assessment district and the assessment number assigned to each parcel of land corresponding to its number as it appears in the Assessment Roll shown on page A-4 in the Appendix of this Report. The Assessor's parcel number is also shown for each parcel as they existed at the time of the passage of the Resolution of Intention and reference is hereby made to the Assessor's Parcel Maps of the County of San Diego for the boundaries and dimensions of each parcel of land.

PROPOSED BOUNDARIES OF
CITY OF SAN DIEGO
LA JOLLA MESA VISTA UNDERGROUND
ASSESSMENT DISTRICT NO. 4098
CITY OF SAN DIEGO
COUNTY OF SAN DIEGO, CALIFORNIA



Filed in the office of the City Clerk of the City of San Diego this ___ day of ____, 2007.

By: _____
City Clerk
City of San Diego
State of California

I hereby certify that the within map showing proposed boundaries of Assessment District No. 4098 (La Jolla Mesa Vista Underground Utility Assessment District), City of San Diego, County of San Diego, State of California, was approved by the City Council of the City of San Diego, at a meeting thereof, held on the ___ day of ____, 2007, by its Resolution No. ____.

By: _____
City Clerk
City of San Diego
State of California

Filed this ___ day of ____, 2007, at the hour of ___ o'clock __m., in Book ___ of Maps of Assessment Districts at Page ___ in the Office of the County Recorder in the County of San Diego, State of California.

By: _____
County Recorder
County of San Diego
State of California

 District Boundary

000907

**ASSESSMENT DIAGRAM
LA JOLLA MESA VISTA UNDERGROUND UTILITY
ASSESSMENT DISTRICT NO. 4098
CITY OF SAN DIEGO
COUNTY OF SAN DIEGO, CALIFORNIA**

Filed in the office of the City Clerk of the City of San Diego this ___ day of ___, 2007.

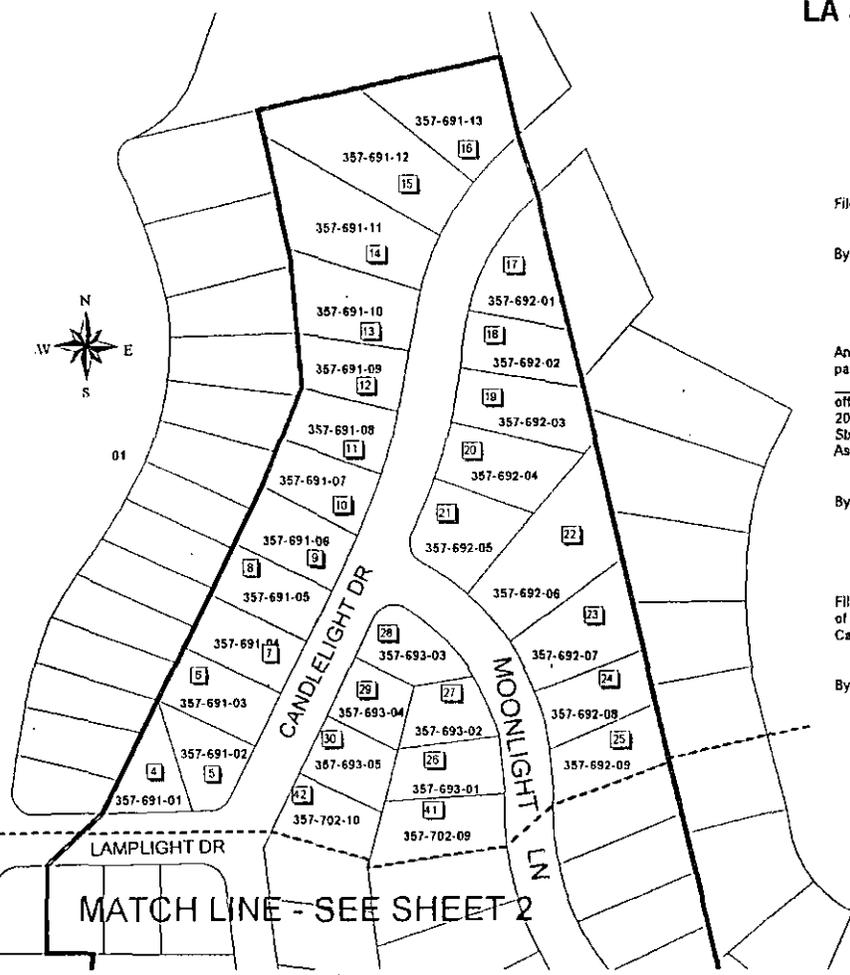
By: _____
City Clerk
City of San Diego
State of California

An Assessment was levied by the City Council of the City of San Diego on the lots, pieces and parcels of land shown on this Assessment Diagram, the Assessment was levied on the ___ day of ___, 2007. The Assessment Diagram and an Assessment Roll were recorded in the office of the Superintendent of Streets of the City of San Diego on the ___ day of ___, 2007. Reference is made to the Assessment Roll recorded in the office of the Superintendent of Streets for the exact amount of each Assessment levied against each parcel of land shown on this Assessment Diagram.

By: _____
City Clerk
City of San Diego
State of California

Filed this ___ day of ___, 2007, at the hour of ___ o'clock ___, in Book ___, Page ___ of Maps of Assessment Districts in the Office of the County Recorder of the County of San Diego, State of California.

By: _____
County Recorder,
County of San Diego
State of California



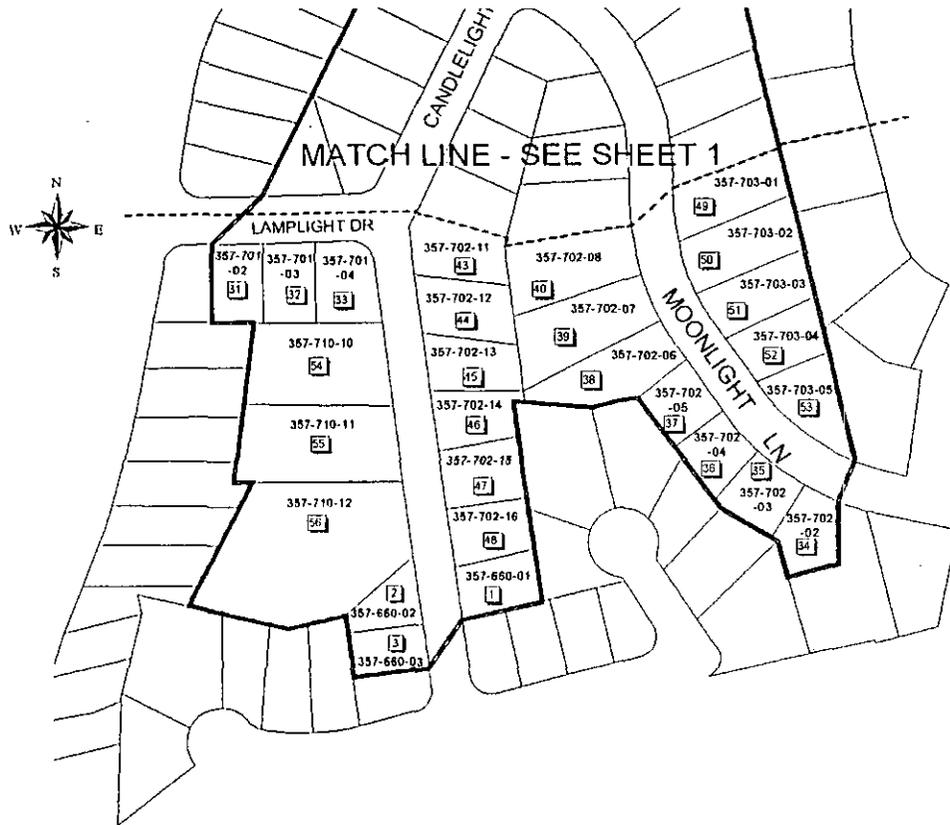
357-692-07 Assessor's Parcel Number

23 Assessment Number

W District Boundary

**ASSESSMENT DIAGRAM
LA JOLLA MESA VISTA UNDERGROUND UTILITY
ASSESSMENT DISTRICT NO. 4098**

**CITY OF SAN DIEGO
COUNTY OF SAN DIEGO, CALIFORNIA**



357-692-07 Assessor's Parcel Number

 Assessment Number

 District Boundary

Part V - Description of Facilities

Section 61.2305 of the Code provides for the legislative body to finance certain capital facilities and services within or along its streets or any public way or easement. The following is a list of proposed improvements as allowed under the Code to be constructed, installed, maintained, repaired or improved. For the general location of the improvements to be constructed reference is hereby made to the Plans and Specifications described in Part I of this report.

The improvements to be constructed shall include:

1. Removal of 17 existing power and telephone poles located on those portions of Candlelight Drive, Moonlight Lane, and Lamplight Drive located within the boundaries of the assessment district.
2. Removal of all overhead service drops for both electric, telephone and cable service.
3. Construction of approximately 3,467 linear feet each of mainline underground power, telephone, and cable conduit, with appurtenant vaults, manholes and pullboxes.
4. Construction of required service conduit and appurtenances to private property lines for 55 lots within the District.
5. Installation of new street lights.
6. Slurry sealing of streets after construction is completed.

The improvements will be designed and constructed by SDG&E (electric), SBC California (telephone) and Time Warner Cable (cable). The City of San Diego will inspect the work for conformance to applicable City standards and specifications. Once completed, the improvements will become the property and responsibility of each utility respectively.

Each property owner within the Assessment District will be responsible for arranging for, and paying for, the work necessary on his or her property to connect the underground utility facilities constructed within the public right-of-way or easements to the points of connection on private property. Conversion of the individual service connections on private property is the responsibility of the property owner and is not included in the work to be funded by the Assessment District.

000910

APPENDIX

000912

RIGHT-OF-WAY CERTIFICATE

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO
CITY OF SAN DIEGO

The undersigned hereby CERTIFIES UNDER PENALTY OF PERJURY that the following is all true and correct.

That at all times herein mentioned, the undersigned was, and now is, the authorized representative of the duly appointed SUPERINTENDENT OF STREETS of the CITY OF SAN DIEGO, CALIFORNIA.

That there have now been instituted proceedings under the provisions of Article XIID of the California Constitution, Division 23 "San Diego Improvement District Procedural Ordinance" of Article 1 "Public Improvement and Assessment Proceedings", Chapter 6 "Public Works and Property", for the construction of certain public improvements in a special assessment district known and designated as *LA JOLLA MESA VISTA UNDERGROUND UTILITY ASSESSMENT DISTRICT NO. 4098* (hereinafter referred to as the "Assessment District").

THE UNDERSIGNED STATES AND CERTIFIES AS FOLLOWS:

It is acknowledged that the proposed Works of Improvement must be constructed within public rights-of-way, land, or easements owned by or licensed to the CITY OF SAN DIEGO, County of SAN DIEGO, State of California, at the time of the construction of the Works of Improvement, and the undersigned hereby further certifies that all rights-of-way necessary for the Works of Improvements will be obtained and in possession of the City, County, or State prior to the commencement of any construction by the City of San Diego.

EXECUTED this ____ day of _____, 2007, at City of San Diego, California.

City Engineer or Designee
City Of San Diego
State Of California

By: _____

000913

**CERTIFICATION OF COMPLETION OF
ENVIRONMENTAL PROCEEDINGS**

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO
CITY OF SAN DIEGO

The undersigned, under penalty of perjury, CERTIFIES as follows:

1. That I am the person authorized to prepare and process all environmental documentation as needed as it relates to the formation of the special assessment district being formed pursuant to the provisions of Division 23 "San Diego Improvement District Procedural Ordinance" of Article 1 "Public Improvement and Assessment Proceedings", Chapter 6 "Public Works and Property", said special assessment district known and designated as *LA JOLLA MESA VISTA UNDERGROUND UTILITY ASSESSMENT DISTRICT NO. 4098* (hereinafter referred to as the "Assessment District").

2. The specific environmental proceedings relating to this Assessment District that have been completed are as follows:

CEQA compliance review, as follows:

This activity is categorically exempt from CEQA pursuant to State CEQA Guidelines, Section 15302(d), and Public Utilities Commission General Order 131-D, dated August 11, 1995

3. I do hereby certify that all environmental evaluation proceedings necessary for the formation of the Assessment District have been completed to my satisfaction, and that no further environmental proceedings are necessary.

EXECUTED this _____ day of _____, 2007 at San Diego, California.

CITY OF SAN DIEGO
STATE OF CALIFORNIA

000914

CERTIFICATES

I, _____, as CITY CLERK of the CITY OF SAN DIEGO, CALIFORNIA do hereby certify that the foregoing Assessment, together with the Diagram attached thereto, was filed in my office on the _____ day of _____, 2007.

CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

I, _____, as CITY CLERK of the CITY OF SAN DIEGO, CALIFORNIA do hereby certify that the foregoing Assessment, together with the Diagram attached thereto, was preliminarily approved by the City Council of the CITY OF SAN DIEGO, CALIFORNIA, on the _____ day of _____, 2007.

CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

I, _____, as CITY CLERK of the CITY OF SAN DIEGO, CALIFORNIA do hereby certify that the foregoing Assessment, together with the Diagram attached thereto, was approved and confirmed by the City Council of said City on the _____ day of _____, 2007.

CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

I, _____, as SUPERINTENDENT OF STREETS of the CITY OF SAN DIEGO, CALIFORNIA do hereby certify that the foregoing Assessment, together with the Diagram attached thereto, was recorded in my office on the _____ day of _____, 2007.

SUPERINTENDENT OF STREETS
CITY OF SAN DIEGO
STATE OF CALIFORNIA

000915

**CITY OF SAN DIEGO
LA JOLLA MESA VISTA UNDERGROUND UTILITY ASSESSMENT DISTRICT**

Assessor's Parcel Number	Property Owner	Property Address	Improved Safety & Reliability Utility System Benefit		Aesthetic Enhancement Benefit		Total Assessment
			Benefit Units	Amount	Benefit Units	Amount	Amount
357 660 01 00	KEVIN & STEPHANIE S WHITLOCK	5385 CANDLELIGHT DR	0.50	\$ 3,109.96	0.50	\$ 3,167.03	\$ 6,276.99
357 660 02 00	ROBERT P & SILVIA A METZGER	5392 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 660 03 00	MARIAN B ASHENHURST	5382 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 691 01 00	SASSO URSULA R REVOCABLE TRUST	838 LAMPLIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 691 02 00	CAROL CONTI	5506 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 691 03 00	BETTYE V FARAR	5512 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 691 04 00	DAVID L & KATHERINE L TELFORD	5518 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 691 05 00	LUIS D JR & LISA K FRANCO	5524 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 691 06 00	DONALD J & EDNA M VINE	5530 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 691 07 00	RICHARD A BROWER	5536 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 691 08 00	JASON BELICE	5542 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 691 09 00	CAROL V FULK	5548 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 691 10 00	JOHN P & HILDA M ARCHIBALD	5554 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 691 11 00	STARSIAK 3 11-17-95	5560 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 691 12 00	FOSTER FAMILY TRUST 12-06-02	5566 CANDLELIGHT DR	1.00	\$ 6,219.93	0.50	\$ 3,167.03	\$ 9,386.96
357 691 13 00	LAURA OSWALD	5572 CANDLELIGHT DR	1.00	\$ 6,219.93	0.50	\$ 3,167.03	\$ 9,386.96
357 692 01 00	WU FAMILY TRUST	5565 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 692 02 00	SCHLOTTER LIVING TRUST 10-09-0	5551 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 692 03 00	HAAS STEPHEN M REVOCABLE TRUST	5545 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 692 04 00	PETERSON NORMA R 2001 LIVING T	5539 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 692 05 00	HEDIN LIVING TRUST 05-13-91	5561 MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 692 06 00	MITTMAN FAMILY TRUST 02-09-04	5547 MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 692 07 00	BLUESTEIN FAMILY TRUST 01-25-9	5533 MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 692 08 00	BOLAND FAMILY REVOCABLE TRUST	5519 MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 692 09 00	DANIEL F & CYNTHIA K RYAN	5505 MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 693 01 00	DIANA M JOHNSON	5510 MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 693 02 00	D REED JR & NOELLE J MAYNE	5526 MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 693 03 00	WILSON SURVIVORS TRUST 05-31-0	5560 MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 693 04 00	BETTY J VORHIES	5515 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 693 05 00	RICHARD A CARDENAS	5509 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 701 02 00	LAILA SALEM	821 LAMPLIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 701 03 00	SAGMAN ARCHER LIVING TRUST 08-	833 LAMPLIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 701 04 00	INGEBORG M EHRICKE	845 LAMPLIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 702 02 00	WEGRZYN FAMILY TRUST 06-27-00	5402 MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 702 03 00	WEGRZYN FAMILY TRUST 06-27-00	5404 MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98

CITY OF SAN DIEGO
LA JOLLA MESA VISTA UNDERGROUND UTILITY ASSESSMENT DISTRICT

Assessor's Parcel Number	Property Owner	Property Address	Improved Safety & Reliability Utility System Benefit		Aesthetic Enhancement Benefit		Total Assessment
			Benefit Units	Amount	Benefit Units	Amount	Amount
357 702 04 00	WEGRZYN FAMILY 2000 TRUST 06-2	5416 MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 702 05 00	TIFFANY E TORGAN	5428 MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 702 06 00	ROBERT D & JUDITH A STEEL	5440 MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 702 07 00	RIPPIER STEPHANIE M FAMILY TRU	MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 702 08 00	MUSHKOR MOUSA H	5464 MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 702 09 00	WISNIEWSKI FAMILY TRUST	5476 MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 702 10 00	BORUN GEORGE & BERNYS TRUST 06	5503 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 702 11 00	COURIS FAMILY TRUST	5473 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 702 12 00	ROBERT B KILLION	5459 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 702 13 00	NEMATI-POUSTI FAMILY TRUST 02-	5445 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 702 14 00	NEMATI-POUSTI FAMILY TRUST 02-	5431 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 702 15 00	THOMAS D JACKSON	5417 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 702 16 00	WALTER WEST	5403 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 703 01 00	BEHM FAMILY TRUST 04-25-98	5469 MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 703 02 00	BRYCE P & SIMONE F GOLDMAN	5459 MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 703 03 00	KINSEY ROSE M TRUST 04-07-99	5441 MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 703 04 00	WILLIAMS FAMILY TRUST	5431 MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 703 05 00	KEVIN D FIALKO	5409 MOONLIGHT LN	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 710 10 00	MOHAMMAD S ERFANI	5446 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 710 11 00	KURT B BLUM	5432 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
357 710 12 00	COREY RUDL	5416 CANDLELIGHT DR	1.00	\$ 6,219.93	1.00	\$ 6,334.06	\$ 12,553.98
			55.50	\$ 345,206.00	54.50	\$ 345,206.00	\$ 690,412.00

000917

Attachment 3

Letter to Property Owners from Engineering & Capital Projects, dated January 4, 2006

000919



THE CITY OF SAN DIEGO

January 4, 2006

Dear Property Owner:

Subject: Proposed La Jolla Mesa Vista Underground Utility District

The City of San Diego has received a property owner's request to improve your neighborhood by undergrounding the overhead utility lines. The proposed improvements would underground the overhead utility lines and replace street lights on portions of the following streets in La Jolla Mesa Vista: Candlelight Drive, Moonlight Drive and Lamplight Drive.

The request includes a petition to form a *special assessment district* to finance the improvements. One of your neighbors will be calling on you soon to request that you sign a petition approving the formation of this proposed district. Signatures of owners of seventy-five percent (75%) of the land area subject to assessment are needed before the City will consider initiating proceedings.

The City Engineer's *current total cost estimate* for the project including City staff costs, legal fees, assessment engineering fees and incidental costs in connection therewith, is approximately \$1,011,189. The amount to be financed by the proposed assessment district after City contribution is estimated to be \$631,189. The cost estimate is based on preliminary analysis and is subject to increase in an amount not to exceed ten percent (10%) or decrease thereafter without any new petition being circulated or required. If the district is formed, each parcel of land will be assessed its fair share of the cost based on the amount of benefit received from the improvements, as determined by an Assessment Engineering Consultant. Please note that any cost to hook up new service from a structure on the property to the new underground line is over and above any assessment cost, and will be the sole responsibility of the property owners.

If you have any questions, I can be reached at (619) 533-3777.

Sincerely,

A handwritten signature in black ink, appearing to read "Nathan Bruner".

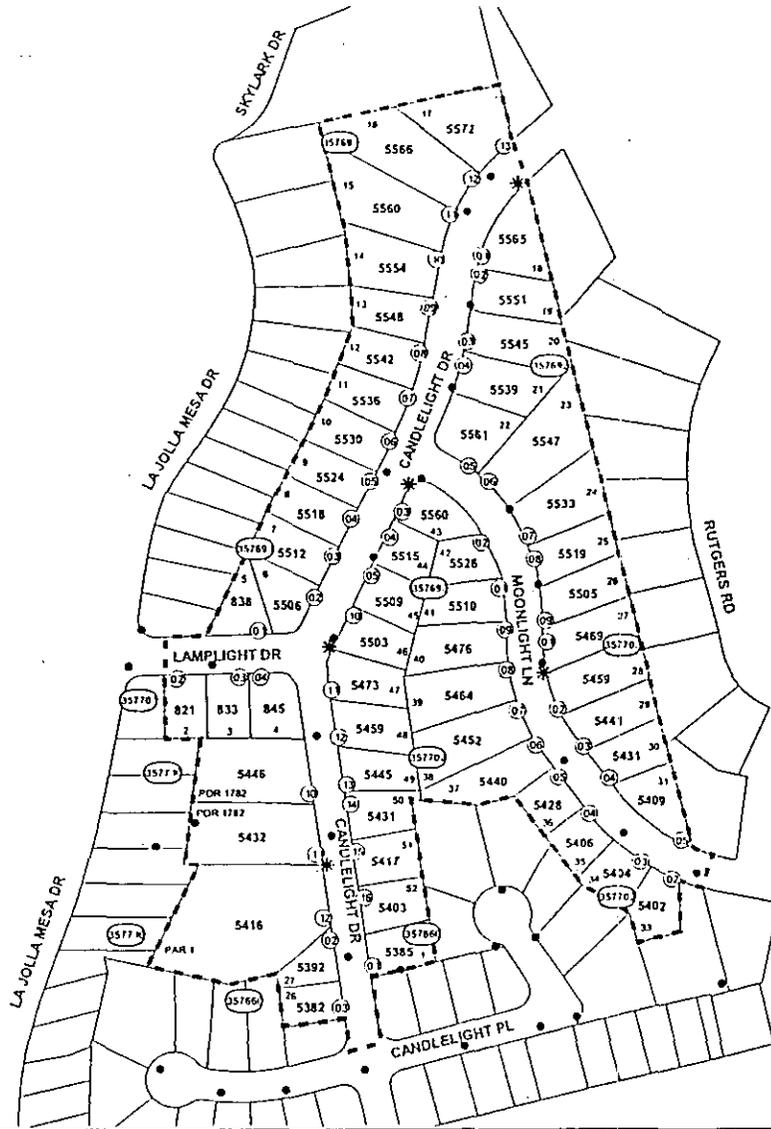
Nathan Bruner
Underground Program Manager
Engineering and Capital Projects

cc: Mark Blake, City Attorney's Office
Chuck Wilcox, Financing Services



LA JOLLA MESA VISTA (20-B) UNDERGROUND UTILITY DISTRICT

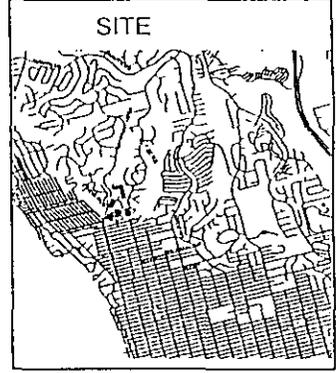
000920



LEGEND

- MATCH LINE
- DISTRICT BOUNDARY
- 410-431 ASSESSOR'S BOOK & PAGE NO.
- ① ASSESSOR'S PARCEL NO.
- 4752 ADDRESS
- * PROPOSED STREET LIGHT
- EXISTING POLES

RESOLUTION NO.: _____
DATE ADOPTED: _____



Every document is filed for public record in the office of the County Registrar, under the Public Records Act. This document is a public record and is available for inspection and copying by any person. The fee for inspection and copying is \$10.00 per page. The fee for a certified copy is \$20.00 per page. The fee for a true and correct copy is \$10.00 per page. The fee for a true and correct copy with a certificate of accuracy is \$15.00 per page. The fee for a true and correct copy with a certificate of accuracy and a certificate of compliance is \$20.00 per page. The fee for a true and correct copy with a certificate of accuracy, a certificate of compliance, and a certificate of recording is \$25.00 per page. The fee for a true and correct copy with a certificate of accuracy, a certificate of compliance, a certificate of recording, and a certificate of filing is \$30.00 per page. The fee for a true and correct copy with a certificate of accuracy, a certificate of compliance, a certificate of recording, a certificate of filing, and a certificate of indexing is \$35.00 per page. The fee for a true and correct copy with a certificate of accuracy, a certificate of compliance, a certificate of recording, a certificate of filing, a certificate of indexing, and a certificate of publication is \$40.00 per page. The fee for a true and correct copy with a certificate of accuracy, a certificate of compliance, a certificate of recording, a certificate of filing, a certificate of indexing, a certificate of publication, and a certificate of recording is \$45.00 per page. The fee for a true and correct copy with a certificate of accuracy, a certificate of compliance, a certificate of recording, a certificate of filing, a certificate of indexing, a certificate of publication, a certificate of recording, and a certificate of filing is \$50.00 per page. The fee for a true and correct copy with a certificate of accuracy, a certificate of compliance, a certificate of recording, a certificate of filing, a certificate of indexing, a certificate of publication, a certificate of recording, a certificate of filing, and a certificate of recording is \$55.00 per page. The fee for a true and correct copy with a certificate of accuracy, a certificate of compliance, a certificate of recording, a certificate of filing, a certificate of indexing, a certificate of publication, a certificate of recording, a certificate of filing, a certificate of recording, and a certificate of filing is \$60.00 per page. The fee for a true and correct copy with a certificate of accuracy, a certificate of compliance, a certificate of recording, a certificate of filing, a certificate of indexing, a certificate of publication, a certificate of recording, a certificate of filing, a certificate of recording, a certificate of filing, and a certificate of recording is \$65.00 per page. The fee for a true and correct copy with a certificate of accuracy, a certificate of compliance, a certificate of recording, a certificate of filing, a certificate of indexing, a certificate of publication, a certificate of recording, a certificate of filing, a certificate of recording, a certificate of filing, and a certificate of recording is \$70.00 per page. The fee for a true and correct copy with a certificate of accuracy, a certificate of compliance, a certificate of recording, a certificate of filing, a certificate of indexing, a certificate of publication, a certificate of recording, a certificate of filing, a certificate of recording, a certificate of filing, and a certificate of recording is \$75.00 per page. The fee for a true and correct copy with a certificate of accuracy, a certificate of compliance, a certificate of recording, a certificate of filing, a certificate of indexing, a certificate of publication, a certificate of recording, a certificate of filing, a certificate of recording, a certificate of filing, and a certificate of recording is \$80.00 per page. The fee for a true and correct copy with a certificate of accuracy, a certificate of compliance, a certificate of recording, a certificate of filing, a certificate of indexing, a certificate of publication, a certificate of recording, a certificate of filing, a certificate of recording, a certificate of filing, and a certificate of recording is \$85.00 per page. The fee for a true and correct copy with a certificate of accuracy, a certificate of compliance, a certificate of recording, a certificate of filing, a certificate of indexing, a certificate of publication, a certificate of recording, a certificate of filing, a certificate of recording, a certificate of filing, and a certificate of recording is \$90.00 per page. The fee for a true and correct copy with a certificate of accuracy, a certificate of compliance, a certificate of recording, a certificate of filing, a certificate of indexing, a certificate of publication, a certificate of recording, a certificate of filing, a certificate of recording, a certificate of filing, and a certificate of recording is \$95.00 per page. The fee for a true and correct copy with a certificate of accuracy, a certificate of compliance, a certificate of recording, a certificate of filing, a certificate of indexing, a certificate of publication, a certificate of recording, a certificate of filing, a certificate of recording, a certificate of filing, and a certificate of recording is \$100.00 per page.

**LA JOLLA MESA VISTA (20-B)
UNDERGROUND UTILITY DISTRICT**

CITY OF SAN DIEGO, CALIFORNIA
Public Works and Streets Department
Utility Bureau

W.P. NO. 370210

DATE	BY	APPROVED	DATE	BY
3/26/84	MDD			

DATE STAMPED: 3/26/84
DATE COMPLETED: 3/27/84

000921

Attachment 4

Letter to Property Owners from Debt Management Department, dated January 25, 2007

000923



THE CITY OF SAN DIEGO

January 25, 2007

Dear Property Owner:

Subject: Proposed La Jolla Mesa Vista Underground Utility Assessment District

The purpose of this letter is to provide information to the record owners of property within the proposed boundaries of the La Jolla Mesa Vista Underground Utility Assessment District [the "District"] regarding the proceedings being undertaken by the City to consider the formation of the District and the levy of assessments on properties within the District for the purpose of undergrounding the overhead utility lines and replacing certain street lights on portions of the following streets in La Jolla Mesa Vista: Candlelight Drive, Moonlight Drive and Lamplight Drive. Please refer to the attached copy of a letter from Nathan Bruner, Underground Program Manager, for additional details.

At present, the City is in receipt of a petition to form the District, signed by the owners of more than seventy-five percent (75%) of the land area anticipated to be subject to the special assessment. The City is also finalizing agreements with an assessment engineer and outside legal counsel, who will assist in the proceedings. In addition, a Deposit and Reimbursement Agreement between the City and the La Jolla Mesa Vista Homeowners Association is being finalized, which will govern the use of District formation funds deposited by property owners and cost sharing funds provided by the City, pursuant to the Utilities Undergrounding Program.

It is currently anticipated that the initial formal legislative proceedings, which consist of City Council consideration of the Resolution of Intention to form the District and levy assessments and the setting of the date, time and location for the public hearing, will take place in Spring 2007. If these actions are approved, a Notice of Public Hearing and assessment ballots will be mailed to all owners of property proposed to be assessed. The Notice will contain the estimated total assessment amount chargeable to the District, the amount chargeable to each 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.



Debt Management

202 C Street, MS 7B • San Diego, CA 92101
Tel (619) 235-5840 Fax (619) 235-5835

000924

January 25, 2007

Page 2

It is anticipated that the public hearing will take place in early Summer 2007. Should the ballot process be successful, the City Council, in its discretion, may adopt a resolution forming the District and authorizing the levy of the assessments. The entire assessment lien amount attributable to each property would then be included on property tax bills for the succeeding 2007-2008 tax year.

If you should have any questions, please call Beverly Buckeye at (619) 533-4517.

Sincerely,



Lakshmi Kommi
Debt Management Director

Enclosure

cc: Kathleen Main, Chair - La Jolla Mesa Vista Undergrounding Project
Jay M. Goldstone, City of San Diego, Chief Financial Officer
Mark Blake, City of San Diego, Chief Deputy City Attorney
Nathan Bruner, City of San Diego, Underground Program Manager
Elizabeth Kelly, City of San Diego, Debt Management Program Manager
Chuck Wilcox, City of San Diego, Special Districts Supervisor

000925



THE CITY OF SAN DIEGO

January 4, 2006

Dear Property Owner:

Subject: Proposed La Jolla Mesa Vista Underground Utility District

The City of San Diego has received a property owner's request to improve your neighborhood by undergrounding the overhead utility lines. The proposed improvements would underground the overhead utility lines and replace street lights on portions of the following streets in La Jolla Mesa Vista: Candlelight Drive, Moonlight Drive and Lamplight Drive.

The request includes a petition to form a *special assessment district* to finance the improvements. One of your neighbors will be calling on you soon to request that you sign a petition approving the formation of this proposed district. Signatures of owners of seventy-five percent (75%) of the land area subject to assessment are needed before the City will consider initiating proceedings.

The City Engineer's *current total cost estimate* for the project including City staff costs, legal fees, assessment engineering fees and incidental costs in connection therewith, is approximately \$1,011,189. The amount to be financed by the proposed assessment district after City contribution is estimated to be \$631,189. The cost estimate is based on preliminary analysis and is subject to increase in an amount not to exceed ten percent (10%) or decrease thereafter without any new petition being circulated or required. If the district is formed, each parcel of land will be assessed its fair share of the cost based on the amount of benefit received from the improvements, as determined by an Assessment Engineering Consultant. Please note that any cost to hook up new service from a structure on the property to the new underground line is over and above any assessment cost, and will be the sole responsibility of the property owners.

If you have any questions, I can be reached at (619) 533-3777.

Sincerely,

Nathan Bruner
Underground Program Manager
Engineering and Capital Projects

cc: Mark Blake, City Attorney's Office
Chuck Wilcox, Financing Services



Architectural Engineering and Contracts Division

Underground Utility Conversion Program • 1010 Second Avenue, Suite 1400 • San Diego, CA 92101-4905

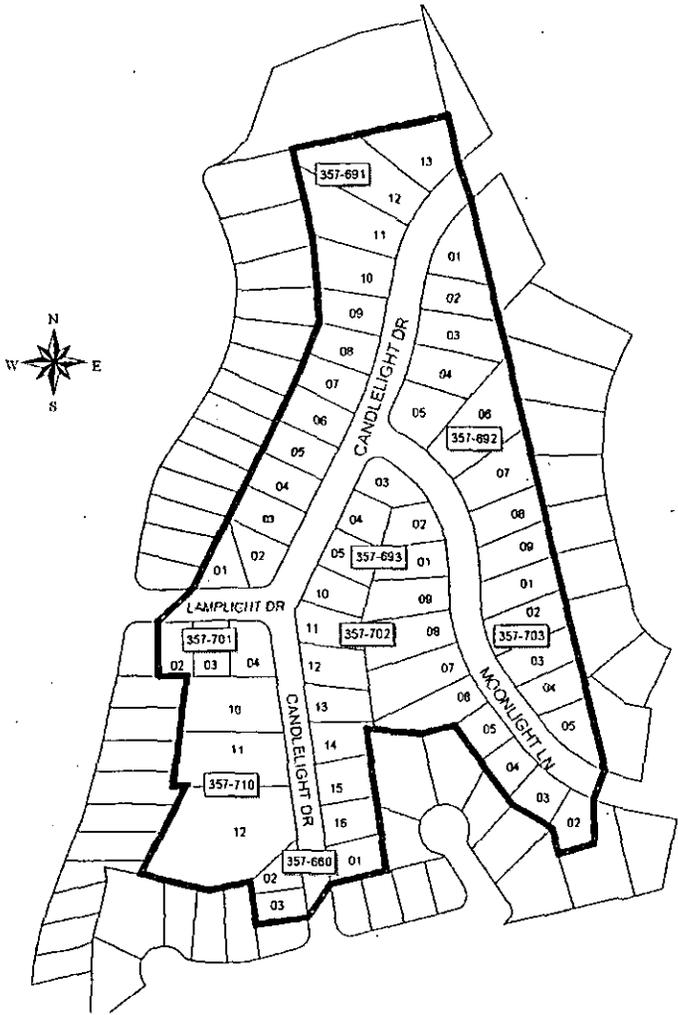
Tel (619) 533-3841

000927

Attachment 5

Map of the Proposed Boundaries of City of San Diego La Jolla Mesa Vista
Undergrounding Assessment District No. 4098

**PROPOSED BOUNDARIES OF
CITY OF SAN DIEGO
LA JOLLA MESA VISTA UNDERGROUND
ASSESSMENT DISTRICT NO. 4098
CITY OF SAN DIEGO
COUNTY OF SAN DIEGO, CALIFORNIA**



Filed in the office of the City Clerk of the City of San Diego this ___ day of ____, 2007.

By: _____
City Clerk
City of San Diego
State of California

I hereby certify that the within map showing proposed boundaries of Assessment District No. 4098 (La Jolla Mesa Vista Underground Utility Assessment District), City of San Diego, County of San Diego, State of California, was approved by the City Council of the City of San Diego, at a meeting thereof, held on the ___ day of ____, 2007, by its Resolution No. ____.

By: _____
City Clerk
City of San Diego
State of California

Filed this ___ day of ____, 2007, at the hour of ___ o'clock __ m., in Book ___ of Maps of Assessment Districts at Page ___ in the Office of the County Recorder in the County of San Diego, State of California.

By: _____
County Recorder,
County of San Diego
State of California

 District Boundary

REQUEST FOR COUNCIL ACTION
CITY OF SAN DIEGO

000931

1. CERTIFICATE NUMBER (FOR AUDITOR'S USE) **336**
615

TO: **CITY ATTORNEY** 2. FROM (ORIGINATING DEPARTMENT): **Department of Finance - Debt Management Department** 3. DATE: **May 17, 2007**

4. SUBJECT: **Proposed 1913 Act Assessment District for Undergrounding Utilities in the La Jolla Mesa Vista Neighborhood**

5. PRIMARY CONTACT (NAME, PHONE & MAIL STA.): **Chuck Wilcox, 533-4519 MS 7B** 6. SECONDARY CONTACT (NAME, PHONE & MAIL STA.): **Jennifer Carroll, 236-6946, MS 7B** 7. CHECK BOX IF REPORT TO COUNCIL IS ATTACHED

8. COMPLETE FOR ACCOUNTING PURPOSES

FUND	DEPT.	ORGANIZATION	OBJECT ACCOUNT	JOB ORDER	C.I.P. NUMBER	AMOUNT	9. ADDITIONAL INFORMATION / ESTIMATED COST: Total project and district formation costs are estimated to be \$1,070,412. Should the assessment district proceedings be successful, the City will contribute \$380,000 through the Undergrounding Surcharge Program. The remaining project costs of \$690,412 will be assessed to property owners within the proposed assessment district.	

10. ROUTING AND APPROVALS

ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
1	ORIGINATING DEPARTMENT	<i>Carol Kelly for Lakeshore</i>	5/18/07	8	CFO / DEPUTY CHIEF	<i>[Signature]</i>	5/22/07
2	EOC/PURCHASING	<i>[Signature]</i>	5/18/07	9	COO	<i>[Signature]</i>	
3	EAS	<i>[Signature]</i>	5/21/07	10	CITY ATTORNEY	<i>[Signature]</i>	5/22/07
4	LIAISON OFFICE	<i>[Signature]</i>	5/22/07	11	ORIGINATING DEPARTMENT	<i>[Signature]</i>	5/22/07
5	AUDITOR	<i>[Signature]</i>	5/21/07	DOCKET COORD: _____ COUNCIL LIAISON: _____			
6	E & CP	<i>[Signature]</i>	5/22/07	<input checked="" type="checkbox"/> COUNCIL PRESIDENT <input type="checkbox"/> SPOB <input type="checkbox"/> CONSENT <input type="checkbox"/> ADOPTION <input type="checkbox"/> REFER TO: _____ COUNCIL DATE: _____			
7							

11. PREPARATION OF: RESOLUTION(S) ORDINANCE(S) AGREEMENT(S) DEED(S)

- Accepting the property owner petition;
- Approving the boundary map of the proposed Assessment District;
- Declaring intention to order the conversion of overhead utilities through formation of an Assessment District; and
- Preliminarily approving the Engineer's Report and setting the date for a public hearing on the Assessment District.

11a. STAFF RECOMMENDATIONS: **Approve the Resolutions.**

12. SPECIAL CONDITIONS:

COUNCIL DISTRICT(S): District 2

COMMUNITY AREA(S): La Jolla

ENVIRONMENTAL IMPACT: This activity is categorically exempt from CEQA pursuant to State CEQA Guidelines, Section 15302(d), and Public Utilities Commission General Order 131-D, dated August 11, 1995.

HOUSING IMPACT: None.

OTHER ISSUES: None.

EXECUTIVE SUMMARY SHEET
CITY OF SAN DIEGO

336
6/5

DATE ISSUED: REPORT NO: 07-094
ATTENTION: Council President and City Council
ORIGINATING DEPARTMENT: Department of Finance - Debt Management
SUBJECT: Formation of Proposed 1913 Act Assessment District for
Undergrounding Utilities in the La Jolla Mesa Vista Neighborhood
COUNCIL DISTRICT(S): 2
STAFF CONTACT: Elizabeth Kelly (619-236-6932)/Chuck Wilcox (619-533-4519)

REQUESTED ACTIONS:

In accordance with Council Policy 800-03, "Public Infrastructure Financing Assessment Districts and Community Facilities," a property owner petition containing a sufficient number of signatures was filed with the City to initiate assessment district proceedings for formation of the proposed La Jolla Mesa Vista Undergrounding Utilities Assessment District (the "LJMV District"). The City Council is requested to adopt the resolutions that would begin the legislative action required to form the proposed district.

STAFF RECOMMENDATION:

Consider the resolutions to initiate the proceedings to form the LJMV District.

EXECUTIVE SUMMARY: (ALSO SEE FULL STAFF REPORT)

Certain property owners within the La Jolla Mesa Vista ("LJMV") neighborhood have expressed interest in forming a special assessment district where they would pay to underground their utilities by means of special assessments. In May 2006, at the request of property owners, City staff assisted in formulating a petition (the "Petition") to be circulated among the affected property owners requesting that district formation proceedings under the Municipal Improvement Act of 1913 (the "1913 Act") be initiated on their behalf. The Petition contained a cost estimate for the project and a boundary map of the proposed district. This Petition was signed in favor of initiating formation proceedings by property owners representing 77% of the land area proposed to be assessed, exceeding the 75% level required pursuant to Council Policy 800-03.

As described in more detail in the full staff report for this item, the City's Surcharge Program is used to underground utilities for residential areas. The City's Master Plan for undergrounding currently estimates that the complete undergrounding of all residential areas will take approximately 50 years and currently estimates funding will not be allocated for the LJMV neighborhood until 2028.

The 1913 Act provides for a local agency to form an Assessment District to finance certain infrastructure, including the undergrounding of overhead utility lines, upon a successful petition signed by owners of property who want the improvement. If an Assessment District is formed, the City may levy assessments that can be utilized to directly fund the public improvements. Pursuant to the 1913 Act, the San Diego Improvement District Procedural Ordinance and other applicable provisions of state law, the assessments that are levied upon each parcel must be based upon the direct and special benefit received by the property. As required by the 1913 Act, the City hired a registered certified professional engineer (the "Assessment Engineer"), to prepare the Preliminary Engineer's Report. This report, which is included as an attachment to the full staff report for this item, includes the plans and specifications for the improvements, an estimate of the costs of the improvements and design and district formation costs, a diagram of the boundaries of the proposed LJMV District, and the apportionment of the total assessment to the parcels within the district, based on the special benefit each parcel would receive from the improvements.

If the proposed resolutions are adopted, a public hearing date would be set for July 23, 2007 on formation of the proposed district and ballots related to the proposed levy of assessment would be mailed to each property owner. At the public hearing, the City Council would receive public testimony and the City Clerk would count the returned ballots. The proceedings would be terminated by ballot protest from property owners representing more than fifty percent (50%) of the total proposed assessments on those parcels for which ballots have been returned. If there is no majority protest, the City Council may adopt a resolution confirming the proposed assessments. Notwithstanding the ballot results, the City Council retains final discretion in authorizing formation of the district.

III. FISCAL CONSIDERATIONS:

The estimated total project cost is \$1,070,412. In accordance with City Council Policy 600-08, the City Council has previously allocated \$380,000 towards the project. The 56 LJMV property owners within the proposed district will bear the remaining costs of the project, estimated at \$690,412. These costs will be apportioned to each property pursuant to the benefit apportionment methodology contained in the Engineer's Report for the proposed district. Based on the Engineer's Report, the average assessment per parcel would be approximately \$12,300. The table below provides a summary of project costs (see full Staff Report for additional information):

Project Costs:

Project Construction Cost	\$987,912
Design Cost	12,500
Assessment District Formation Costs*	<u>70,000</u>
Total Estimated Project Cost	\$1,070,412

Breakdown of Funding Sources:

City Contribution – FY 2005 City Council Allocation	\$280,000
City Contribution – FY 2006 City Council Allocation	100,000
La Jolla Mesa Vista Assessment District	<u>690,412</u>
Total Estimated Project Cost	\$1,070,412

* Includes Assessment Engineer costs (\$26,500); outside legal counsel (\$15,000); and City staff costs - City Engineering & Capital Projects, Debt Management Department, and City Attorney's Office (\$25,000); and a contingency (\$3,500).

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

1) Allocation of Underground Conversion Projects for Fiscal Year 2005, Resolution No. 300051, January 11, 2005, Manager's Report 05-001, provided for \$280,000 in cost sharing for the LJMV project, and 2) Allocation of Underground Conversion Projects for Fiscal Year 2006, Resolution No. 300572, June 21, 2005, Manager's Report 05-149, provided for \$100,000 in cost sharing for the LJMV project.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

At the request of district proponents, Debt Management staff and the City Attorney's Office helped formulate the Petition that was circulated by a primary district proponent. In addition, on January 4, 2006 and January 25, 2007, the Underground Program Manager and the Debt Management Department, respectively, sent letters providing information regarding the project and the proceedings being undertaken by the City. The Underground Program Manager then met with the community at two different locales and times to provide information and answer questions regarding the underground process and the assessment district formation process. The Debt Management Department will send another letter to the LJMV property owners in late May, which would include updated information regarding the project and the proceedings.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

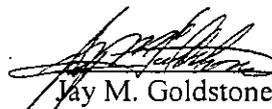
Property owners within the proposed La Jolla Mesa Vista Undergrounding Utilities Assessment District. Business entities involved in the formation of the district include Bureau Veritas North America, Inc. (Assessment Engineer) and Best, Best and Krieger LLP (Outside Legal Counsel).



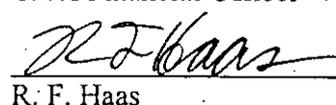
Lakshmi Kommi
Debt Management Director



Patti Boekamp
Engineering & Capital Projects Director



Jay M. Goldstone
Chief Financial Officer



R. F. Haas
Deputy Chief of Public Works

NOTICE OF EXEMPTION

000935

TO: X RECORDER/COUNTY CLERK
P.O. BOX 1750, MS A-33
1600 PACIFIC HWY, ROOM 260
SAN DIEGO, CA 92101-2422

FROM: CITY OF SAN DIEGO
DEVELOPMENT SERVICES DEPARTMENT
1222 FIRST AVENUE, MS 501

 OFFICE OF PLANNING AND RESEARCH
1400 TENTH STREET, ROOM 121
SACRAMENTO, CA 95814

PROJECT NO.: 128074
PROJECT TITLE: **LA Ja Jolla Mesa Vista 20B**

PROJECT LOCATION-SPECIFIC: The proposed project would affect Lamplight Drive, Moonlight Lane, and Candlelight Drive all of which would be located in the developed public right of way. The proposed project is located in the La Jolla Community Plan.

PROJECT LOCATION-CITY/COUNTY: San Diego/San Diego

DESCRIPTION OF PROJECT: The scope of work includes trenching approximately five feet deep and two and one half foot wide along one side of each right-of-way, installing conduit and substructures such as transformers on concrete pads, installing cable through the conduits, making individual connections with customers, removing existing overhead lines and poles and installing streetlights.

NAME OF PUBLIC AGENCY APPROVING PROJECT: City of San Diego

NAME OF PERSON OR AGENCY CARRYING OUT PROJECT: Engineering and Capital Projects, contact Nathan Bruner (619) 533-3777

EXEMPT STATUS: (CHECK ONE)

- MINISTERIAL (SEC. 15268)
- DECLARED EMERGENCY [SEC. 15269 (A)]
- EMERGENCY PROJECT [SEC. 15269 (B) AND (C)]
- CATEGORICAL EXEMPTION: 15302(D) Replacement or Reconstruction
- OTHER:

REASONS WHY PROJECT IS EXEMPT: The project is located in the developed public right of way, and is neither within or adjacent to Environmentally Sensitive Lands including sites of historic significance.

CONTACT PERSON: Jeffrey Szymanski

TELEPHONE: (619) 446-5324

IF FILED BY APPLICANT:

1. ATTACH CERTIFIED DOCUMENT OF EXEMPTION FINDING.
2. HAS A NOTICE OF EXEMPTION BEEN FILED BY THE PUBLIC AGENCY APPROVING THE PROJECT?
 YES / NO

Michael Hernandez, Senior Planner
SIGNATURE/TITLE

5/21/07
DATE

CHECK ONE:

- SIGNED BY LEAD AGENCY
- SIGNED BY APPLICANT

DATE RECEIVED FOR FILING: _____

000937

DETERMINATION OF ENVIRONMENTAL EXEMPTION

Pursuant to the California Environmental Quality Act (CEQA) and State CEQA Guidelines

Agency: CITY OF SAN DIEGO

Project Nos.: 128074

Date: 5/15/07

Action/Permit(s): Council Approval

Description of Activity: La Jolla Mesa Vista 20B: The scope of work includes trenching approximately five feet deep and two and one half foot wide along one side of each right-of-way, installing conduit and substructures such as transformers on concrete pads, installing cable through the conduits, making individual connections with customers, removing existing overhead lines and poles and installing streetlights. The project is located in the developed public right of way, and is neither within or adjacent to Environmentally Sensitive Lands including sites of historic significance.

Location of Activity: The proposed project would affect Lamplight Drive, Moonlight Lane, and Candlelight Drive all of which would be located in the developed public right of way. The proposed project is located in the La Jolla Community Plan in the City and County of San Diego.

(CHECK BOXES BELOW)

- 1. [] This activity is EXEMPT FROM CEQA pursuant to: [] Section 15060(b) (3) of the State CEQA Guidelines (the activity is not a project as defined in Section 15378). 2. [X] This project is EXEMPT FROM CEQA pursuant to State CEQA Guidelines Section checked below:

ARTICLE 19 of GUIDELINES CATEGORICAL EXEMPTIONS (Incomplete list)

Table with 2 columns: Section, Short Name. Rows include 15301 Existing Facilities, 15302(d) Replacement or Reconstruction, 15303 New Construction or Conversion of Small Structures, 15304 Minor Alterations to Land, 15305 Minor Alteration in Land Use, 15306 Information Collection, 15311 Accessory Structures, 15312 Surplus Government Property Sales, 15315 Minor Land Divisions, 15317 Open Space Contracts or Easements, 15319 Annexation of Existing Facilities and Lots for Exempt Facilities, 15325 Transfer of Ownership of Interest in Land to Preserve Open Space, and Other.

ARTICLE 18 of GUIDELINES STATUTORY EXEMPTIONS (Incomplete list)

Table with 2 columns: Section, Short Name. Rows include 15261 Ongoing Project, 15262 Feasibility and Planning Studies, 15265 Adoption of Coastal Plans and Programs, 15268 Ministerial Projects, 15269 Emergency Projects, and Other.

It is hereby certified that the City of San Diego has determined the above activity to be exempt:

Signature of Myra Herrmann, Senior Planner, Environmental Analysis Section

Distribution: Exemption File EAS Project file,

Nathan Bruner, ECP-Undergrounding (MS 612)

(A)
(1st
hearing)

RESOLUTION NUMBER. R - _____

DATE OF FINAL PASSAGE _____

RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO MAKING FINDINGS ON A PETITION REQUESTING INITIATION OF PROCEEDINGS TO FORM AN ASSESSMENT DISTRICT AND MAKING APPOINTMENTS THEREIN

CITY OF SAN DIEGO
LA JOLLA MESA VISTA UNDERGROUNDING
ASSESSMENT DISTRICT NO. 4098

WHEREAS, the COUNCIL [the "Council"] of the CITY OF SAN DIEGO, CALIFORNIA, has been presented with an executed petition [the "Petition"] submitted by the owners of certain real property located in the City of San Diego [the "City"] requesting that the Council initiate proceedings to form an assessment district for the purpose of funding the conversion of certain overhead electric and communications facilities to underground locations; and

WHEREAS, this Council desires to make certain findings regarding such Petition, to direct that proceedings to consider the formation of the Assessment District be initiated and to make certain appointments related to such proceedings; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, as follows:

- 1. That the above recitations are true and correct.
- 2. That this Council hereby finds as to the Petition as follows:
 - A. The Petition has been executed by the owners, or the representatives of such owners legally authorized to execute such Petition for and on behalf of such owners, of parcels constituting more than seventy seven percent (77%) of all assessable land within the boundaries of the proposed

000940

Assessment District and the petition therefore satisfies the requirements of Council Policy No. 800-03 that a petition for underground utility projects be executed by property owners representing 75% of all such assessable land.

- B. The Petition contains an express waiver of statutory proceedings required pursuant to the "Special Assessment Investigation, Limitation and Majority Protest Act of 1931" [Division 4 of the Streets and Highways Code of the State of California] [the "1931 Act"], therefore, no further proceedings or limitations under the 1931 Act shall be applicable to these proceedings; and
- C. The Petition also meets all of the requirements of Chapter 28 [commencing with Streets & Highways Code Section 5896.1] of Part 3, Division 7 of the Streets and Highways Code of the State of California related to proceedings to be taken for the conversion of existing electric and communication facilities to underground locations in that such petition has been signed by not less than five (5) owners of property of the assessable land within the boundaries of the proposed Assessment District owning lands constituting more than one-half of the area of all assessable lands within the proposed Assessment District and such petition contains the matters required by Streets and Highways Code Sections 2804 and 2804.5.

3. That this Council hereby accepts the Petition and authorizes the initiation of proceedings pursuant to the "Municipal Improvement Act of 1913", being Division 12 of the

000941

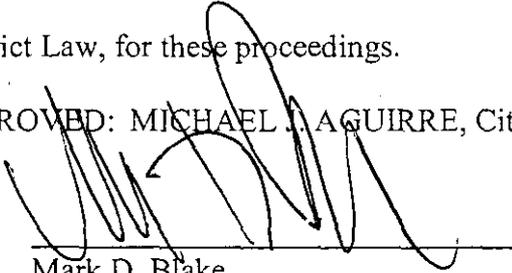
Streets and Highways Code of the State of California [the "Improvement Act"], the San Diego Improvement District Procedural Ordinance, being Chapter 6, Article 1, Division 23 of the San Diego Municipal Code [the "Procedural Ordinance"], Article XIID of the Constitution of the State of California ["Article XIID"] and the Proposition 218 Omnibus Implementation Act [Government Code Section 53750 and following] [the "Implementation Act" and, together with the Improvement Act, the Procedural Ordinance and Article XIID, the "Assessment District Law"] to consider the formation of the Assessment District. Such proceedings shall be undertaken without further compliance with the provisions of the 1931 Act. This action shall be deemed "final" within the meaning of Streets and Highways Code Section 3012.

4. That the City Engineer is hereby appointed to perform all of the duties and functions of the Superintendent of Streets, as such duties are specified in the Assessment District Law, for these proceedings and that the place for recordation of the assessment roll and diagram shall be in the Office of the Superintendent of Streets.

5. That Bureau Veritas North America, Inc. is hereby appointed to perform all of the duties and functions of the Assessment Engineer as such duties are specified in the Assessment District Law, for these proceedings.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By



Mark D. Blake
Chief Deputy City Attorney

MDB:jdf
05/22/07
Or.Dept:Debt Mgmt.
R-2007-1161

000942

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

(B)
1st
hearing

000943

RESOLUTION NUMBER R-_____

DATE OF FINAL PASSAGE _____

A RESOLUTION OF THE COUNCIL OF CITY OF SAN DIEGO
ADOPTING A MAP SHOWING THE PROPOSED BOUNDARIES
OF A PROPOSED ASSESSMENT DISTRICT

CITY OF SAN DIEGO
LA JOLLA MESA VISTA UNDERGROUNDING
ASSESSMENT DISTRICT NO. 4098

WHEREAS, the COUNCIL of the CITY OF SAN DIEGO, CALIFORNIA, has been presented with a map showing and describing the boundaries of the area proposed to be assessed in an assessment district pursuant to the provisions and authority of the "Municipal Improvement Act of 1913", being Division 12 of the Streets and Highways Code of the State of California; said assessment district known and designated as "City of San Diego La Jolla Mesa Vista Undergrounding Assessment District No. 4098" [the "Assessment District"]; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego as follows:

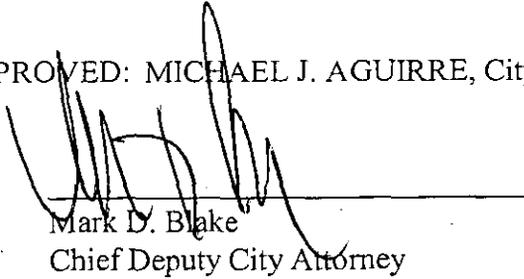
1. That the above recitations are true and correct.
2. That a map showing the boundaries of the proposed Assessment District and lands and property to be assessed to fund the costs and expenses of the acquisition or construction of certain public improvements designated as "Proposed Boundaries of City of San Diego La Jolla Mesa Vista Undergrounding Assessment District No. 4098" is hereby submitted, and the same is hereby approved and adopted.
3. The original map of the boundaries of the proposed Assessment District and one copy thereof is to be filed in the Office of the City Clerk.
4. A certificate shall be endorsed on the original and on at least one copy of the map of the Assessment District, evidencing the date and adoption of this Resolution, and within fifteen (15)

000944

days after the adoption of the Resolution fixing the time and place of hearing on the formation or extent of the Assessment District, a copy of such map shall be filed with the correct and proper endorsements thereon with the County Recorder, all in the manner and form provided in Section 3111 of the Streets and Highways Code of the State of California.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By


Mark D. Blake
Chief Deputy City Attorney

MDB:jdf
05/22/07
Or.Dept:Debt Mgmt.
R-2007-1160

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

C
(1st hearing)

RESOLUTION NUMBER. R - _____

DATE OF FINAL PASSAGE _____

RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO
DECLARING INTENTION TO ORDER THE CONVERSION OF
CERTAIN OVERHEAD ELECTRIC AND COMMUNICATIONS
FACILITIES TO UNDERGROUND LOCATIONS IN A PROPOSED
ASSESSMENT DISTRICT; DECLARING THE IMPROVEMENTS TO BE
OF SPECIAL BENEFIT; AND DESCRIBING THE DISTRICT TO BE
ASSESSED TO PAY THE COSTS AND EXPENSES THEREOF AND
TAKING OTHER ACTIONS IN CONNECTION THEREWITH

CITY OF SAN DIEGO
LA JOLLA MESA VISTA UNDERGROUNDING
ASSESSMENT DISTRICT NO. 4098

BE IT RESOLVED by the Council of The City of San Diego as follows:

1. Improvements. That the public interest and convenience require, and it is the intention of this body, pursuant to the provisions of Division 12 of the Streets and Highways Code of the State of California [the "Municipal Improvement Act 1913"] [the "Improvement Act"], to order the conversion of certain overhead electric and communications facilities to underground locations, together with appurtenances and appurtenant work, in a special assessment district known and designated as City of San Diego La Jolla Mesa Vista Undergrounding Assessment District No. 4098 [the "Assessment District"].

That the improvements the construction of which is proposed to be funded through the levy of assessments on properties within the Assessment District are described as the conversion of overhead electric and communications facilities located on portions of Candlelight Drive, Moonlight Lane and Lamplight Drive, and appurtenances and appurtenant work, all necessary for and to specially benefit properties within the boundaries of the Assessment District [collectively, the "Improvements"]. The description of the Improvements contained in this Resolution is general in nature and the plans and profiles

of the Improvements as contained in the Engineer's Report [defined below] shall be controlling as to the correct and detailed description thereof.

That all of the Improvements are to be installed at the places and in the particular locations, and to the sizes, dimensions and materials, to the lines, grades and elevations as will be shown and delineated upon the plans, profiles and specifications, all to be made a part of the Engineer's Report.

That all rights-of-way and easements required for the Improvements shall be shown upon the plans referred to herein and to be filed with these proceedings.

2. Description Of Assessment District. That the Improvements confer special benefit on the properties within the Assessment District. This Council hereby determines that the expenses of the construction of such Improvements which reflect the special benefit to be conferred on the properties within the Assessment District from such Improvements are chargeable upon such properties. Such properties are described as follows:

All of that certain territory in the proposed Assessment District included within the exterior boundary lines shown on the map exhibiting the property specially benefited and proposed to be assessed to pay the expenses of the acquisition or construction of the Improvements described above, such map entitled "Proposed Boundaries of City of San Diego La Jolla Mesa Vista Undergrounding Assessment District No. 4098", and which map was previously approved by this Council and is on file with the transcript of these proceedings. For all particulars as to the boundaries of the Assessment District, reference is hereby made to such boundary map.

3. Report of the Assessment Engineer. That the proposed Improvements are hereby referred to Bureau Veritas North America, Inc. [the "Assessment Engineer"], who is hereby directed to make and file a

report as required by the Improvement Act, the San Diego Improvement District Procedural Ordinance, being Chapter 6, Article 1, Division 23 of the San Diego Municipal Code [the "Procedural Ordinance"], Article XIID of the Constitution of the State of California and the Omnibus Proposition 218 Implementation Act [Government Code Section 53750] [collectively, the "Assessment District Law"], such report to be in writing and contain the following:

- A. A description of the Improvements;
- B. Plans and specifications of the Improvements sufficient to show or describe the general nature, location and extent of the Improvements;
- C. An estimate of the cost of the construction of the Improvements, including the cost of the incidental expenses, in connection therewith;
- D. A diagram showing, as the same existed at the time of passage of this Resolution, the following:
 1. the exterior boundaries of the Assessment District;
 2. the lines and dimensions of each parcel of land within the Assessment District; provided, however, such diagram may refer to the county assessor's maps for a detailed description of such lines and dimensions, in which case such maps shall govern for all details concerning such lines and dimensions;and
- E. The proposed assessment of the total amount of the costs and expenses of the proposed Improvements upon the several divisions of land in the Assessment District in proportion to the estimated special benefits to be conferred on such subdivisions, respectively, by such Improvements. Such assessment shall refer to such

subdivisions upon such diagram by the respective numbers thereof.

That when any portion or percentage of the assessable costs and expenses of the construction of the Improvements is to be paid from sources other than assessments, the amount of such portion or percentage shall first be deducted from the total estimated costs and expenses of such construction, and such assessment shall include only the remainder of the estimated costs and expenses

4. Improvement Fund. That this City Council hereby establishes a Special Improvement Fund identified and designated by the name of this Assessment District, and into such Fund monies may be transferred at any time to expedite the construction of the Improvements, and any such advancement of funds is a loan and shall be repaid out of the proceeds of the assessment as authorized by law. If the Assessment District is formed and assessments are levied therein, the proceeds of such assessments received by the City shall be deposited in such Improvement Fund.

5. Grades. That notice is hereby given that the grade to which the work shall be done is to be shown on the plans and profiles therefore, which grade may vary from the existing grades. The work herein contemplated shall be done to the grades as indicated on the plans and specifications, to which reference is made for a description of the grade at which the work is to be done. Any objections or protests to the proposed grade shall be made at the public hearing to be conducted under these proceedings.

6. Private Contract. That notice is hereby given that the public interest will not be served by allowing the owners of assessable lands to enter into a contract for the installation of the Improvements as otherwise permitted in Public Contract Code Section 20485.

7. Collection of Assessments. That this City Council does not intend to issue limited obligation improvement bonds upon the security of the unpaid assessments but intends instead to collect such unpaid

assessments in a single installment to be placed on the 2007-2008 secured property tax roll of the County of San Diego, as authorized pursuant to Section 61.2361 of the San Diego Municipal Code.

That in the event that the timing of the formation of the Assessment District is such that the City is unable to place the unpaid assessments on the 2007-2008 secured property tax roll, the City intends to hand bill the property owners to collect the unpaid assessments in two equal installments to be due on November 1, 2007 and February 1, 2008 and deemed delinquent if not paid by December 10, 2007 and April 10, 2008, respectively. Any assessments which are hand billed and are not timely paid shall be placed on the 2008-2009 secured property tax roll of the County of San Diego for collection.

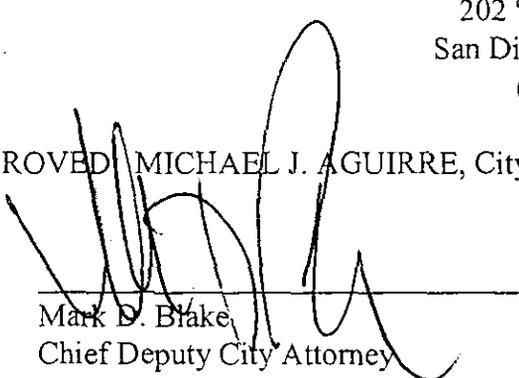
8. Surplus. That the amount of any surplus remaining in the Special Improvement Fund after completion of the construction of the Improvements and payment of all claims shall be distributed in accordance with the provisions of Streets & Highways Code Section 10427.1.

9. Proceedings Inquiries. That for any and all information relating to these proceedings, including information relating to protest procedure, your attention is directed to the person designated below:

Chuck Wilcox
Special Districts Supervisor
202 "C" Street, 7th Floor
San Diego, California 92101
(619) 533-4519

APPROVED MICHAEL J. AGUIRRE, City Attorney

By



Mark D. Blake
Chief Deputy City Attorney

MDB:jdf
05/22/07
Or.Dept:Debt Mgmt.
R-2007-1161

000950

(R-2007-1161)

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

000951

(R-2007-1162) D

(1st hearing)

RESOLUTION NUMBER. R - _____

DATE OF FINAL PASSAGE _____

RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO PRELIMINARY APPROVING THE REPORT OF THE ASSESSMENT ENGINEER RELATED TO AN ASSESSMENT DISTRICT, SETTING THE TIME AND PLACE FOR A PUBLIC HEARING AND ORDERING THE INITIATION OF ASSESSMENT BALLOT PROCEDURES FOR SUCH ASSESSMENT DISTRICT

CITY OF SAN DIEGO
LA JOLLA MESA VISTA UNDERGROUNDING
ASSESSMENT DISTRICT NO. 4098

WHEREAS, the COUNCIL [the "Council"] of the CITY OF SAN DIEGO, CALIFORNIA, was presented with an executed petition [the "Petition"] submitted by the owners of certain real property located in the City of San Diego [the "City"] requesting that the Council initiate proceedings pursuant to the "Municipal Improvement Act of 1913", being Division 12 of the Streets and Highways Code of the State of California [the "Improvement Act"], to form an assessment district for the purpose of funding the conversion of certain overhead electric and communications facilities to underground locations, such assessment district to be known and designated as City of San Diego La Jolla Mesa Vista Undergrounding Assessment District No. 4098 [the "Assessment District"]; and

WHEREAS, in response to the Petition, the Council adopted (a) a Resolution making certain findings with regard to the adequacy of the Petition and authorizing the initiation of proceedings pursuant to the Improvement Act, the San Diego Improvement District Procedural Ordinance, being Chapter 6, Article 1, Division 23 of the San Diego Municipal Code [the "Procedural Ordinance"], Article XIII D of the Constitution of the State of California ["Article XIII D"] and the Proposition 218 Omnibus Implementation Act [Government Code Section

000952

53750 and following] [the "Implementation Act" and, together with the Improvement Act and Article XIID, the "Assessment District Law"] to consider the formation of the Assessment District, (b) a Resolution adopting a map showing the proposed boundaries of the Assessment District [the "Boundary Map"] as reflected in the Petition, and (c) a Resolution [the "Resolution of Intention"] declaring the intention of the Council to order the conversion of the overhead electric and communications facilities to underground locations [defined therein as the "Improvements"], describing the properties which will specially benefit from the Improvements by reference to the Boundary Map and directing Bureau Veritas North America, Inc. [the "Assessment Engineer"] to make and file a report [the "Assessment Engineer's Report"] as required by the Assessment District Law and taking certain other actions with respect to the proceedings to consider the formation of the Assessment District; and

WHEREAS, the Assessment Engineer's Report has been prepared by the Assessment Engineer and filed with this Council as provided for in and required by the Assessment District Law and the Resolution of Intention and the Assessment Engineer's Report has been presented to this Council for its consideration; and,

WHEREAS, this Council desires to preliminarily approve the Assessment Engineer's Report, to set the time and place for hearing on the protests to the proposed conversion of the overhead electric and communications facilities to underground locations and the assessment proposed to be levied on the parcels within the boundaries of the Assessment District, and to direct the City Clerk to give notice of such public hearing as required pursuant to the Assessment District Law; and; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, as follows:

1. Recitals. That the foregoing recitals are true and correct.

000953

2. Assessment Engineer's Report. That the Assessment Engineer's Report contains the following:

A. The plans and specifications for the Improvements proposed to be constructed;

B. The Assessment Engineer's estimate of the itemized and total costs and expenses of the construction of the Improvements and of the incidental expenses in connection therewith;

C. The diagram showing the Assessment District and also the boundaries and dimensions of the respective subdivisions of land within such Assessment District that will specially benefit from the Improvements, each of which subdivisions have been given a separate number upon such diagram; and

D. The proposed assessment of the total amount of the cost and expenses of the Improvements to be constructed and of the incidental expenses in connection therewith in proportion to the estimated special benefits to be conferred on such subdivisions, respectively, by such Improvements.

That this Council finds that the Assessment Engineer's Report contains the information as required by the Assessment District Law and, therefore, is in proper form and does not require modification and such Report is hereby preliminarily approved.

3. Public Hearing. That the time of 2:00 p.m. on July 23, 2007 and the Council Chambers located in the City Administration Building, 12th Floor, 202 C Street, San Diego, California, are appointed as the time and place for hearing protests to the proposed construction of the Improvements and the assessment proposed to be levied on the land within the Assessment District. Any and all persons having objections to the proposed construction of the Improvements

000954

or the assessment proposed to be levied on the land within the Assessment District, or any parcel thereof, or the extent of the Assessment District may appear and show cause why the construction of the Improvements should not be accomplished or the assessment should not be levied as proposed in accordance with the Resolution of Intention, the Assessment Engineer's Report and the Assessment District Law.

4. Assessment Ballot Proceeding. That pursuant to the provisions of the Assessment District Law, the record owner of each parcel proposed to be assessed has the right to submit an assessment ballot in favor of or in opposition to the assessment proposed to be levied on such parcel.

That Assessment ballots will be mailed to the record owner of each parcel located within the assessment district and proposed to be subject to an assessment. Each such owner may complete such assessment ballot and thereby indicate such owner's support for or opposition to the proposed assessment. All such assessment ballots must be received by the City Clerk at or before the time set for the close of the public hearing. An assessment ballot received after the close of the public hearing will not be tabulated even though the postmark on the envelope transmitting the assessment ballot is dated on or before the date of the public hearing.

That at the conclusion of the public hearing, the Council shall cause the tabulation, pursuant to Government Code section 53753, of the assessment ballots timely received. If a majority protest, as described below, exists the Council shall not impose an assessment within the Assessment District. A majority protest exists if the assessment ballots submitted, and not withdrawn, in opposition to the proposed assessment exceed the assessment ballots submitted, and not withdrawn, in favor of such assessment. In tabulating the assessment ballots, each

assessment ballot shall be weighted by the amount of the proposed assessment to be imposed upon the identified parcel for which such assessment ballot was submitted.

That for purposes of tabulating the assessment ballots for these proceedings as required pursuant to the Assessment District Law, the Council hereby designates the City Clerk to act as the tabulation official to tabulate the assessment ballots submitted.

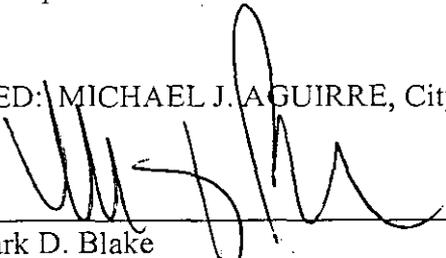
5. Notice. That the City Clerk is directed to give notice of the public hearing as follows:

A. At least forty-five (45) days before the date set forth for hearing protests, the City Clerk shall, pursuant to Government Code Section 53753, mail or cause to be mailed, postage prepaid, notice of the public hearing and of the adoption of the Resolution of Intention and the filing and preliminary approval of the Assessment Engineer's Report to all persons owning real property proposed to be assessed whose names and addresses appear on the last equalized assessment roll for taxes of the County of San Diego, or who are known to the City Clerk. The form of such notice shall conform in all respects with the requirements of Government Code Section 53753(b) and, pursuant to Government Code Section 53753(c), each such notice shall contain an assessment ballot whereon the record owner may indicate his or her support or opposition to the proposed assessment.

000956

B. Upon the completion of the mailing of such notices, the City Clerk shall file with the Council a certificate setting forth the time and manner of compliance with the requirements of this resolution for mailing notices.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By 
Mark D. Blake
Chief Deputy City Attorney

MDB:jdf
05/22/07
Or.Dept:Debt Mgmt.
R-2007-1162

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor