

**ORANGEVALE RECREATION & PARK DISTRICT  
BOARD OF DIRECTORS MEETING  
THURSDAY, JULY 8, 2021**

**REGULAR MEETING 6:30 PM  
LOCATION: ZOOM (Zoom address is on page 3)  
and: 6826 Hazel Ave.  
Orangevale, CA 95662**

NOTE: The Board of Directors may take up any Agenda item at any time, regardless of the order listed. Action may be taken on any item on the Agenda.

**1. CALL TO ORDER**

**2. ROLL**

**3. PLEDGE OF ALLEGIANCE**

**4. APPROVAL OF AGENDA**

**5. PUBLIC DISCUSSION**

Any person may address the board upon any subject within the jurisdiction of the Orangevale Recreation & Park District with each speaker being limited to three minutes. However, the Chairperson can impose reasonable limitations to the maximum time per person and per agenda item to allow the Board to complete its business. Any matter that requires action will be referred to staff or committee for a report and action at a subsequent meeting.

**6. MINUTES**

a. Approval of minutes of the Regular Meeting June 10, 2021 (pg 1-10)

**7. CORRESPONDENCE**

**8. CONSENT CALENDAR: Reading/Opportunity to Pull Items for Discussion/Board Action**

Consent items are considered routine and are intended to be acted upon in one motion, without discussion. During this portion of the meeting, the Consent Calendar will be read aloud. Prior to approval, the Chairperson will give the Board, staff, and public the opportunity to pull any item for discussion. The remaining Calendar will be acted upon. Any pulled items will then be heard and acted upon individually.

**8.1 CONSENT MATTERS GENERAL FUND**

No Report

**8.2 OLLAD CONSENT MATTERS**

No Report

**8.3 KENNETH GROVE CONSENT MATTERS**

No Report

**9. NON-CONSENT MATTERS GENERAL FUND**

a. Ratification of Claims for May 2021 (pg 11)

**10. STANDING COMMITTEE REPORTS**

- a. Administration & Finance –
- b. Maintenance & Operation
- c. Recreation Committee
- d. Personnel & Policy
- e. Government
- f. Planning Committee
- g. Trails Committee
- h. Ad Hoc

11. **ADMINISTRATOR'S REPORT**

- a. Monthly Activity Report – June 2021 (pg 12-17)

12. **UNFINISHED BUSINESS**

13. **NEW BUSINESS**

- a. Approval of Resolution 21-07-670, Resolution of the Orangevale Recreation and Park District Amending the District Salary Schedule for Fiscal Year 2021/22 (pg 18-21)
- b. Public Hearing: Orangevale Landscaping and Lighting Assessment District (OLLAD)  
- Susan Barnes of SCI Consulting Group (verbal)
- c. Public Hearing: Kenneth Grove Landscaping and Lighting Assessment District  
- Susan Barnes of SCI Consulting Group (verbal)
- d. Approval of Resolution 21-07-671, A Resolution of the Board of Directors of the Orangevale Recreation & Park District Approving the Engineer's Report, Confirming the Diagram and Assessment, and Ordering the Levy of Assessment for the Fiscal Year 2021-22 for the Orangevale Landscaping and Lighting Assessment District (pg 22-68)
- e. Approval of Resolution 21-07-672, A Resolution of the Board of Directors of the Orangevale Recreation & Park District Approving the Engineer's Report, Confirming the Diagram and Assessment, and Ordering the Levy of Assessment for the Fiscal Year 2021-22 for the Kenneth Grove Landscaping and Lighting Assessment District (pg 69-88)
- f. Presentation by Blair Aas, Director of Planning Services for SCI Consulting regarding a Nexus Study update for Park Impact Fees and its effect on Orangevale Recreation & Park District (verbal)
- g. Approval of Resolution 21-07-673, a Resolution of the Board of Directors of the Orangevale Recreation & Park District Approving the Orangevale Recreation & Park District Park Impact Fee Nexus Study Update and Requesting the Sacramento County Board of Supervisors Adopt and Implement the Updated Park Impact Fee Program on Behalf of the District (pg 89-135)
- h. Approval of the Letter of Engagement from Auditor Larry Bain for the fiscal year 2020/21 audit in the amount not to exceed \$8,900 (pg 136-140)
- i. Approval of the proposal for consultant services from Aquatic Design Group to provide a needs assessment study for the OVparks swimming pool (pg 141-145)
- j. Approval that the sections of damaged concrete pathways at Orangevale Community Park be replaced with new concrete in affordable and manageable intervals over the next three fiscal years (pg 146)
- k. Approval of the agreement with All Events Management Group to hold the *Bow Wow Days* event in Orangevale Community Park on September 25, 2021 (pg 147-162)
- l. Address the concept of neighbors wishing to purchase sections of park property to expand their property (verbal)

14. **DIRECTOR'S AND STAFF'S COMMENTS**

15. **ITEMS FOR NEXT AGENDA**

- Approve the Final Budget for Fiscal Year 2021-22

16. **ADJOURNMENT**

**NOTICE:**

*As presiding officer, the Chair has the authority to preserve order at all Board of Directors meetings, to remove or cause the removal of any person from any such meeting for disorderly conduct, or for making personal, impertinent, or slanderous remarks, using profanity, or becoming boisterous, threatening or personally abusive while addressing said Board, and to enforce the rules of the Board.*

People with disabilities may request accommodations such as interpreters, alternative formats, or assistance with physical accessibility. Requests for accommodations must be made with 72 hours prior notice. If you require accommodations, please contact the Orangevale Recreation & Park District main office at (916) 988-4373.

**\*Due to Covid-19 guidance, public may attend the meeting via Zoom at this link and information:**  
<https://us02web.zoom.us/j/87055473426?pwd=VnFEaVVILzNZR0hwcFhic3FuNkdHUT09>

**Meeting ID: 870 5547 3426**

**Passcode: OVparksJUL**

Directors can be reached at: [director@ovparks.com](mailto:director@ovparks.com)

Manie Meraz

Mike Stickney

Sharon Brunberg

Lisa Montes

Erica Swenson

# ORANGEVALE RECREATION & PARK DISTRICT

## Minutes of Meeting of Board of Directors June 10, 2021

A Regular Meeting of the Board of Directors of the Orangevale Recreation and Park District was held on June 10, 2021 at the District Office. Director Stickney called the meeting to order at 6:32 p.m.

Directors present: Stickney, Meraz, Montes,  
Directors absent: Brunberg, Swenson  
Staff present: Barry Ross, District Administrator  
Jennifer Von Aesch, Finance/HR Superintendent  
Horacio Oropeza, Park Superintendent  
Jason Bain, Recreation Supervisor  
Melyssa Woodford, Admin. Services Supervisor  
Nadia Khkhokhar Roberts, Recreation Coordinator

3. **PLEDGE OF ALLEGIANCE** The Pledge of Allegiance was conducted.
4. **APPROVAL OF AGENDA**  
**MOTION #1** On a motion by Director Montes, seconded by Director Meraz, the agenda was approved by a vote of 3-0-0 with Directors Stickney, Meraz, and Montes voting Aye. There were no Nays or Abstentions. Directors Swenson and Brunberg were absent.
5. **PUBLIC DISCUSSION** No one wished to address the Board during public discussion.
6. **MINUTES**  
**MOTION #2**
  - a) Approval of Minutes of May 13, 2021 (pg 1-11): On a motion by Director Montes seconded by Director Stickney, the minutes were approved by a vote of 3-0-0 with Directors Stickney, Meraz, & Montes voting Aye. There were no Nays or Abstentions. Directors Swenson and Brunberg were absent.
7. **CORRESPONDENCE**
  - a) Ad in the Orangevale View promoting summer programs (pg 12): Admin Ross commented that the ad in the Orangevale View covering many summer programs seems to be effective. The recreation programming enrollment is doing quite well.
  - b) Email from Judy Pisciotta of AARP thanking staff for the support in allowing AARP to help seniors with their taxes during this challenging time of Covid-19 (pg 13): Admin Ross shared an email received from Judy Pisciotti of AARP extending appreciation to the OVparks staff. Melyssa Woodford, Christina Kelley, and Kathy Harling were instrumental in coordinating the



scheduling of the AARP tax appointments which were conducted with Covid guidelines in place.

**8. CONSENT  
CALENDAR**

**MOTION #3**

- a) On a motion by Director Montes, seconded by Director Meraz, the consent calendar was approved by a vote of 3-0-0 with Directors Stickney, Meraz and Montes, voting Aye. There were no Nays or Abstentions. Directors Swenson and Brunberg were absent.

**8.1. CONSENT  
MATTERS  
GENERAL FUND**

- a) Ratification of Claims for May 2021 (pg 14)  
b) Budget Status Report for February 2021 (pg 15-17)  
c) Revenue Report for February 2021 (pg 18)

**8.2. OLLAD  
CONSENT  
MATTERS**

- a) Ratification of Claims for February 2021 (pg 19-20)  
b) Budget Status Report for February 2021 (pg 21-22)

**8.3. KENNETH GROVE  
CONSENT  
MATTERS**

- a) Ratification of Claims for February 2021 (pg 23)  
b) Budget Status Report for February 2021 (pg 24)

**9. NON-CONSENT  
MATTERS  
GENERAL FUND**

- a) Ratification of Claims for May 2021 (pg 25):  
This item has been tabled for the July Board of Directors Meeting.

**10. STANDING  
COMMITTEE  
REPORTS**

- a) Administration and Finance: No report.
- b) Maintenance and Operation: Recap of the June 8, 2021 meeting (verbal): The meeting was attended by Directors Stickney and Swenson, Admin Ross, Park Supt. Oropeza and Recreation Supervisor Bain. Admin Ross advised of topics discussed. Landscaping crew will begin planning for necessary tree removal and replacement at the Community Center Park, near the pool and baseball field, due to root systems impacting concrete or encroaching in other areas. Approximately ten to twenty trees will need to be removed. Admin Ross and Supt. Oropeza will present a plan for tree removal and replacement for approval at the August or September Board of Directors Meeting. Concrete work has been completed at the Orangevale Community Center with concrete work beginning as soon as July at the Orangevale Community Park. Director Stickney mentioned need to allocate funding to next year's budget to continue concrete repairs. Water conservation was discussed with emphasis of cognizance to areas where reductions could be made. Director Stickney suggested reduction of turf areas and converting the overflow parking for the Shady Oaks Disc Golf to road base gravel. Discussed importance of regularly auditing the irrigation system to detect leaks as well as

timely response to community tips of irrigation issues to reduce water waste. Admin Ross advised SMUD recently removed approximately two hundred and fifteen trees necessary for fire prevention measures at the Sundance Natural Trail area. SMUD had taken into consideration input received from Admin Ross and Supt. Oropeza emphasizing need to save as many trees as possible. A request has been made to SMUD and the Sacramento Tree Foundation to provide a list of potential trees and shrubs which would be appropriate for planting within the Sundance and Streng areas. The committee is in agreement that the swimming pool repairs are a top priority for the District. A quote has been acquired for a new shell by Renosys to be placed within the pool. Additional quotes will be obtained for repairing the joint where leak is occurring, and for replastering the pool. The goal is to have a bid packet put together this summer, a contractor selected and ready to begin this fall and have the pool ready to open by March 2022. Director Stickney emphasized the top priority is to repair where the leak is occurring. OLLAD funding is available for this repair, with in-lieu fees and reserves if necessary. Roof repair quotes will be obtained to determine required work to include in the budget for fiscal year 2022-23. Replacement bollards with boulders will be conducted with the Board of Directors approval. Supt. Oropeza advised that ADA compliant portable restrooms will be delivered today or tomorrow at the Almond Park and Orangevale Community Park.

- c) Recreation Committee: No report.
- d) Personnel & Policy: No report.
- e) Government: No report.
- f) Planning Committee: Recap of the May 20, 2021 meeting (pg 26): Admin Ross advised the committee discussed potential projects to spend the approximately \$200,000 per capita funds allocated with a \$50,000 contribution match from OVparks. In addition, Director Stickney and Montes prioritized a new driveway connecting the north property to the new property. Any remaining funding would be utilized for expanding the playground by the pool with higher age level equipment.
- g) Trails Committee: Trails Committee: No report.
- h) Ad Hoc: No report.

## **11. ADMINISTRATOR'S REPORT**

- a) Monthly Activity Report – May 2021 (pg 27-32):

Admin Ross advised of interest in the community for a skateboard program. On May 5 and June 1, Administrator Ross met with Honorary Mayor Cliff Wylie, community organizer Brad Squires, and Sean LaTour-Jarquín of Project Lifelong to discuss plans to bring a portable skateboarding program to Orangevale. Former skateboarders, Tony Hawk and Sean White each have foundations which could be potential contacts to assist in the facilitation of this project which will cost approximately \$40,000. Admin Ross will invite Sean LaTour to a future Board Meeting to discuss this project and investigate potential fundraising prospects.

On May 12, Administrator Ross met with County staff members Liz Bellas, Jennifer Clause, and Michelle Satow to discuss a County-owned parcel on Woodmore Oaks near the 7-Eleven, which will be included in the Arcade-Cripple Creek Trail. The discussion included the steps and costs involved if the parcel was to be transferred from the County of OVparks. Administrator Ross had other correspondence with staff from the City of Citrus Heights who are managing the trail project. Administrator Ross has scheduled a Zoom meeting with all parties on June 15.

On May 19, Administrator Ross met on Zoom with Blair Aas of SCI Consulting Group. Mr. Aas was helpful in explaining the history of the Park Development Fee program, the nexus studies to help determine the benefits provided to districts, how projects qualify for these funds, and how to access the funds. This was a helpful step in the budget process.

On May 20, the Orangevale Farmers Market opened at the Orangevale Community Center Park. There was a good crowd on hand to visit about 35 vendors. There is live music on the outdoor stage and food trucks to add to the festive atmosphere. The vendors have expressed that they are enjoying the new location.

On May 21-23, the U.S. Women's Disc Golf Championships were held at Shady Oaks Disc Golf Course along with courses in Auburn and Rocklin. The tournament was a success, and it received excellent coverage on the PDGA (Professional Disc Golf Association) channel and YouTube. Admin Ross appreciated Director Montes for sharing the videos of the event and to Recreation Coordinator Roberts for putting the videos on our website to share with the Orangevale community.

On May 23 at about 7:45pm there was a break-in and theft at the pool. The thieves cut locks to enter the pool area and the filter/storage room at the pool. They stole the remaining six buckets of chlorine as well as a bucket of soda ash. There is a chlorine shortage in America, so it is highly likely that stealing the chlorine was their primary purpose. Measures are being taken to improve our security systems to help prevent future break-ins.

On May 26 we had a small fire at Orangevale Community Park near the nature trail area of the disc golf course. Park Maintenance staff was using the power edger and it caused sparks that caught the dry weeds on fire. Disc golfers noticed the fire and quickly got staff's attention. Staff and a group of golfers tried putting it out with sand, but it continued to spread. Staff called the fire department, who came and put out the fire. The other parks staff arrived shortly before the fire truck and helped contain the fire.

On June 1 we experienced vandalism at the new property. All the damage was done outside of the buildings. Security cameras were destroyed, decorative light fixtures were broken, wires were pulled, and the fountain was filled and overflowing. FEC police were called, arrived, and were very helpful. Our security cameras captured clear images of the main culprit, which helped lead to him being caught by FEC police. Staff is assessing the damage and getting cost estimates. Staff will follow up with FEC police to get the complete report and will also seek restitution from the group home where the culprit was residing. Total cost of damages is approximately \$850. Director Stickney recommended Admin Ross contact Supervisor Frost to address the number of group homes allocated to the Orangevale community. Director Montes recommended that a letter be sent to the group home organization to address the repeated issues. Limit for felony vandalism is \$400. In lieu of pursuing felony charges in this situation, Admin Ross would prefer to pursue reimbursement of damages from the group home entity and have the individual work with park maintenance for the equivalent number of hours deemed appropriate for restitution. Director Montes suggested a written agreement of community service be prepared and signed by the individual. Felony charges would be pursued if the individual fails to comply with the agreement. Admin Ross wants this individual to be made aware of the cost and time and effort of staff to correct the damages. Admin Ross will advise the BOD of repair cost total once received.

Admin Ross extended kudos to Admin Services Supervisor Woodford for keeping the contract classes running as ability allowed with Covid guidelines in place, which provided steady income for the District. Recreation Coordinator Roberts' efforts to provide the OVParks Adventure Crew for afterschool distance learning provided a needed service to the community. KinderKidz preschool program ran with half capacity during the Covid restrictions. The Adventure Crew and KinderKidz programs also helped generate some revenue for the District. Thank you to the entire OVParks staff for their teamwork to provide a positive experience for the community members utilizing our facilities and programs to the degree allowed.

Admin Services Supervisor Woodford advised that Pershing Elementary and Ottoman Elementary are participating in the SJUSD

summer voucher program funded by Covid relief monies received by SJUSD. Approximately five hundred and fifty students at each school have received a \$200 voucher to spend on OVparks programming this summer. Programs are filling quickly. We are looking to increase numbers wherever we are able to accommodate the demand as Covid restrictions loosen. Green Oaks School is also looking into participation in this voucher program. Admin Ross extended appreciation to the SJUSD for providing the Covid relief funding to be utilized by the students this summer.

Park Supt. Oropeza advised of recent maintenance to the pool pump, and the inevitable need for a new pump in the coming months. He will obtain cost estimates and update accordingly. New soft-fall material has been added to the playground areas at Pecan Park and Orangevale Community Park. New material will also be spread at the Norma Hamlin and Almond Park playgrounds soon. A dead Eucalyptus tree at Pecan Park was removed. A couple of potential hazardous trees at Sundance Park were removed. Routine maintenance was conducted throughout the OVparks properties.

Recreation Supervisor Bain advised Recreation revenue is now at approximately 93% of projected amount, up from 30% for the first half of this fiscal year. Rental revenue of picnic and field sites have increased. The Lacrosse team has been very accommodating regarding their ongoing field rental with the addition of the Farmers Market in the OCC parking lot impacting parking availability. May OTC (over-the-counter) revenue for combined recreation and facility rentals ended at \$111,802 which is \$34,802 above the projected amount. May recreation revenue was \$107,154 which is \$37,154 above the projected amount while facility revenue was \$4,648 which is \$2,352 under the projected amount. The revenue referenced here includes prepayments for future programs. Facility revenue will be increasing as we recently resumed the ability to accept indoor reservations since the loosening of Covid restrictions. Due to staffing constraints the amount of swim lessons offered in each session were reduced slightly. Session one swim lessons are full or almost full throughout the various levels offered.

**12. UNFINISHED BUSINESS**

None discussed.

**13. NEW BUSINESS**

- a) Approval of Resolution 21-06-666, Resolution Adopting the Orangevale Recreation and Park District Preliminary Budget for the General Fund for Fiscal Year 2021/22 (pg 33-61):  
Admin Ross advised the budget includes a 2% COLA as a placeholder. Director Stickney recommended raising to 2.4% COLA reflected by the CPI. Director Montes recommended raising to 3%. The budget reflects a 7.5% estimated increase in

**MOTION #4**

health care premiums, elimination of the furloughs, and salary scale adjustment for two position levels. After further discussion, the Directors will vote to approve the 2.4% COLA increase effective July 1, 2021 and revisit the consideration and discussion for any additional increase adjustment at the August 19, 2021 board of directors meeting.

On a motion by Director Montes, seconded by Director Meraz, the Resolution 21-06-666, Resolution Adopting the Orangevale Recreation and Park District Preliminary Budget for the General Fund for Fiscal Year 2021/22 with the 2.4% COLA, effective July 1, to be revisited with the full Board at the August 2021 BOD meeting, was approved by a vote of 3-0-0 with Directors Stickney, Meraz, & Montes voting Aye. There were no Nays or Abstentions. Directors Swenson and Brunberg were absent.

**MOTION #5**

- b) Approval of Resolution 21-06-667, Resolution Adopting the Orangevale Landscaping and Lighting Assessment District Preliminary Budget for Fiscal Year 2021/22 (pg 62):

On a motion by Director Montes, seconded by Director Stickney, the Resolution 21-06-667, Resolution Adopting the Orangevale Landscaping and Lighting Assessment District Preliminary Budget for Fiscal Year 2021/22 was approved by a vote of 3-0-0 with Directors Stickney, Meraz, & Montes voting Aye. There were no Nays or Abstentions. Directors Swenson and Brunberg were absent.

**MOTION #6**

- c) Approval of Resolution 21-06-668, Resolution Adopting the Kenneth Grove Landscaping and Lighting Assessment District Preliminary Budget for Fiscal Year 2021/22 (pg 63):

On a motion by Director Montes, seconded by Director Meraz, the Resolution 21-06-668, Resolution Adopting the Kenneth Grove Landscaping and Lighting Assessment District Preliminary Budget for Fiscal Year 2021/22 was approved by a vote of 3-0-0 with Directors Stickney, Meraz, & Montes voting Aye. There were no Nays or Abstentions. Directors Swenson and Brunberg were absent.

- d) Public Hearing: Orangevale Landscaping and Lighting Assessment District (OLLAD) - Susan Barnes of SCI Consulting Group: Director Stickney closed the regular meeting and opened the Public Hearing to provide property owners and residents an opportunity to obtain additional information about the proposed preliminary budget and assessment rates for OLLAD and provide input or comments to the District. Admin Ross advised of this final step in the process before the Board of Directors considers the continuation of the levy of these assessments for the 2021/22 fiscal year. Public hearing will be continued at the next board meeting on July 8, 2021, to allow more time for the public to respond to the second public hearing notice to be published in the

Citrus Heights Messenger, an adjudicated newspaper. This Public hearing notice has been published in the May 21, 2021, publication of the Orangevale View. Admin Ross introduced Susan Barnes from SCI to answer any technical questions related to the issue. Susan Barnes advised she will also be in attendance to address any questions during the Public Hearing at the July 8 Board of Directors Meeting. There were no comments from the public during the Public Hearing.

- e) Public Hearing: Kenneth Grove Landscaping and Lighting Assessment District - Susan Barnes of SCI Consulting Group: Public Hearing is conducted to give property owners and residents an opportunity to obtain additional information about the proposed preliminary budget and assessment rates for the Kenneth Grove Landscaping and Lighting Assessment District and provide input or comments to the District. Admin Ross advised of this final step in the process before the Board of Directors considers the continuation of the levy of these assessments for the 2021/22 fiscal year. Public hearing will be continued at the next board meeting on July 8, 2021, to allow more time for the public to respond to the second public hearing notice to be published in the Citrus Heights Messenger, an adjudicated newspaper. This Public hearing notice has been published in the May 21, 2021, publication of the Orangevale View. There were no comments from the public during the Public Hearing. Admin Ross thanked Susan Barnes for attending the Board of Directors Meeting tonight.
- f) Consider approval of Resolution 21-06-669, Resolution to end the furlough for full-time staff at the conclusion of June 30, 2021 (pg 64-66): Directors extended appreciation to the staff for their extra efforts and sacrifices.

**MOTION #7**

On a motion by Director Montes, seconded by Director Meraz, the Resolution 21-06-669, Resolution to end the furlough for full-time staff at the conclusion of June 30, 2021, was approved by a vote of 3-0-0 with Directors Stickney, Meraz, & Montes voting Aye. There were no Nays or Abstentions. Directors Swenson and Brunberg were absent.

- g) Approval of the agreement with All Events Management Group to hold the Bow Wow Days event in Orangevale Community Park on September 25, 2021 (pg 67-82):

This item is being tabled to the July BOD meeting.

- h) Approval of the agreement with Genesis Church to hold a 4th of July Service & Event at the Orangevale Community Park on July 4, 2021 (pg 83-98): Admin Ross advised of a request from Genesis Church to hold two church services, a BBQ, lawn games,

and music at the Orangevale Community Park open to the community.

**MOTION #8**

On a motion by Director Montes, seconded by Director Stickney, the agreement with Genesis Church to hold a 4th of July Service & Event at the Orangevale Community Park on July 4, 2021, was approved by a vote of 3-0-0 with Directors Stickney, Meraz,, & Montes voting Aye. There were no Nays or Abstentions. Directors Swenson and Brunberg were absent.

**14. DIRECTOR AND STAFF COMMENTS**

Admin Ross mentioned the Orangevale Recreation & Park District Office will be open to the public beginning Tuesday, June 15, 2021. Administrator Ross did a job shadowing with Park Maintenance Worker Curtis Bryant on May 26. The primary work for the day involved mowing at Orangevale Community Park. Admin Ross intends to spend one day shadowing each of the full-time staff during the remainder of 2021. The purpose is to get to know staff better, have a greater appreciation and understanding for the jobs they do, and see if there are opportunities for greater efficiencies.

Supervisor Bain advised public swim at the Orangevale Community Center Pool began today.

Supervisor Woodford thanked the Board of Directors for passing the budget. Extended appreciation to Administrative Clerk Christina Kelley and Office Assistant Kathy Harling for their hard work with the busy phones and the newly added Pershing and Ottoman voucher availability. They have been doing a great job keeping everything organized. Thank you to all the staff in the office for assisting with phones when needed.

Finance/HR Supt. Von Aesch echoed the appreciation of the OVparks staff for their hard work. Supervisor Bain, Larissa Clark, and Recreation Coordinator Roberts have been diligently working to provide summer new hire documentation to the Finance Department. Supervisor Woodford and the front office staff have been doing a great job coordinating the busy phones and registrations. She appreciates hearing and seeing all the activity around the building.

Supt. Oropeza extended appreciation to the Parks Maintenance staff for their monitoring and maintenance of the irrigation systems and to the community members for notifying us of irrigation issues within OVparks. He appreciates seeing so many kids enjoying the parks and facilities.

Recreation Coordinator Roberts is looking forward to the upcoming summer programming. Kudos to the office staff for great teamwork facilitating the summer registrations. Recreation Specialist Megan Brennan along with the Senior Recreation Leaders and Recreation



Leaders have done a great job preparing for the Rec'ing Crew Day Camp and looking forward to the upcoming programs.

Director Meraz inquired when the Meals on Wheels program will resume at OVparks. Supervisor Woodford advised they will not return this summer but potentially may resume in-person meals at the Orangevale Community Center in the Fall. Director Montes mentioned that the Orangevale Fair Oaks Food Bank has personnel available for meal delivery if needed.

Director Meraz inquired if playground equipment will be re-installed at the Youth Center. This was discussed at the Planning Committee meeting with the determination that funding was not currently available for that project.

Director Stickney mentioned an amazing transformation from low revenue to an average revenue throughout the year. Parks are looking good.

Director Montes shared she is very grateful to all the OVparks staff for a tremendous job. She is very impressed with the preliminary budget.

**15. ITEMS FOR NEXT AGENDA**

a) Ratification of Claims for May 2021

b) Approval of the agreement with All Events Management Group to hold the Bow Wow Days event in Orangevale Community Park on September 25, 2021

c) Public Hearing: Orangevale Landscaping and Lighting Assessment District (OLLAD) - Susan Barnes of SCI Consulting Group Public

d) Public Hearing: Kenneth Grove Landscaping and Lighting Assessment District - Susan Barnes of SCI Consulting Group

e) Blair Aas of SCI Consulting Group to assist with Resolution for park development fees.

**16. ADJOURNMENT**  
**MOTION #9**

With no further business to discuss, the general meeting of the Board of Directors was adjourned at 8:06 p.m. On a motion by Director Montes, seconded by Director Stickney, the adjournment was approved by a vote of 3-0-0 with Directors Stickney, Meraz, and Montes, voting Aye. There were no Nays or Abstentions. Directors Swenson and Brunberg were absent.

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Manie Meraz, Board Director & Acting Chairperson



# STAFF REPORT



DATE: 7-8-21

TO: Board of Directors

FROM: Barry Ross, District Administrator

SUBJECT: **MONTHLY ACTIVITY REPORT – JUNE 2021**

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## ADMINISTRATION

- On June 9, Administrator Ross attended a webinar on new requirements for organic waste recycling in Sacramento County. Beginning July 1, OVparks is required to have separate labeled receptacles in the Community Center for organic waste, recycled items, and normal landfill trash. We are also required to have a large outdoor container for organic/green waste.
- On June 9, Administrator Ross and Parks Superintendent Oropeza attended a meeting at Sundance Park and Tempo Park with staff from Sunrise Park District, Sacramento Tree Foundation, and City of Citrus Heights. The purpose of the meeting was to discuss tree mitigation and planting in those sections of the Arcade Cripple Creek Trail.
- On June 11, Administrator Ross participated in the Orangevale Community Council meeting. These meetings are an opportunity for networking and learning what contributions are being made by various community organizations and businesses.
- On June 15, Administrator Ross met with County staff members Jennifer Clause and Michelle Satow, along with City of Citrus Heights staff Casey Kempenaar, Leslie Blomquist, and Regina Cave to further discuss a County-owned parcel on Woodmore Oaks near the 7-Eleven, which will be included in the Arcade-Cripple Creek Trail. The discussion included the possible options and costs for this property to be transferred from the County of OVparks.
- On June 16, Administrator Ross did a job shadowing with Park Maintenance Worker Nelson Kirk. The primary work for the day involved irrigation repairs at Orangevale Community Park, Almond Park, and Community Center Park. Admin Ross intends to spend one day shadowing each of the full-time staff during the remainder of 2021. The purpose is to get to know staff better, have a greater appreciation and understanding for the jobs they do, and see if there are opportunities for greater efficiencies.
- On June 21, Administrator Ross and Supt Oropeza walked the Orangevale Community Park pathway to inspect sections of cracked concrete. This helped us determine priorities for which sections are most in need of being replaced, and budgeting over the next few years.
- On June 30, Administrator Ross, Rec Supervisor Bain, and Supt Oropeza met with Scott Thompson of Burkett's Pool Plastering. We met at the pool and discussed the leak problem. Mr. Thompson will provide us with a cost quote for replastering the entire pool along with an additional cost quote to repair the cracked section with a staple procedure.

**RECREATION**

June	Enrollment	Attendance	Gross Revenue
<b>Aquatics</b>			
Jr Beginning Kayaking	5		\$ 861.00
Swim Lessons Session 1	249		\$ 17,121.00
Swim Lessons Session 2	260		\$ 17,913.00
<b>Aquatics Total</b>	<b>514</b>		<b>\$ 35,895.00</b>
<b>Classes</b>			
Aikido - Teen/Adult	8		\$ 972.00
Aikido - Youth	8		\$ 465.00
All Sorts of Sports Camp	12		\$ 1,802.00
All Sorts of Sports Jr. Academy Camp	12		\$ 1,812.00
Artist Studio	12		\$ 658.00
Babysitting CPR	6		\$ 222.00
Ballet - Baby	5		\$ 213.00
Ballet - Pre	5		\$ 213.00
Basic Life Support CPR & First Aid	4		\$ 314.00
Basketball - Pee Wee	15		\$ 864.00
Basketball - Top Notch Camp	11		\$ 1,589.00
Basketball - Top Notch 3rd/4th/5th	13		\$ 1,341.00
Basketball - Top Notch 6th/7th/8th	12		\$ 1,239.00
Basketball - Top Notch Girls 3-5	2		\$ 114.00
Basketball - Top Notch Girls 6-8	2		\$ 117.00
Child and Babysitting Safety	3		\$ 186.00
Gymnastics - KinderGym	2		\$ 190.00
Gymnastics - Tot	1		\$ 98.00
Hit & Run Baseball/Softball Camp	10		\$ 1,502.00
In the Net Soccer Camp	11		\$ 1,646.00
Internet Drivers Education	5		\$ 155.00
Jr Leader Program	11		\$ 1,131.00
Pediatric CPR & First Aid	2		\$ 164.00
Preschool Karate	4		\$ 417.00
Sa Shotokan karate	11		\$ 1,404.00
Summer Art Series	7		\$ 143.00
Tai-Chi Chuan	7		\$ 364.00
Tennis Camp Beginning	7		\$ 1,215.00
Track & Field Camp	14		\$ 2,409.00
Zumbini	5		\$ 191.00
<b>Classes Sub Total</b>	<b>227</b>	<b>0</b>	<b>\$ 23,150.00</b>
<b>Day Camp</b>			
Rec'ing Crew Session 1	64		\$ 10,942.00
Rec'ing Crew Session 2	87		\$ 14,702.00
Rec'ing Crew Session 3	83		\$ 13,996.00
<b>Day Camp Sub Total</b>	<b>234</b>	<b>0</b>	<b>\$ 39,640.00</b>

**Preschool**

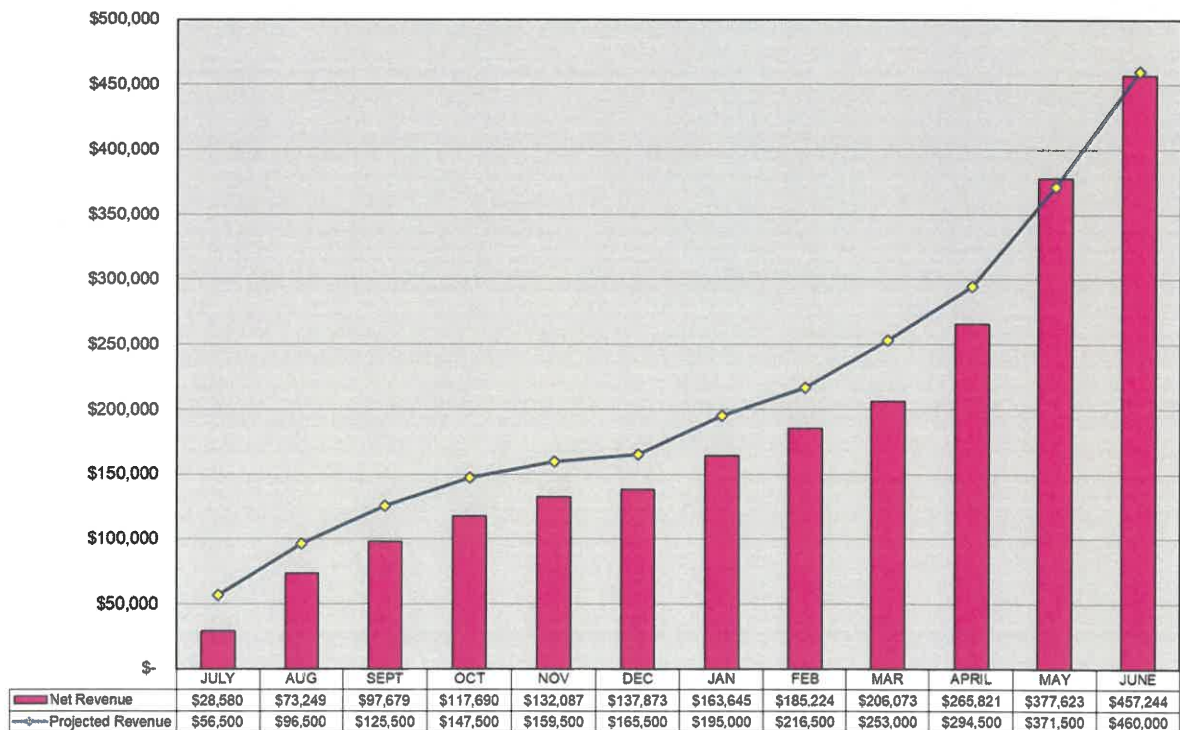
Wiggles & Giggles Session 1	20	\$	940.00
Wiggles & Giggles Session 2	19	\$	893.00
Wiggles & Giggles Session 1	25	\$	1,183.00
<b>Preschool Sub Total</b>	<b>64</b>	<b>\$</b>	<b>3,016.00</b>
<b>GRAND TOTAL</b>		<b>1039</b>	<b>0</b>
		<b>\$</b>	<b>101,701.00</b>

**June Gross Revenue Recap** – June OTC (over-the-counter) revenue for combined recreation and facility rentals ended at \$79,621 which is \$8,879 under the projected amount. June recreation revenue came in at \$74,189 which is \$5,811 under the projected amount while facility revenue was \$5,433 which is \$3,067 under the projected amount. *Please note the revenue referenced here includes prepayments for future programs while the revenue figures listed in the chart above represent revenue attributed to programs occurring in June.*

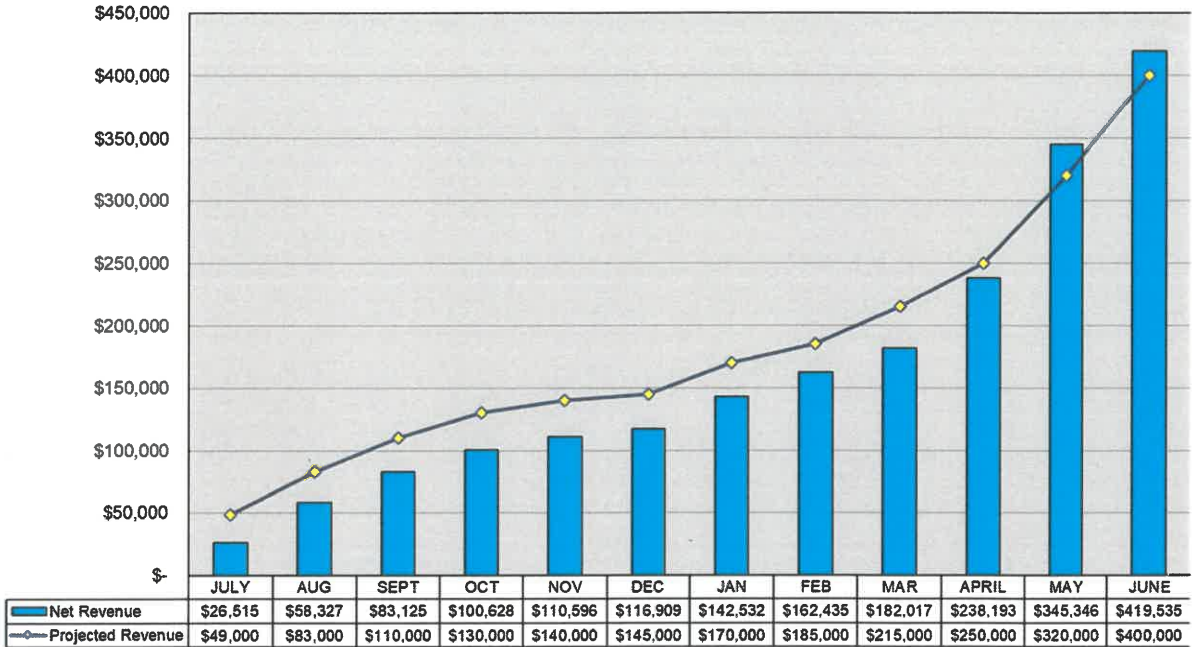
**2020-2021 Revenue Year:**

Considering the COVID-19 restrictions on our programs and facilities, we did very well this year by nearly reaching our projections. For Recreation Service Charges we projected \$400K in revenues. We exceeded those projections by \$19,535. COVID-19 guidance prevented us from renting our indoor facilities, and that is where we suffered the most in our overall revenue. Our athletic field rentals met projections, and our picnic rentals came back over the past two months. Overall, our Facility Rental revenue fell \$22,291 short of projections. Our combined revenue for Recreation Service Charges and our Facility Rentals was only \$2,756 short of the projections that were set at the start of the fiscal year.

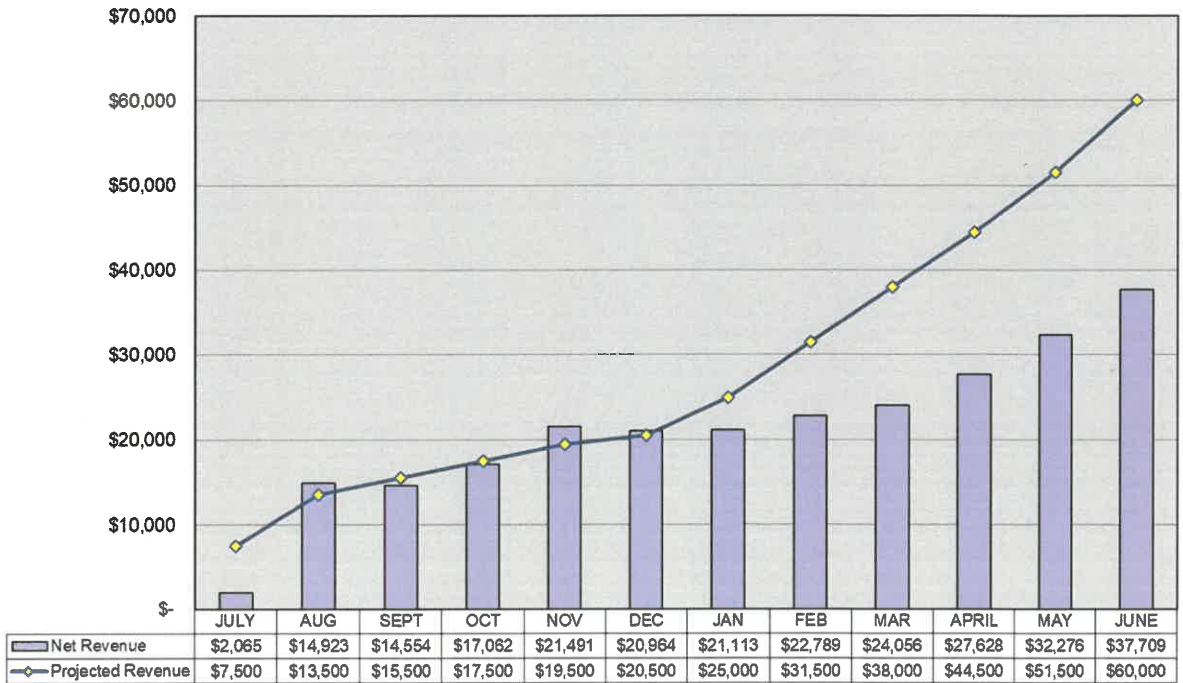
**2020-2021 ORPD Recreation & Facility Revenue  
Net vs Projected - Monthly Cumulative View**



**2020-2021 ORPD Recreation Revenue  
Net vs Projected - Monthly Cumulative View**



**2020-2021 ORPD Facility Revenue  
Net vs Projected - Monthly Cumulative View**



## **PARKS**

### **Park Infrastructure**

#### **All Parks**

- Staff tends to ongoing pool maintenance.
- Staff conducts monthly playground inspections and takes care of repairs on site if necessary.
- Staff Replaced a toilet at the Cottage in the new property.
- Staff grinded down two raised concrete walkway areas at Palisades Park for safety reasons.
- Staff repaired an AC unit at activities building, which was only blowing hot air.

#### **Mechanics**

- Staff continue to take care of mower maintenance and small engine maintenance repairs.
- Staff replaced 2 fuel filters, a ground wire, and the battery on Kubota ZD1211 mower.
- Staff installed a new muffler, changed the battery, and did an oil change on the Toro stand-up mower.
- Staff replaced one blade to the brush hog.

### **Park Irrigation**

- Staff repaired a leaking drinking fountain at Norma Hamlin Park.
- Staff replaced two irrigation valves at Community Center soccer field and Pecan Park.
- Staff repaired a broken 3-inch mainline at Pecan Park.
- Staff added an isolation/shut off valve near the disc golf course to avoid shutting off the entire Oak and Filbert main line.
- Staff replaced 40+ sprinklers at various parks of the District.
- Staff reset 30+ crooked sprinklers at various parks of the District.
- Staff repaired a broken lateral line at the disc golf course, at Kenneth Grove streetscape, and at Community Park.

### **Park Grounds**

- Staff continues ongoing maintenance at all parks (restrooms, trash, mowing, edging, blowing etc.).
- Staff spot sprayed for weeds at several parks of the District.
- Staff repaired 60ft of fence at Orangevale Community Park
- Staff removed graffiti from Norma Hamlin, Pecan, and Orangevale Community Park.
- Staff pruned several trees at Almond Park.

### **Other Reports**

- Staff repaired 3 small chips on the pool slide.
- All fire breaks are completed in all areas of the District.
- All fields were treated with pre-emergent and fertilized by staff.
- Staff repaired a crack on the crawling tube of the Orangevale Community Park playground. The tube has been ordered.
- Soft fall material was replenished at Community Park and Pecan Park playgrounds.

**Fulton-El Camino Park District Police Department**  
**Monthly activity report for: Orangevale Recreation and Park District**  
**Reporting Period: 2021-06-01 to 2021-06-30**

**Almond Park**

**Notice To Appear Issued**

1) Date/Time: 2021-06-12 13:57

Violation 1: 9.36.057.5 SCO Alcohol in Park, Severity: Inf

**Parking Citations Issued**

1) Date/Time: 2021-06-12 13:48

V1: 4000(a) CVC No current registration

---

**Norma Hamlin Park**

No issues to report.

---

**Off Property**

No issues to report.

---

**OV Community Center**

No issues to report.

---

**OV Community Park**

**Parking Citations Issued**

1) Date/Time: 2021-06-06 13:35

V1: 4000(a) CVC No current registration

2) Date/Time: 2021-06-27 15:59

V1: 4000(a) CVC No current registration

V2: 9.36.065(d) SCO Failure to park in designated area

---

**OV Community Park (Disc Golf)**

**Parking Citations Issued**

1) Date/Time: 2021-06-06 13:50

V1: 4000(a) CVC No current registration

2) Date/Time: 2021-06-16 17:41

V1: 4000(a) CVC No current registration

---

**Palisades Park**

No issues to report.

---

**Pecan Park**

No issues to report.

---

**Sundance Nature Area**

No issues to report.

---

**Youth Center Park**

**Notice To Appear Issued**

No issues to report.



# STAFF REPORT



DATE: 7-8-21

TO: Board of Directors

FROM: Barry Ross, District Administrator

**SUBJECT: PASSING OF RESOLUTION 21-07-670 AMENDING THE DISTRICT SALARY SCHEDULE FOR FISCAL YEAR 2021/2022 AS APPROVED BY THE BOARD OF DIRECTORS ON JUNE 10, 2021**

---

## **RECOMMENDATION**

Pass Resolution 21-07-670 that amends the District salary schedule for fiscal year 2021-22 as reflected in Exhibit A.

## **BACKGROUND**

After Preliminary Budget reviews with the Finance Committee on May 4, 2021 and with the Board of Directors on June 10, 2021, the Board agreed to the following adjustments to the salary scale for fiscal year 2021-22:

- 2.4 percent cost of living adjustment for all full-time staff
- A 1.5 percent increase for two full-time positions listed in Category 2 of Exhibit A, as justified by a salary study of the five most comparable park and recreation districts in Sacramento County.
- A 3 percent increase for four full-time positions listed in Category 8 of Exhibit A, as justified by a salary study of the five most comparable park and recreation districts in Sacramento County.

## **FISCAL IMPACT**

- The 2.4% COLA will result in an additional \$34,212 in salary and benefit costs.
- The 1.5% and 3% increase for the two specified categories will result in an additional \$5,146 in salary and benefit costs.
- The total fiscal impact will be \$39,358.

## **RECOMMENDED MOTION**

I move that we pass Resolution 21-07-670 that amends the District salary schedule for fiscal year 2021-22 as reflected in Exhibit A.



**RESOLUTION NO. 21-07-670**

**RESOLUTION OF THE ORANGEVALE  
RECREATION & PARK DISTRICT  
AMENDING THE DISTRICT SALARY SCHEDULE**

**WHEREAS**, the ORANGEVALE RECREATION & PARK DISTRICT (the “District”) a political subdivision of the State of California, and a recreation and park district formed pursuant to Public Resources Code Section 5780, et seq., is authorized to appoint the necessary employees, define qualifications and duties, and provide a schedule of compensation for performance of those duties pursuant to Public Resources Code Section 5786.1.

**WHEREAS**, all employees of the District are employed on an at-will basis, meaning that either party may terminate the employment relationship at any time, with or without cause, and it is not the intention of the District to alter that relationship by virtue of this Resolution;

**WHEREAS**, on August 20, 2015 the District adopted the Salary Resolution of Orangevale Recreation & Park District (the “Salary Resolution”) which established a basic compensation plan for all classifications of employees and adopted a salary schedule and compensation plan; and

**NOW, THEREFORE, BE IT RESOLVED AND ORDERED AS FOLLOWS:**

**Section 1.** The District hereby amends the salary and compensation plan attached as Exhibit A to the Salary Resolution by increasing the salary ranges stated therein as follows:

- A 2.4 percent cost of living adjustment for all full-time employees effective July 1, 2021.
- An additional 1.5 percent increase for the two full-time positions listed in Category 2 as justified by a salary study of the five most comparable park and recreation districts in Sacramento County.
- An additional 3 percent increase for the four full-time positions listed in Category 8 as justified by a salary study of the five most comparable park and recreation districts in Sacramento County.

The salary schedule and compensation plan attached hereto as Exhibit A is hereby adopted and replaces the Exhibit A salary schedule from fiscal year 2020-2021.

**Section 2.** All other provisions of the Salary Resolution are still in full force and effect.

**Section 3.** Unless otherwise indicated, all provisions of this Resolution shall become effective as of the date it is adopted.

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Passed and adopted this 8th day of July 2021, on motion by Director \_\_\_\_\_, seconded by Director \_\_\_\_\_ and by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

**ORANGEVALE RECREATION & PARK DISTRICT**

APPROVED: \_\_\_\_\_  
Acting Chair, Board of Directors

ATTEST: \_\_\_\_\_  
Clerk of the Board

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**EXHIBIT A**

**ORANGEVALE RECREATION AND PARK DISTRICT  
SALARY RANGE FULL TIME EMPLOYEES  
2021/2022 Salary Range**

*July 2021 +2.4% COLA, Salary Scale Adj (1.5% & 3%)*

CAT	POSITION	LONGEVITY								
		1	2	3	4	5	6	7	8	9
1	District Administrator	7,223	7,584	7,963	8,362	8,780	9,219	9,680	10,164	10,672
		86,677	91,011	95,561	100,339	105,356	110,624	116,155	121,963	128,061
2	Park Supt., Rec Supt., Finance Supt.	5,638	5,920	6,216	6,527	6,853	7,196	7,556	7,934	8,330
		67,659	71,042	74,594	78,324	82,240	86,352	90,670	95,204	99,964
3	Finance/Personnel Mgr, Rec Manager	4,831	5,073	5,327	5,593	5,873	6,166	6,475	6,798	7,138
		57,977	60,875	63,919	67,115	70,471	73,994	77,694	81,579	85,658
4	Recreation Supervisor II	4,515	4,741	4,978	5,227	5,489	5,763	6,051	6,354	6,671
		54,185	56,894	59,739	62,726	65,862	69,155	72,613	76,244	80,056
5	Maint Wkr Foreman, Rec Supervisor I, Admin Services Super	4,300	4,515	4,741	4,978	5,227	5,489	5,763	6,051	6,354
		51,605	54,186	56,895	59,740	62,727	65,863	69,156	72,614	76,245
6	Recreation Coord, Maint Wkr III	3,584	3,763	3,951	4,148	4,356	4,574	4,802	5,042	5,295
		43,003	45,153	47,410	49,781	52,270	54,883	57,627	60,509	63,534
7	Maint Wkr II, Admin Serv Clerk II, Build Cust/Host II	3,258	3,420	3,591	3,771	3,960	4,158	4,365	4,584	4,813
		39,091	41,046	43,098	45,253	47,515	49,891	52,386	55,005	57,755
8	Maint Wkr I, Bldg Cust/Host, Rec/Clerk, Admin Serv Clerk I	2,843	2,985	3,134	3,291	3,455	3,628	3,809	4,000	4,200
		34,112	35,817	37,608	39,489	41,463	43,536	45,713	47,999	50,398



**RESOLUTION NO: 21-07-671**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGEVALE RECREATION & PARK DISTRICT APPROVING THE ENGINEER'S REPORT, CONFIRMING THE DIAGRAM AND ASSESSMENT, AND ORDERING THE LEVY OF ASSESSMENT FOR THE FISCAL YEAR 2021-22 FOR THE ORANGEVALE LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT**

RESOLVED, by the Governing Board (the "Board") of the Orangevale Recreation and Park District (the "District"), County of Sacramento, State of California, that

**WHEREAS**, on July 17, 1991, by its Resolution No. 816, this Board ordered the formation of and levied the first assessment within the Orangevale Recreation and Park District Maintenance Assessment District 1991 (the "Assessment District") pursuant to the provisions of the Landscaping and Lighting Act of 1972; and

**WHEREAS**, the purpose of the Assessment District is for the installation, maintenance and servicing of improvements to the Orangevale Recreation and Park District, as described in the Engineer's Report; and

**WHEREAS**, by its Resolution No. 21-02-659, A Resolution Directing Preparation of the 2021-22 Annual Report for the Orangevale Recreation and Park District Landscaping and Lighting Assessment District (the "Assessment District"), this Board designated SCI Consulting Group as Engineer of Work and ordered said Engineer to make and file a report in writing in accordance with and pursuant to the Landscaping and Lighting Act of 1972; and

**WHEREAS**, the report was duly made and filed with the Clerk of the Board and duly considered by this Board and found to be sufficient in every particular, whereupon it was determined that the report should stand as the Engineer's Report for all subsequent proceedings under and pursuant to the aforesaid resolution, and that June 10, 2021 at the hour of 6:30 p.m. in the Board Chambers of the Orangevale Recreation and Park District, 6826 Hazel Avenue, Orangevale, California, 95662, were appointed as the time and place for a hearing by this Board on the question of the levy of the proposed assessment, notice of which hearing was given as required by law; and

**WHEREAS**, at the appointed time and place the hearing was duly and regularly held, and all persons interested and desiring to be heard were given an opportunity to be heard, and all matters and things pertaining to the levy were fully heard and considered by this Board, and all oral statements and all written protests or communications were duly heard, considered and overruled, and this Board thereby acquired jurisdiction to order the levy and the confirmation of the diagram and assessment prepared by and made a part of the Engineer's Report to pay the costs and expenses thereof;

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**NOW, THEREFORE, IT IS FOUND, DETERMINED AND ORDERED, that:**

1. The public interest, convenience and necessity require that the levy be made.
2. The Assessment District benefited by the improvements and assessed to pay the costs and expenses thereof, and the exterior boundaries thereof, are as shown by a map thereof filed in the office of the Clerk of the Board, which map is made a part hereof by reference thereto.
3. The assessment is levied without regard to property valuation.
4. The Engineer's Report as a whole and each part thereof, to wit:
  - (a) the Engineer's estimate of the itemized and total costs and expenses of maintaining the improvements and of the incidental expenses in connection therewith;
  - (b) the diagram showing the assessment district, plans and specifications for the improvements to be maintained and the boundaries and dimensions of the respective lots and parcels of land within the Assessment District; and
  - (c) the assessment of the total amount of the cost and expenses of the proposed maintenance of the improvements upon the several lots and parcels of land in the Assessment District in proportion to the estimated special benefits to be received by such lots and parcels, respectively, from the maintenance, and of the expenses incidental thereto;

are finally approved and confirmed.

5. Final adoption and approval of the Engineer's Report as a whole, and of the plans and specifications, estimate of the costs and expenses, the diagram and the assessment, as contained in the report as hereinabove determined and ordered, is intended to and shall refer and apply to the report, or any portion thereof as amended, modified, or revised or corrected by, or pursuant to and in accordance with, any resolution or order, if any, heretofore duly adopted or made by this Board.

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6. The assessment to pay the costs and expenses of the maintenance of the improvements for fiscal year 2021-22 is hereby levied. For further particulars pursuant to the provisions of the Landscaping and Lighting Act of 1972, reference is hereby made to the Resolution Directing Preparation of Engineer's Report.
7. Based on the oral and documentary evidence, including the Engineer's Report, offered and received at the hearing, this Board expressly finds and determines (a) that each of the several lots and parcels of land will be specially benefited by the maintenance of the improvements at least in the amount if not more than the amount, of the assessment apportioned against the lots and parcels of land, respectively, and (b) that there is substantial evidence to support, and the weight of the evidence preponderates in favor of, the aforesaid finding and determination as to special benefits.
8. Immediately upon the adoption of this resolution, but in no event later than the third Monday in August following such adoption, the Clerk of the Board shall file a certified copy of the diagram and assessment and a certified copy of this resolution with the Auditor of the County of Sacramento. Upon such filing, the County Auditor shall enter on the County assessment roll opposite each lot or parcel of land the amount of assessment thereupon as shown in the assessment. The assessments shall be collected at the same time and in the same manner as County taxes are collected and all laws providing for the collection and enforcement of County taxes shall apply to the collection and enforcement of the assessments. After collection by the County, the net amount of the assessments, after deduction of any compensation due the County for collection, shall be paid to the Orangevale Recreation and Park District.
9. The moneys representing assessments collected by the County shall be deposited in the District Treasury to the credit of the improvement fund previously established under the distinctive designation of the Assessment District. Moneys in the improvement fund shall be expended only for bond expenses, maintenance, servicing, construction or installation of the improvements.

PASSED AND ADOPTED this 8<sup>th</sup> day of July, 2021 by the following vote:

AYES :  
NOES:  
ABSENT:  
ABSTAIN:

---

ACTING CHAIR, BOARD OF DIRECTORS

---

CLERK OF THE BOARD

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# ORANGEVALE RECREATION AND PARK DISTRICT

LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT

## ENGINEER'S REPORT

FISCAL YEAR 2021-22

PURSUANT TO THE LANDSCAPE AND LIGHTING ACT OF 1972 AND  
ARTICLE XIID OF THE CALIFORNIA CONSTITUTION

ENGINEER OF WORK:  
**SCIConsultingGroup**  
4745 MANGELS BOULEVARD  
FAIRFIELD, CALIFORNIA 94534  
PHONE 707.430.4300  
FAX 707.430.4319  
WWW.SCI-CG.COM



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**ORANGEVALE RECREATION AND PARK DISTRICT**

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**BOARD OF DIRECTORS**

Michael Stickney, Chair  
Lisa Montes, Vice Chair  
Erica Swenson, Secretary  
Sharon Brunberg, Director  
Manie Meraz, Director

**DISTRICT ADMINISTRATOR**

Barry Ross

**DISTRICT'S ATTORNEY**

David W. McMurchie

**ENGINEER OF WORK**

SCI Consulting Group

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## INTRODUCTION

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On June 29, 1992, the Board of Directors of the Orangevale Recreation and Park District ("Park District") adopted Resolution Number 92-06-51 Ordering Formation of the Orangevale Landscaping and Lighting Assessment District ("Assessment District") to levy and collect assessments. The Assessment District was initially formed for the following purposes: (1) to provide funds for the construction of new capital improvements within the District contained in the District's Capital Improvement Master Plan consisting of a community center, swimming pool, soccer and other athletic fields, playground renovations consistent with the Americans with Disabilities Act, restroom construction, and miscellaneous improvements to the District's various park sites distributed throughout the geographical area of the District; and (2) to fund the maintenance, repair and replacement of the capital improvement projects constructed with assessment proceeds for the useful life of those capital improvements, which useful life exceeds the 20-year term of repayment of the bonds; and (3) to pay the cost of servicing such capital improvements constructed with assessment proceeds including the costs of water, gas, and other utilities; and (4) to fund the cost of construction and maintenance of additional capital improvement projects consisting of park and recreational facilities on a pay as you go basis.

At the time the Assessment District was formed in 1992, the Park District had been experiencing a revenue shortfall that was due to declining property tax revenues. In fiscal years 1991-92 and 1992-93 the State of California enacted new legislation shifting a significant portion of property tax revenue away from special districts such as the Park District to Educational Revenue Augmentation Funds established in each county (hereinafter ERAF's) to help fund the State's obligation to fund education according to the requirements of Proposition 98. The Park District lost the amount of \$1,012,654 in property tax revenue in the first year of this tax shift to ERAF's, which revenue loss forced the Park District to postpone projects, reduce recreational programs and cut staffing for park maintenance. This annual property tax revenue loss has continued each year to the present time.

Since its formation, the Assessment District has funded the construction of all of the capital improvements specified in the District's 1992 Capital Improvement Master Plan through the issuance of Certificates of Participation in the amount of \$4,720,000 secured by a pledge of the assessment revenues (the "Bonds"), and agreed to repay the principal amount of those Bonds plus interest over a 20-year term from the assessment revenues levied and collected annually within the Assessment District. Since its formation, the Assessment District has also utilized a portion of the assessment revenues to fund the continuing maintenance, repair and replacement of the improvements constructed with such assessment proceeds as those maintenance requirements arise. In fiscal year 2014-15 the assessment proceeds will be used to pay for a portion of the continuing costs of maintenance, repair, and replacement of portions of the District's park and recreational capital improvements, and the servicing of those improvements.

## ASSESSMENT CONTINUATION PROCEDURES

This Engineer's Report ("Report") was prepared to establish the budget for the capital improvements, maintenance and services expenditures that are proposed to be funded by the proposed 2021-22 assessments, to determine the special benefits received from the park maintenance and capital improvement projects by real property within the Park District, and to specify the method of assessment apportionment to lots and parcels within the Park District. This Report and the proposed assessments have been made pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (the "Act") and Article XIII C and XIII D of the California Constitution (Proposition 218).

In each year for which the assessments will be levied, the District Board must direct the preparation of an Engineer's Report, budgets and proposed assessments for the upcoming fiscal year. After the Engineer's Report is completed, the Board may preliminarily approve the Engineer's Report and proposed assessments and establish the date for a public hearing on the continuation of the assessments. This Report was prepared pursuant to the direction of the Board adopted on February 11, 2021.

If the Board approves this Engineer's Report and the proposed continuation of the assessments by resolution, a notice of assessment levies must be published in a local paper at least 10 days prior to the date of the public hearing. The resolution preliminarily approving the Engineer's Report and establishing the date for a public hearing is used for this notice.

Following the minimum 10-day time period after publishing the notice, a public hearing will be held for the purpose of allowing public testimony about the proposed continuation of the assessments for fiscal year 2021-22. This hearing is currently scheduled for June 10, 2021. At this hearing, the Board will consider approval of a resolution confirming the assessments for fiscal year 2021-22. If so confirmed and approved, the assessments will be submitted to the County Auditor/Controller for inclusion on the property tax rolls for Fiscal Year 2021-22.

## PLANS & SPECIFICATIONS

---

For fiscal year 2021-22, the District proposes to use the assessment proceeds to pay the costs of maintaining, repairing and replacing portions of its park and recreational facilities to ensure that such facilities retain their high quality through the term of their useful lives after the construction costs of those facilities have been paid.

The work and improvements ("Improvements") proposed to be undertaken by the Orangevale Recreation and Park District's Landscaping and Lighting Assessment District (the "Assessment District") and the cost thereof paid from the levy of the annual assessment provide special benefit to Assessor Parcels within the Assessment District as defined in the Method of Assessment herein. In addition to the definitions provided by the Landscaping and Lighting Act of 1972, (the "Act") the work and improvements are generally described as follows:

Installation, maintenance and servicing of public recreational facilities and improvements, including, but not limited to, turf and play areas, landscaping, ground cover, shrubs and trees, irrigation systems, drainage systems, lighting, fencing, entry monuments, basketball courts, tennis courts, gymnasium, running tracks, swimming pools, other recreational facilities, security guards, graffiti removal and repainting, and labor, materials, supplies, utilities and equipment, as applicable, at each of the locations owned, operated or maintained by the Orangevale Recreation and Park District. Any plans and specifications for these improvements will be filed with the District Administrator of the Orangevale Recreation and Park District and are incorporated herein by reference.

As applied herein, "Installation" means the design and construction of recreational improvements, including, but not limited to, land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks and drainage, lights, playground equipment, play courts, recreational facilities and public restrooms.

"Maintenance" means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of any improvement, including repair, removal or replacement of all or any part of any improvement; providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury; the removal of trimmings, rubbish, debris, and other solid waste, and the cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

"Servicing" means the furnishing of electric current, or energy, gas or other illuminating agent for any public lighting facilities or for the lighting or operation of any other improvements; or water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other improvements.

## FISCAL YEAR 2021-22 ESTIMATE OF COST AND BUDGET

ORANGEVALE RECREATION AND PARK DISTRICT Parks and Recreation Maintenance and Improvement District Estimate of Cost Fiscal Year 2021-22		<i>Total Budget</i>
<b>Project Budget Fiscal Year 2021-22</b>		
<b>1 Capital Improvement Projects</b>		
Total Capital Improvements		\$227,438
<b>2 Maintenance and Service Expenditures</b>		
A Agricultural Supplies and Services		\$25,000
B Utilities		\$215,000
C Chemicals		\$38,000
D Security		\$23,000
E Fuel		\$17,000
F Other Expenses		\$230,500
G Other Professional Services		\$38,000
Total Maintenance and Service Expenditures		\$586,500
<b>3 Incidental Expenditures</b>		
A Engineering/Accounting Expenditures		\$18,000
B Legal Services		\$18,000
Total Incidental Expenditures		\$36,000
<b>4 Debt Service</b>		
A Interest Expense		\$0
B Bond Principal Repayment		\$0
C Tax/Lic/Assessments		\$1,300
Total Debt Service		\$1,300
<b>5 Salaries and Benefits</b>		
A Salaries and Benefits		\$799,735
<b>Total Costs for Installation, Maintenance and Servicing for Fiscal Year 2021-22</b>		\$1,650,973
<b>Total benefit of Improvements</b>		\$1,650,973
Single Family Equivalents (SFEs)		13,499
<b>Benefit received per SFE unit</b>		\$122.31
<b>Less:</b>		
<b>District Contribution for General Benefits</b>		\$825,487
<b>District Contribution toward Special Benefits</b>		\$258,549
<b>Estimated Assessment Revenues for Fiscal Year 2021-22</b>		\$566,938
<b>Budget Allocation to Property</b>		
Total Assessment Budget		\$566,938
Single Family Equivalent Benefit Units		13,498.52
Assessment per Single Family Equivalent Unit		\$42.00

### **ASSESSMENT DISTRICT DEBT**

The park and recreation improvements constructed within the assessment district and listed on Table 1 have been financed through issuance of Certificates of Participation by Orangevale Recreation and Park District known as Orangevale Recreation and Park District Certificates of Participation 1992 Series A and Refunding Certificates of Participation 1996 Series A (the "Bonds").

In order to facilitate the issuance of the Bonds and the funding of the District's Capital Improvement Master Plan, the Board, in Resolution 92-06-51, opted to levy an annual installment assessment which, under the Landscaping and Lighting Act of 1972 (Streets & Highways Code, § 22500 et seq.) (the "Act") is a procedure for financing capital improvements, the cost of which exceeds the amount of assessment revenue that can be collected in any single fiscal year. The annual installment assessment levied by the Board of Directors in this Resolution is a one-time assessment to be levied in annual installments through fiscal year 2012-13 sufficient to pay the principal and interest on the outstanding Bonds. The provisions of the Act specifically allow the Board to assess an annual installment assessment on a one time basis to be collected over any period of time less than thirty (30) years. The Bonds were used to finance the costs of the construction of the Capital Improvement Plan and were secured by a pledge of 100% of all assessment revenues for repayment of principal and interest on the Bonds.

This pledge of 100% of the assessment revenues for principal and interest payments on the Bonds was facilitated by the requirement in the Bond documents that the District establish a "Special Lease Payment Fund" and deposit all assessment revenues collected each year into the Special Lease Payment Fund administered by the Bond trustee. The trustee is then authorized to utilize the assessment revenues deposited into the Special Lease Payment Fund to make principal and interest payments on the Bonds when due. This is the mechanism which ensures that the District's irrevocable pledge of 100% of its assessment revenues to bond payments provides a security interest and first lien on such assessment revenues in favor of the bondholders. The assessment revenues on deposit in the Special Lease Payment Fund are not subject to levy, attachment, or lien by or for the benefit of any creditor of the District, and the District is prohibited from pledging those assessment revenues to any other obligation other than the principal and interest on the Bonds. The District also promised in the bond documents not to reduce the amount of its assessments while any of the Bonds are outstanding and unpaid.

To the extent that assessment revenues on deposit in the Special Lease Payment Fund exceed the principal and interest payments owing on the Bonds in any year, then the bond trustee is authorized to release those excess assessment revenues back to the District to be utilized to fund maintenance, repair, replacement, and servicing expenditures required by the District to maintain all park and recreational improvements in good condition throughout their useful life.

Upon full repayment of the principal and interest on the Bonds in fiscal year 2012-13, District legal counsel has opined that the Board of Directors of District has the discretion to



levy annual assessments thereafter based on an annual budget of expenditures for the Assessment District for each ensuing fiscal year for additional capital improvements, additional maintenance, repair or replacement of existing capital improvements, and the payment of servicing costs of those improvements pursuant to the provisions of the Landscaping and Lighting Act of 1972 (the "Act"), Proposition 218 and Articles XIII C and D of the California Constitution so long as the amount of assessments per parcel and the methodology of assessment initially established by the Board in 1992 is not changed. The Act authorizes continuing assessments on an annual basis after a public hearing upon a majority vote of the District's Board of Directors each year.

#### **EXEMPTION FROM PROPOSITION 218**

The districtwide assessment district was formed and the District issued its bonds secured by assessment revenues in 1990, prior to the passage of Proposition 218, the Right to Vote on Taxes Act, which was approved by the voters of California on November 6, 1996, and now comprises Articles XIII C and XIII D of the California Constitution. Proposition 218 provides that all assessments levied by local governments after the adoption of Proposition 218 in 1996 must comply with the following two criteria: (1) assessments must be demonstrated to provide "special benefits" to the parcels of real property upon which the assessment is levied, and not for general benefit to the public and society at large, including non-property owners such as tenants and visitors to District Facilities; and (2) no assessment may be imposed on any parcel of real property which exceeds the reasonable cost of the proportional special benefit conferred on that parcel.

The assessment levied by the districtwide assessment district prior to the passage of Proposition 218 in 1996 is exempt as an assessment existing on the effective date of Article XIII D imposed exclusively to repay bonded indebtedness of which the failure to pay would violate the contract impairment clause of the United States Constitution (See Cal. Const., art. XIII D, 5(c)). The assessment district's Certificates of Participation 1992 Series A, and the District's Refunding Certificates of Participation 1996 Series A, all represent contractual obligations to which the District pledged 100% of the assessment revenues received in the assessment district. The District's contractual pledge to levy and collect all of the assessments within the assessment district to pay principal and interest on the Certificate of Participation obligations are protected from impairment by the prohibition against impairment of the obligation of contract contained in the United States Constitution. (See section entitled Assessment District Debt.)

In addition, Government Code section 53753.5, which is part of the Proposition 218 Omnibus Implementation Act, provides that this exemption means that all such assessments in the assessment district are exempt from "the procedures and approval process" defined in Section 4 of Article XIII D. Section 53753.5(c)(2) goes on to state that the definition of exemption from the "procedures and approval process" means exemption from the requirements to separate general benefit from special benefit, and the requirement to assess publicly owned parcels within the assessment district.

In addition, Government Code section 53753.3(b)(4) specifically provides that any subsequent increases in such assessment district assessments must comply with such procedures and approval processes except for those assessments which preexist the adoption of Proposition 218 and are exempt since the proceeds of such assessments are pledged to pay bonded indebtedness. Therefore, any subsequent increases in the assessments pledged to debt are also exempt from the procedures and approval processes of Article XIII D.

Despite this exemption from the requirements of Proposition 218 to separate general benefit from special benefit, this Engineer's Report nevertheless demonstrates that the assessments levied in the assessment district are limited to funding special benefits to property within the assessment district, and any potential general benefit to the public and others not paying assessments has been excluded in the calculation of the assessments and the funding of the assessment district budget.

## METHOD OF APPORTIONMENT

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### METHOD OF APPORTIONMENT

This section of the Engineer's Report includes an explanation of the benefits to be derived from the installation, maintenance and servicing of park facilities throughout the Park District, and the methodology used to apportion the total assessment to properties within the Assessment District.

The Assessment District consists of all Assessor Parcels within the boundaries of the Orangevale Recreation and Park District. The method used for apportioning the assessments is based upon the proportional special benefits conferred to the properties over and above the general benefits conferred to real property in the Assessment District or to the public at large. Special benefit is calculated for each parcel in the Assessment District using the following process:

- Identification of all benefit factors derived from the Improvements
- Calculation of the proportion of these benefits that are special and general, and quantification of the general benefits
- Determination of the relative special benefit per property type
- Calculation of the specific assessment for each individual parcel based upon special vs. general benefit; property type, property characteristics, improvements on property and other supporting attributes

### DISCUSSION OF BENEFIT

Assessments can only be levied based on the special benefit to property conferred by the capital improvements or services funded with the assessment revenue. This special benefit to assessed real property must be demonstrated to be over and above any general benefits. Proposition 218 has clarified that the assessment levied by the Park District must comply with the following two criteria: (1) assessments must be demonstrated to provide "special benefit" to the parcels of real property upon which the assessment is levied, and not for general benefit to the public and society at large, including nonproperty owners such as tenants and visitors to district facilities; and (2) no assessment may be imposed on any parcel of real property which exceeds the reasonable costs of the proportional special benefit conferred on that particular parcel.

The following benefit categories summarize the types of special benefit to residential, commercial, industrial and other lots and parcels resulting from the installation, maintenance and servicing of landscaping improvements to be provided with assessment proceeds. These categories of special benefit are derived from the statutes passed by the California Legislature and other studies which describe the types of special benefit received by property from maintenance and improvements of park and recreational facilities such as those proposed by the assessment district. These types of special benefit are summarized below. Specifically, the Legislature at Public Resources Code section 5506 states its intent that land acquisition, improvement and services by a park district

specifically benefit the properties assessed and the persons paying those assessments in the following respects.

When the assessments were first formed in 1992, the Engineer's Report and Board established the following special benefits from the assessments:

1. Enhanced recreational opportunities and expanded access to recreational facilities for all residents, customers and guests.
2. Protection of open space, views, scenery and other resources values and environmental benefits enjoyed by residents, employees, customers and guests and preservation of public assets maintained by the Park District.
3. Increased economic activity.
4. Expanded employment opportunity.
5. Reduced cost of local government in law enforcement, public health care, fire prevention and natural disaster response.
6. Specific enhancement of property values.

For more discussion see the section entitled Special Benefits below.

The legislative history behind Proposition 218, the adoption by the Legislature of the Proposition 218 Omnibus Implementation Act and appellate case law interpreting the provisions of Proposition 218 demonstrate the analysis that the Board of Directors of the Assessment District must undertake in order to determine the amount of special benefit to assessed real property from the park and recreation facilities and maintenance funded by assessment revenues, and the limitation that such assessments should not exceed the costs of the proportional special benefit to each such parcel as required by Proposition 218.

The State of California Legislative Analyst's impartial analysis of Proposition 218 states that first, local governments must estimate the amount of "special benefit" landowners receive, or would receive, from a capital improvement project or service. If such a capital improvement project or service provides both special benefits to that parcel of real property and general benefits to members of the public and nonproperty owners such as tenants and visitors, then the District may charge landowners only for the cost of providing the special benefit. The District must use general revenue such as property taxes and user fees to pay the remaining portion of the costs of a project or service. Second, the District must ensure that no property owner's assessment is greater than the cost to the District to provide those capital improvements or maintenance services to benefit that particular owner's property.

The District, by means of this Engineer's Report, must estimate the amount of "special benefit" landowners receive from the park and recreation facilities and maintenance, repair and replacement services funded with assessment revenues. If these park and recreational facilities and maintenance, repair and replacement services provide both special benefits to property owners within the District and general benefits to nonproperty owners such as tenants and visitors, then the District must quantify the special benefit properties received from those park and recreational improvements and maintenance and repair services, and also quantify the amount of general benefit received by nonproperty owners such as tenants and visitors from such improvements and maintenance services.

In addition, Section 22573 of the Landscaping and Lighting Act of 1972 provides as follows:

"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements."

Five recent court cases construing the assessment provisions of Proposition 218 demonstrate the process that the District must utilize to satisfy Proposition 218's special benefit and proportionality requirements.

**SILICON VALLEY TAXPAYERS ASSOCIATION, INC. V. SANTA CLARA COUNTY OPEN SPACE AUTHORITY**

The first of those cases is the Supreme Court's decision in Silicon Valley Taxpayers Association v. Santa Clara County Open Space Authority (2008) 44 Cal.4th 431. That case dealt with an open space assessment. The Court emphasized that the Engineer's Report must demonstrate distinct benefits to particular properties above and beyond those which the general public using and enjoying the open space receives. The Court also noted that such special benefits would likely result from factors such as proximity, improved access, and views.

**DAHMS V. DOWNTOWN POMONA PROPERTY AND BUSINESS IMPROVEMENT DISTRICT**

A similar holding can be found in the Court of Appeals 2009 decision upholding the business improvement district assessment to fund supplemental municipal services in the case of Dahms v. Downtown Pomona Property and Business Improvement District (2009) 174 Cal.App.4th 708. In that case, the Court held that services provided to assessed property including security, street maintenance, and marketing, promotion and special events for property owners within the Assessment District were all special benefits conferred on parcels within the Assessment District because they "affected the assessed property in a way that is particular and distinct from their effect on other parcels and that real property in general and the public at large do not share." The Court further held that under Proposition 218, the cap on the total assessment is the entirety of the reasonable cost of the special benefit conferred on all parcels by the improvements and services funded by assessment revenue. The Court also noted that if special benefits themselves

produce certain general benefits to the public at large, the value of those general benefits need not be deducted before the caps on the special benefits which the assessments provide are calculated. Therefore, the Court concluded that security, maintenance, and special event services specially benefit property within an Assessment District and may be apportioned according to the cost of providing those services without respect to the cost of generating general benefits.

#### **BEUTZ V. COUNTY OF RIVERSIDE**

The case of *Beutz v. County of Riverside* (2010) 194 Cal.App.4th 1516 dealt with an assessment under the Landscaping and Lighting Act of 1972 and concluded that Proposition 218 permits assessments to fund maintenance, repair and replacement of park and recreational facilities when supported by an adequate Engineer's Report. The Court concluded that park and recreational improvements, maintenance, and park and recreational services confer special benefit on property. However, the Court noted that the Engineer's Report in that case did not separate and quantify the degree of special benefit to properties being assessed for such services, as opposed to the general benefit conferred on members of the public such as nonproperty owners, tenants and visitors from such park improvements and services. The Court noted that the nature and extent of general and special benefits from the park improvements and maintenance services must be quantified in relationship to each other based on credible solid evidence.

#### **GOLDEN HILL NEIGHBORHOOD ASSOCIATION V. CITY OF SAN DIEGO**

In the recent Court of Appeal case of *Golden Hill Neighborhood Association v. City of San Diego* (2011) 199 Cal.App.4th 416, the city levied an assessment under the Landscaping and Lighting Act for maintenance services consisting of trash removal, sidewalk sweeping and washing, landscaping, graffiti abatement and trail and canyon beautification. The Court implicitly found that such services do provide special benefit to the property being assessed from those services pursuant to the requirements of Proposition 218. However, similar to the *Beutz* decision, which was issued after the creation of the Engineer's Report for the Golden Hill assessment, the Court found that the Engineer's Report must specifically quantify the special and general benefits from the assessment.

#### **BONANDER V. TOWN OF TIBURON**

In the Court of Appeal case of *Bonander v. Town of Tiburon*, the town of Tiburon formed an assessment district to fund the cost of moving overhead utility lines underground. The engineer identified special benefits of improved aesthetics, increased safety, and improved service reliability. The degree of benefit to an individual property was dependent on proximity to existing overhead utility lines. The assessment district was divided into three zones. The Court found that undergrounding of utility lines did constitute a special benefit conferred on real property and it is a proper subject for assessment. The Court also found that it is permissible to conclude that all properties in a district benefit equally from a certain type of special benefit, and therefore assess all such properties an equal assessment amount. The Court concluded that just because a particular benefit is conferred equally upon all properties in an assessment district does not compel the

conclusion that such benefit is not tied to particular parcels of property. Finally, the Court found that Proposition 218 requires that the proportional special benefit derived by each parcel shall be determined depending on the entirety of the capital cost of a public improvement, or its maintenance and operation expenses, and not just as costs incurred in each zone. The Court noted that Proposition 218 requires the amount of the assessment to be proportional to the benefits conferred on the property, not the costs incurred.

### **COMPLIANCE WITH CURRENT LAW**

This Engineer's Report, and the process used to establish these proposed assessments are consistent with the case law described above and with the requirements of Articles XIII C and XIII D of the California Constitution based on the following factors:

1. The fact that the park and recreational facilities and maintenance, repair and replacement services for those improvements have some general benefit to the public at large including non-property owners, tenants and visitors, does not mean that they do not also have a special benefit to property owners whose parcels are assessed. While many government facilities and services may provide public benefits, when special benefits can be identified, they may be separated from general public benefits and their costs imposed as assessments on the properties to which those special benefits accrue.
2. This Engineer's Report is consistent with Beutz, Dahms and Greater Golden Hill cases because the Improvements will directly benefit property in the Assessment District and the general benefits have been explicitly calculated and quantified and excluded from the Assessments. The fact that the park and recreational facilities and maintenance repair replacement services have some general benefit to the public at large does not mean that they do not also have special benefit to property owners whose parcels are assessed.
3. The Engineer's Report is also consistent with the Bonander decision because the Assessments have been apportioned based on the entirety of the capital cost of the Improvements and based on proportional special benefit to each property in each zone.

### **SPECIAL BENEFITS**

This Engineer's Report, in the following sections, identifies the special benefits for the various types of properties within the Assessment District which are proposed to be assessed. This Report also quantifies the special and general benefits from the assessments. A description of the types of special benefits conferred on real properties within the District by the park and recreational facilities and maintenance funded with assessment revenues follows.

These special benefit factors are derived from Legislative findings and intent established in statute before the adoption of Proposition 218 as specified above, and as such, must be harmonized with the provisions of Proposition 218 in implementing the assessments.

The applicable provisions of Proposition 218 regarding assessments were described in the Silicon Valley Taxpayers Association decision described above, which provides specific guidance that parks and recreational areas may confer the following special benefits:

- Proximity to recreational and open space
- Expanded or improved access to recreational and open space
- Views of recreational and open space

The Silicon Valley Taxpayers Association decision also clarifies that a special benefit is a service or improvement that provides a direct advantage to a parcel and that indirect or derivative advantages resulting from the overall public benefits from a service or improvement are general benefits. This decision also provides specific guidance that park improvements constitute a direct advantage and special benefit to property that is proximate to a park or open space, the improvement of which is funded by an assessment:

*the characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g. proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g. general enhancement of the district's property values).*

In summary, from the case law interpreting Proposition 218 requirements regarding such assessments, the District's assessments fund specific park and recreation improvements, maintenance and servicing costs that can be described by additional special benefit categories as summarized as follows:

- Proximity to improved parks and recreational facilities.
- Access to improved parks, open space and recreational areas.
- Improved views.
- Enhanced recreational opportunities

The grounds for validity of the foregoing special benefit categories are supported by the following evidence:

## **BENEFIT FACTORS**

**ENHANCED RECREATIONAL OPPORTUNITIES AND EXPANDED ACCESS TO RECREATIONAL AREAS FOR ALL PROPERTY OWNERS, RESIDENTS, EMPLOYEES AND CUSTOMERS THROUGHOUT THE ASSESSMENT DISTRICT.**

Residential properties specifically benefit from the enhanced recreational opportunities provided by the Improvements made throughout the four planning quadrants of the Assessment District. These include, among others, new parks and open spaces, areas for



nature based recreational activities, and higher levels of maintenance of parks, recreation areas, and trails than would be provided in absence of the assessment.

In "Trends: Parks, Practice and Program" by Love, L. and Crompton, J. (1993) the authors found that:

*"The provision of parks and recreation services play an influential role in a community's economic development efforts. When companies choose to set up business or relocate, the availability of recreation, parks and open space is high on the priority list for site selection. Recreation and parks have a significant influence on people's preferred living locations."*<sup>1</sup>

The "Outdoor Recreation Coalition of America's 1993 State of the Industry Report" found that:

*"From rock climbing to biking to backpacking, the outdoor recreation industry -- worth at least \$132 billion annually to the U.S. economy-- is growing by leaps and bounds. The biggest and most noticeable effect has been on public lands: Visits to parks and other spaces increased by well over 100 million in the last decade just as funding dwindled."*<sup>2</sup>

All properties within the assessment district will specially benefit from the assessments that will be used to expand, protect and maintain public recreational lands, parks, open space areas, trails and other public resources.

#### **INCREASED ECONOMIC ACTIVITY.**

The Assessment District creates expanded and improved parks and recreation areas that are also better maintained. This specifically increases the desirability of the area and enhances recreational and wildlife education opportunities, which, in turn, leads to expanded use. Expanded use and activities facilitated by new and existing parks and open space areas brings greater numbers of visitors into the area who can utilize the services of businesses within the Assessment Districts. The visitors to the Park District's open space will be more likely to shop and eat locally. Increased use leads to increased economic activity in the area, which is a special benefit ultimately to residential, commercial, industrial and institutional property located within the assessment district.

*"California's public parks generate more than \$35 million annually from businesses for local events. Visitors to public parks and outdoor recreation areas support approximately 235,000 jobs in California's economy."*<sup>3</sup>

*"Numerous studies demonstrate that linear parks can increase property values, which can in turn increase local tax revenues. Spending by residents on greenway-related activities helps support recreation-oriented businesses and employment, as well as other businesses that are patronized by greenway users. Greenways often provide new business opportunities and locations for commercial activities like bed and breakfast establishments, and bike and canoe rental shops. Greenways are often major tourist attractions which generate expenditures on lodging, food, and recreation-oriented services. Finally, greenways can reduce public expenditures by lowering the costs associated with flooding and other natural hazards."*<sup>4</sup>

*"Although the chief reason for providing outdoor recreation is the broad social and individual benefits it produces, it also brings about desirable economic effects. Its provision enhances community values by creating a better place to live and increasing land values. In some underdeveloped areas, it can be a mainstay of the local economy. And it is a basis for big business as the millions and millions of people seeking the outdoors generate an estimated \$20 billion a year market for goods and services."*<sup>5</sup>

*"People are spending increasing amounts of money on recreation. In California people spent an average of 12 percent of their total personal consumption on recreation and leisure, which was the third largest industry in the state. Also, many recreational activities that can be pursued in locally protected areas (such as biking, hiking, bird-watching, cross country skiing, and canoeing) entail equipment costs that support local businesses, providing new jobs and tax revenue."*<sup>6</sup>

#### **EXPANDED EMPLOYMENT OPPORTUNITY.**

Improved recreational areas and public resources foster business growth, which in turn creates additional employment opportunities for Assessment District residents. In addition, the assessments expand local employment opportunities by funding new projects that may create the need for additional construction or maintenance jobs.

Improved and well-maintained parks, open space and recreational areas also provide business properties with an opportunity to attract and keep employees due to the benefits provided by these areas.

Non-residential properties also will specifically benefit from the maintenance and improvement of parks, recreation areas and open space areas in many ways. Employees will have additional wildlife and recreation areas to utilize for exercise, recreational activities, picnics, company gatherings or other uses. These Improvements, therefore, enhance an employer's ability to attract and keep quality employees. The benefits to employers ultimately flow to the property because better employees improve the business

prospects for companies and enhanced economic conditions specially benefit the property by making it more valuable.

The California Park and Recreation Society, in 1997 found that:

*“Recreation and park amenities are central components in establishing the quality of life in a community, a business’ main resource is their employees for whom quality of life is an important issue. The availability and attractiveness of local parks and programs influences some companies relocation decisions and the presence of a park encourages real estate development around it.”<sup>7</sup>*

**ENHANCED PROTECTION OF PROPERTY THROUGH REDUCTION OF THE RISK OF FIRE AND REDUCED COST OF LOCAL GOVERNMENT IN LAW ENFORCEMENT, PUBLIC HEALTH CARE AND NATURAL DISASTER RESPONSE.**

The assessment also benefits properties in the Assessment District by funding maintenance services and park safety and security patrols that preserve the level of special benefits from park and open space in the Assessment District and protect the public's parks, recreational facilities and open space resources by reducing the risk of damage or harm and maintaining public access to these important public resources.

Improved and well-maintained recreational areas and open space lands can also serve to improve public safety and reduce the cost to local government by providing a healthy alternative for youth and adult activities. Studies have shown that adequate park and recreation areas and recreation programs help to reduce crime and vandalism.

*“Natural parks and open space require few public services - no roads, no schools, no sewage, no solid waste disposal, no water, and minimal fire and police protection.”<sup>8</sup>*

*“Exercise derived from recreational activities lessens health related problems and subsequent health care costs. Every year, premature deaths cost American companies an estimated 132 million lost work days at a price tag of \$25 billion. Finding and training replacements costs industry more than \$700 million each year. In addition, American businesses lose an estimated \$3 billion every year because of employee health problems.”<sup>9</sup>*

High quality recreational and open space areas allow residents and employees in the Assessment District to enjoy activities close to home, thereby not spending time driving to other areas. Moreover, parks, open space and trails in these lands promote healthy activities that help to reduce the cost of health care. Such cost reduction frees public funds for other services that benefit properties.

All of these factors ultimately specially benefit property within the Assessment District by specifically reducing the risk of damage to property, and specifically making the property within the assessment district more usable and desirable and ultimately, more valuable.

**SPECIFIC ENHANCEMENT OF PROPERTY VALUES DUE TO ENHANCED QUALITY OF LIFE AND DESIRABILITY OF THE AREA.**

The assessments will provide funding to maintain, improve and preserve parks, recreational facilities and open space areas that otherwise may not be preserved for the public benefit. Additional development, and the congestion it causes, reduces the desirability of property within the Assessment District. Therefore, improved open space areas and public wildlife areas enhance the overall quality of life and desirability of properties within the Assessment District. This is a special benefit to residential, commercial, industrial and other properties.

*The Presidents Commission on American's Outdoors (1987) found natural beauty was the single most important factor in deciding tourist destination.<sup>10</sup>*

*"The importance of quality-of-life in business location decisions has been repeatedly verified in the literature. (Boyle, 1988; Bramlage, 1988, Carn & Rabianski, 1991; Conway, 1985; Epping, 1986; Sarvis, 1989; Tosh, et.al., 1988)"<sup>11</sup>*

"Home buyers over age 55 considering a move were surveyed about the amenities that 'Would seriously influence them in selecting a new community' "<sup>12</sup> the following results were found:

Amenity	Group	% Seeking Amenity	Rank on List
Walking and jogging trails	55+	52	1
Walking and jogging trails	55+ >\$75k per year	65	
Outdoor spaces	55+	51	2
Outdoor spaces (park)	55+, moving to suburbs	55	
Open Spaces	55+	46	4

Extensive park and open space, nature lands and wildlife areas are one of the most important public resources and features for property owners in the Assessment District. Therefore, the acquisition and preservation of park and open space properties is a very important feature for property owners in the Assessment District that enhances the quality of life and desirability of property located in the Assessment District.

In addition, the assessments provide funding to significantly expand, improve and maintain the public parks, open space lands, recreational areas, wildlife and nature habitats, wildlife corridors and other public resources. The improvements funded by the assessments also specifically benefit properties by limiting urban sprawl and large lot development that negatively impacts existing improved properties in the Assessment Districts. In turn, property values are specifically enhanced by the availability of expanded, improved, safe, preserved and maintained parks and open space lands within a community. Values of commercial and industrial property increase based on these same elements and the enhanced economic activity derived from the greater quantity and quality of public resources in the area.

The correlation between enhanced property values and expanded and well-maintained open space areas and recreational areas has been documented. The United States Department of the Interior, National Park Service determined that:

*“An investment in parks and recreation helps reduce pollution and noise, makes communities more livable, and increases property value. Parks and recreation stimulate business and generate tax revenues. Parks and recreation help conserve land, energy and resources. Public recreation benefits all employers by providing continuing opportunities to maintain a level of fitness throughout one’s working life, and through helping individuals cope with the stress of a fast-paced and demanding life.”<sup>13</sup>*

Additionally, the National Recreation and Park Association, in June 1985, stated:

*“The recreation value is realized as a rise in the value of land and other property in or near the recreation area, and is of both private interest to the landowner and others, holding an economic stake in the area, and of public interest to the taxpayers, who have a stake in a maximum of total assessed values.”<sup>14</sup>*

Moreover, the Supreme Court of California and the United States Supreme Court have found that improved and well-maintained park facilities confer special benefits to property by enhancing property values. In *Knox v. City of Orland*,<sup>4</sup> Cal.4th 132, 143 (1993) the Supreme Court of California found that:

*“Plaintiff’s basic argument that a special assessment is never appropriate to fund park improvements is unconvincing. Significantly, plaintiff’s attempt to differentiate between street lights, sewers, sidewalks and flood control as constituting proper subjects for special assessment, and public parks as matters of such a general nature as to not justify a special assessment, is virtually identical to an argument rejected nearly a century ago by the United States Supreme Court in *Wilson v. Lambert*.”<sup>15</sup>*

In *Wilson v. Lambert* (1898) the United States Supreme Court stated:

*"The residents and property holders in the District of Columbia must be regarded as coming within the class of beneficiaries; and, so far from being injured by the declaration that the park shall also have national character, it is apparent that thereby the welfare of the inhabitants of the Assessment District will be promoted. Whatever tends to increase the attractiveness of the City of Washington, as a place of permanent or temporary residence, will operate to enhance the value of private property situated therein or adjacent thereto."*<sup>16</sup>

In addition, professional property appraisers and instructional books on the subject find that well-maintained public recreational grounds and areas enhance property values in a community. Enhancement value is the tendency of open space to enhance the property value of adjacent properties. It is also explicitly recognized by federal income tax law:

*U.S. Treasury regulation Sec. 14(h)(3)(i) requires that the valuation of a conservation easement take into account (i.e., be offset by) any resulting increase in the value of other property owned by the donor of the easement or a related person. Section 14(h)(4) sites as an example a landowner who owns 10 one-acre lots and donates an easement over eight of them: 'By perpetually restricting development on this portion of the land, (the landowner) has ensured that the two remaining acres will always be bordered by parkland, thereby increasing their fair market*

The special benefits from the Improvements are further detailed below:

#### **PROXIMITY TO IMPROVED PARKS AND RECREATIONAL FACILITIES, AND ZONES OF BENEFIT**

According to the industry-standard guidelines established by the National Park and Recreation Association (the "NPRA"), neighborhood parks in urban areas have a service area radius of generally one-half mile and community parks have a service area radius of approximately two miles. Sacramento County also provides similar to slightly larger park service area radii guidelines. The service radii for neighborhood parks and neighborhood green spaces were specifically established to give all properties within this service radii close proximity and easy walking access to such public land areas. Since proximate and accessible parks serve as an extension of the usable land area for property in the service radii and since the service radii was specifically designed to provide close proximity and access, the parcels within this service area clearly receive a direct advantage and special benefit from the Improvements - and this advantage is not received by other properties or the public at large.

An analysis of the service radii for the Improvements finds that all properties in the Assessment District enjoy the distinct and direct advantage of being close and proximate to one or often multiple parks within the Assessment District, and lie within the

recommended service radius for such facilities. The benefiting properties in the Assessment District therefore uniquely and specially benefit from the Improvements.

Only the specific properties within close proximity to the Improvements are included in the Assessment District. All properties within each of the four planning quadrants of the Assessment District enjoys unique and valuable proximity and access to the Improvements within the established service radii, discussed above, that the public at large and property outside the Assessment District do not share.

The Board has determined that the location, nature and function of the proposed projects combine to provide substantially equal benefit to all parcels of real property within a particular land use category, regardless of the location of that property within the boundaries of the Assessment District.

The reasons for this determination are as follows:

1. The capital development plan provides for major new and/or expanded and renovated neighborhood park and recreational facilities in each of the four planning quadrants utilized by the Park District, disbursed equally throughout the geographic area comprising the proposed Assessment District. The total area served by the Park District is approximately sixteen square miles. Each of these planning quadrants contains an average area of approximately four square miles. The maximum distance from a parcel of real property to a new or expanded neighborhood park and recreational facility in the northwest quadrant is 1.5 miles. In the northeast quadrant, the distance is approximately 1.6 miles. The distance is 1.5 in the southwest quadrant and 1 mile in the southeast quadrant. Therefore, all parcels of real property within the proposed Assessment District are located within an average maximum one and one-half mile radius from a new or expanded neighborhood park and recreational facility constructed, maintained and improved with assessment proceeds.
2. The most significant of these projects is a fourteen-acre community park with a 12,000 square foot community center with pool, located in the geographic center of the Assessment District and easily accessible to all residents of the District. All parcels of real property within the proposed Assessment District are located within a two-and-one-half mile radius of the proposed community center, well within the Sacramento County planning guidelines for such community centers.

The boundaries of the Assessment District have been carefully drawn to include the properties in the Orangevale Recreation and Park District that are proximate to the proposed Improvements and that would materially benefit from the Improvements. The Assessment District is coterminous with the District boundaries. As the properties in the District have developed over time, regional and neighborhood parks have been strategically located throughout the community as it has been built out. Park size and

location have been carefully incorporated into the design of the community, consistent with the NPRA and Sacramento County park planning guidelines. Now, with a mature community, all parcels in the District are located in close proximity to at least one park. It therefore is appropriate to provide a District-wide Assessment District because all parcels benefit similarly.

In the Assessment District, the advantage that each parcel receives from the Improvements is direct, and the boundaries are narrowly drawn to include only parcels that benefit from the Assessment. Since all parcels in the Assessment District have good access, additional proximity is not considered to be a factor in determining benefit within the Assessment District. Therefore, zones of benefit are not justified or needed within the Assessment District.

**ACCESS TO IMPROVED PARKS, OPEN SPACE AND RECREATIONAL AREAS**

Since all of the parcels within the Assessment District enjoy close access to the Improvements, they directly benefit from the unique close access to improved parks, open space and recreation areas that are provided by the Assessments. This is a direct advantage and special benefit to property in the Assessment District.

**IMPROVED VIEWS**

The Park District, by maintaining the landscaping at its park, recreation and open space facilities provides improved views to properties in the Assessment District. The properties in the Assessment District enjoy close and unique proximity, access and therefore views of the Improvements; therefore, the improved and protected views provided by the Assessments are another direct and tangible advantage that is uniquely conferred upon property in the Assessment District.

**GENERAL VERSUS SPECIAL BENEFIT**

Article XIII C of the California Constitution requires any local agency proposing to increase or impose a benefit assessment to “separate the general benefits from the special benefits conferred on a parcel.” The rationale for separating special and general benefits is to ensure that property owners subject to the benefit assessment are not paying for general benefits. The assessment can fund special benefits but cannot fund general benefits. Accordingly, a separate estimate of the special and general benefit is given in this section.

In other words:

<b>Total Benefit</b>	<b>=</b>	<b>General Benefit</b>	<b>+</b>	<b>Special Benefit</b>
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There is no widely accepted or statutory formula for general benefit. General benefits are benefits from improvements or services that are not special in nature, are not “particular



and distinct” and are not “over and above” benefits received by other properties. The SVTA decision provides some clarification by indicating that general benefits provide “an indirect, derivative advantage” and are not necessarily proximate to the improvements.

In this report, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

The starting point for evaluating general and special benefits is the current, baseline level of service. The baseline level of service is defined as the extent and level of park and recreation facilities that would exist in absence of the assessments. The assessment funds Improvements “over and above” this general, baseline level and the general benefits estimated in this section are over and above the baseline.

A formula to estimate the general benefit is listed below:

<b>General Benefit</b>	=	<b>Benefit to Real Property Outside the Assessment District</b>	+	<b>Benefit to Real Property Inside the Assessment District that is Indirect and Derivative</b>	+	<b>Benefit to the Public at Large</b>
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Special benefit, on the other hand, is defined in the state constitution as “a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large.” The SVTA decision indicates that a special benefit is conferred to a property if it “receives a direct advantage from the improvement (e.g., proximity to a park).” In this assessment, as noted, properties in the Assessment District have close and unique proximity, views and access to the Improvements and uniquely improved desirability from the Improvements and other properties and the public at large do not receive significant benefits because they do not have proximity, access or views of the Improvements. Therefore, the overwhelming proportion of the benefits conferred to property is special, and is only minimally received by property outside the Assessment District or the public at large.

In the 2009 Dahms case, the court upheld an assessment that was 100% special benefit on the rationale that the services funded by the assessments were directly provided within the assessment district. It is also important to note that the improvements and services funded by the assessments in Pomona are similar to the improvements and services funded by the Assessments described in this Engineer’s Report and the Court found these improvements and services to be 100% special benefit. Also similar to the assessments in Pomona, the Assessments described in this Engineer’s Report fund improvements and services directly provided within the Assessment District and every benefiting property in the Assessment District enjoys proximity and access to the Improvements. Therefore, Dahms establishes a basis for minimal or zero general benefits from the Assessments. However, in this Report, the general benefit is more conservatively estimated and described, and then budgeted so that it is funded by sources other than the Assessment.

**CALCULATING GENERAL BENEFIT**

In this section, the general benefit is conservatively quantified.

**BENEFIT TO PROPERTY OUTSIDE THE ASSESSMENT DISTRICT**

Properties within the Assessment District receive almost all of the special benefits from the Improvements because properties in the Assessment District enjoy unique close proximity and access to the Improvements that is not enjoyed by other properties or the public at large. However, certain properties within the proximity/access radius of the Improvements, but outside of the boundaries of the Assessment District, may receive some benefit from the Improvements. Since this benefit is conferred to properties outside the Assessment District boundaries, it contributes to the overall general benefit calculation and will not be funded by the Assessments.

The properties outside the Assessment District and within the proximity radii for neighborhood or community parks in the Assessment District may receive some benefits from the Improvements. Since these properties are not assessed for their benefits because they are outside of the area that can be assessed by the District, this is form of general benefit to the public at large and other property. A 50% reduction factor is applied to these properties because they are all geographically on only one side of the Improvements and are over twice the average distance from the Improvements compared to properties in the Assessment District.

The general benefit to property outside of the Assessment District is calculated as follows with the parcel and data analysis performed by SCI Consulting Group.

**Assumptions:**

11,563 parcels outside the district but within either 0.5 miles of a neighborhood park or 2.0 miles of a community park within the Assessment District

11, 816 parcels in the Assessment District

50% relative benefit compared to property within the Assessment district

**Calculation**

General Benefit to Property Outside the Improvement District =

$$(11,563/(11,563+11,816))* .5 = 24.7\%$$

Although it can reasonably be argued that Improvements inside, but near the Park District boundaries are offset by similar park and recreational improvements provided outside, but near the Park District’s boundaries, we use the more conservative approach of finding that 24.7% of the Improvements may be of general benefit to property outside the Assessment District.

### **BENEFIT TO PROPERTY WITHIN THE ASSESSMENT DISTRICT**

The “indirect and derivative” benefit to property within the Assessment District is particularly difficult to calculate. A solid argument can be presented that all benefit within the Assessment District is special, because the Improvements are clearly “over and above” and “particular and distinct” when compared with the baseline level of service and the unique proximity, access and views of the Improvements enjoyed by benefiting properties in the Assessment District.

Nevertheless, the SVTA decision indicates there may be general benefit “conferred on real property located in the district” A measure of the general benefits to property within the Assessment area is the percentage of land area within the Assessment District that is publicly owned and used for regional purposes such as major roads, rail lines and other regional facilities because such properties, while physically within the Assessment District, are used for regional purposes and could provide indirect benefits to the public at large. Approximately 2.5% of the land area in the Assessment District is used for such regional purposes, so this is a measure of the general benefits to property within the Assessment District.

### **BENEFIT TO THE PUBLIC AT LARGE**

In *Beutz*, the Court opined that general benefits from parks and recreation facilities could be quantified by measuring the use of parks and recreation facilities by people who do not live within the assessment boundaries. This Report uses this general benefit measure as the third component of our overall general benefit quantification. Therefore, the general benefit to the public at large can be estimated by the proportionate amount of time that the Park District’s parks and recreational facilities are used and enjoyed by individuals who are not residents, employees, customers or property owners in the Park District<sup>1</sup>. SCI has conducted numerous surveys of similar parks and recreation districts in the Sacramento area and other areas in California and has determined that use by the public at large is nearly always less than 20%. Moreover, a second quantification of benefits to the public at large is based on solid, credible evidence consisting of District records which document the percentage of participants in the District’s recreation programs conducted within the District’s park and recreational facilities who reside within the District and the percentage of those who utilize the District’s recreational programs and services and reside outside of the District. The percentage of participants in the District’s recreation programs who do not reside within the Assessment District provides another estimate of the percentage of general benefit to the public at large. This analysis found that 20% of recreation program

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<sup>1</sup> . When District facilities are used by those individuals, the facilities are not providing benefit to property within the Park District. Use under these circumstances is a measure of general benefit. For example, a non-resident who is drawn to utilize the Park District facilities and shops at local businesses while in the area would provide special benefit to business properties as a result of his or her use of the Improvements. Conversely, one who uses Park District facilities but does not reside, work, shop or own property within the Park District boundaries does not provide special benefits to any property and is considered to be a measure of the general benefits.

participants do not reside in the District. Based on this data and analysis, we conclude that the general benefits to the public at large equal 20%.

**TOTAL GENERAL BENEFITS**

Using a sum of these three measures of general benefit, we find that approximately 47.2% of the benefits conferred by the Improvements may be general in nature and should be funded by sources other than the assessment.

<b>General Benefit Calculation</b>	
<b>24.7%</b>	<b>(Outside the Assessment District)</b>
<b>+ 2.5%</b>	<b>(Property within the Assessment District)</b>
<b>+ 20.0%</b>	<b>(Public at Large)</b>

Although this analysis finds that 47.2% of the assessment may provide general benefits, the Assessment Engineer establishes a requirement for a minimum contribution from sources other than the assessments of 50.0%. This minimum contribution above the measure of general benefits will serve to provide additional coverage for any other possible general benefits.

The Assessment District's total budget for installation, maintenance and servicing of the Improvements is \$1,650,973. Of this total budget amount, the District and other partner agencies and contributors will contribute \$1,084,035 from sources other than the assessments. This contribution equates to approximately 65.7% of the total budget for installation, maintenance and servicing of the park and recreational improvements and constitutes more than the measure of 50.0% general benefits from the Improvements.

**BENEFIT FINDING**

As extensively described in this Report, the assessment funds will be used to improve, maintain and preserve a well distributed set of important local resource lands and improvements in the Assessment District. Any general benefits from the Improvements to the public at large or property in the Assessment District are more than offset by the District's contributions, which are well above the cost of the Improvements providing special benefits to property in the Assessment District. Therefore, this Engineer's Report finds that the Improvements are a significant, tangible benefit that should reasonably and rationally confer more special benefit to properties in the Orangevale Recreation and Park District than the assessment rate of \$42.00 per benefit unit.

**METHOD OF ASSESSMENT**

The second step in apportioning assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a single family home, or, in other words, on the basis of Single

Family Equivalents (SFE). This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefit and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. For the purposes of this Engineer's Report, all properties are designated a SFE value, which is each property's relative benefit in relation to a single family home on one parcel. In this case, the "benchmark" property is the single family detached dwelling which is one Single Family Equivalent or one SFE.

### **ASSESSMENT APPORTIONMENT**

To estimate the relative benefit to each land use class from the proposed improvements, a point system was created prior to Proposition 218 utilizing the single family residential parcel as the "benchmark property". A Benefit Assessment Matrix, illustrating relative scoring of points by land use class and the grandfathered benefit categories and the total points for each land use class, is set forth at the Benefit Assessment Matrix Section of this Report, and indicates the point scoring and totals for each land use class.

The Board has determined that the location, nature and function of the proposed projects combine to provide substantially equal benefit to all parcels of real property within a particular land use category, regardless of the location of that property within the boundaries of the assessment district.

The following is a brief description of the resulting assignment of points for each land use class:

#### **LAND USE CLASSES**

##### **Land Use Class A: Single Family Residential /Condominium Parcels**

This is the "benchmark property" for determining benefit, which will be conferred on each parcel by the proposed projects to be constructed with assessment proceeds. A base rating of five (5) points has been assigned for single family residential parcels with respect to the following benefits: enhanced recreation opportunities Benefit Category 1); preservation of open space, scenery and cultural assets Benefit Category 2); expanded employment opportunities (Benefit Category 4); reduced costs of local government for law enforcement and public healthcare (Benefit Category 5); and increased property values Benefit Category 6). No points were assigned for Category 3 regarding economic activity as residential properties were viewed as not receiving any such benefit. Benefit Category 3 describes a direct economic benefit to commercial and industrial properties, and is not applicable to single family residential parcels. Therefore, each single-family residential parcel was assigned a point total of twenty-five (25) points.

Condominium parcels were judged to benefit the same as single family residential parcels in these benefit categories, and therefore the same point total of twenty-five (25) points was assigned to condominium parcels and they are included as part of the single family residential land use class. Condominium parcels will be assessed on a per unit basis since

the ownership of condominium units is carried on the Sacramento County Assessor's records on a per unit basis.

#### Land Use Class B: Multi-Residential and Apartment Parcels

Multi-residential and apartment parcels are reported on the Sacramento County Assessor's records by the number of multi-family dwelling units on each parcel. Each multi-family dwelling unit was judged to benefit the same from the proposed improvements as will a single family residential parcel with respect to enhanced recreational opportunities (Benefit Category 1), preservation of open space, scenery and cultural assets (Benefit Category 2), expanded employment opportunities (Benefit Category 4), and increased property values (Benefit Category 6). However, unlike single family residential/condominium parcels, multi-residential and apartment parcels were judged to receive some benefit in the form of increased economic activity resulting in the attraction of customers, most notably prospective tenants, which could be expected to occur as a result of expanded and improved park and recreational facilities available for use by prospective tenants. Therefore, a point total of two (2) was assigned to multi-residential and apartment parcels in Benefit Category 3. With respect to Benefit Category 5, reduced costs of local government for law enforcement and public healthcare, multi-residential and apartment parcels were judged to benefit somewhat less than the single family residential/condominium parcels because some multi-residential units provide their own private security services.

Therefore, three (3) points were assigned in Benefit Category 5 for multi-residential and apartment parcels. Each multi-residential or apartment unit was therefore assigned a total of twenty-five (25) points.

#### Land Use Class C: Mobile Home Residential Parcels

Mobile home residential parcels were judged to benefit essentially the same as single-family residential/condominium parcels and multi-residential and apartment parcels in all benefit categories. A base rating of three (3) points has been assigned for each benefit category. Therefore, each such parcel is assigned a total of fifteen (15) points.

#### Land Use Class D: Commercial Property

The commercial land use class has been broken down into various subcategories consisting of retail stores, service stations, restaurants, hotel/motel, theaters, recreation, private golf course/country club, shopping center, other commercial/service sector and other commercial/product sector.

Commercial parcels are judged to benefit substantially less than do single family residential/condominium parcels with respect to the enhanced recreational opportunities afforded by the proposed improvements (Benefit Category 1). Therefore, two (2) points were assigned to the commercial land use class in that category. Commercial properties

were also perceived to benefit less than single family residential/condominium parcels with respect to the benefit of preservation of open space, scenery and cultural assets (Benefit Category 2) and only one (1) point was assigned to the commercial land use category in this Benefit Category 2. On the other hand, commercial properties will benefit from construction and maintenance of the proposed improvements in terms of the increased economic activity and the attraction of customers and clients that will result benefit Category 3) and thus five (5) points were assigned to the commercial land use category in this Benefit Category 3, whereas single family residential/condominium parcels received zero points in this Benefit Category 3. In Benefit Category 4 regarding expanded employment opportunities, commercial properties are also assigned five (5) points upon the rationale that the increased business activity generated by construction of new park and recreational facilities and expanded recreational programs will not only make the community a better place to live, but it will also make it a better place to work, making it easier for a local business to attract and keep quality employees.

Commercial properties were judged to benefit somewhat less (4 points) than single family residential/condominium parcels with respect to the benefit of reduced cost of local government for law enforcement or public healthcare, primarily because most commercial parcels within the assessment district are not located in close proximity to District facilities and therefore the effects of the District's expanded security program will benefit commercial property somewhat less than residential properties.

With respect to the benefit of increased property value (Benefit Category 6) commercial properties were perceived to benefit to the same extent, although in a slightly different way, than single family residential parcels and five (5) points were assigned to the commercial land use category in Benefit Category 6. Values of commercial properties increase based on (a) increased economic and business activity generated by the construction of the proposed park and recreational improvements; and (b) the increased volume of business generated by expanded recreational activities and special events facilitated by such new and refurbished facilities which creates a greater number of users of the facilities who will also utilize the services of businesses within the Assessment District boundaries.

These considerations lead to a point total of twenty-two (22) points for the commercial land use class which is slightly less than the twenty-five (25) points assigned to the single family residential/condominium class. This reflects the fact that commercial properties are judged to benefit less than residential properties from the construction of the proposed improvements once all of the potential benefits to real property from the proposed improvements are evaluated.

#### Land Use Category E: Industrial and Mini Storage Parcels

Industrial and mini storage parcels have been judged to benefit less than will commercial properties from the construction of the proposed improvements. Such parcels only benefit incidentally from the enhanced recreational opportunities benefit Category 1) and

preservation of open space, scenery and cultural assets (Benefit Category 2). Therefore, such parcels have been assigned a rating of one (1) point in each of those benefit categories. However, industrial and mini storage parcels were assigned a point rating of three (3) in Benefit Category 3, the benefit of increased economic activity, since the construction of the proposed improvements will benefit some local industries in the areas of construction supplies, hardware, etc. Such parcels will probably benefit less than retail commercial parcels from the increased economic activity generated by greater numbers of users of the proposed park and recreational improvements to be constructed. With respect to expanded employment opportunity Benefit Category 4), a rating of one (1) point was assigned since mini storage employment opportunities are negligible and industrial employment opportunities are driven by market factors unrelated to usage by people who also utilize the park and recreational improvements and the expanded recreation opportunities afforded by those facilities. Industrial parcels have been assigned a rating of two (2) in Benefit Category 6 regarding increased property value which is less than the five (5) points assigned in this category to commercial property because industrial parcels are not judged to increase in value as a result of construction of the proposed improvements to the same extent as will commercial properties. Industrial properties will not experience increased economic activity generated by users of the proposed facilities as will commercial properties, and therefore the value of such industrial parcels will be affected to a smaller degree than will the value of commercial parcels. With respect to the reduced cost of local government for law enforcement and public healthcare (Benefit Category 5), industrial and mini storage parcels were only assigned a rating of two (2), less than all other land use classes. Such parcels are perceived to benefit less in this area since many such parcel owners provide their own security and because industrial and mini storage uses are perceived to generate less law enforcement activity and cost than do commercial properties, particularly retail properties. On the other hand, industrial parcels should benefit from reduced costs of public healthcare in the same way and to the same general extent as will commercial properties. Therefore, a rating of two (2) points was assigned to industrial/mini storage uses in this Benefit Category 5.

The total point score for industrial/mini storage parcels is ten (10) points per assessable unit, reflecting the fact that these parcels will benefit less from the proposed improvements than will the other land use classes.

#### Land Use Class F: Exempt Parcels

This land use class includes all parcels which are classified as exempt from real property tax by the Sacramento County Tax Assessor and includes all parcels classified as exempt from this type of assessment by the Landscaping and Lighting Act of 1972. Therefore, vacant properties will not be assessed until they are put to some use. At the time that they are put to use, they will be assessed based on the land use category into which the vacant property falls.

Properties owned by governmental entities such as the federal government, State government, and other special districts, such as water districts, school districts, and fire



districts, also will not be assessed. It has been determined that these parcels are not the type of property for which the park and recreational facilities funded with assessment proceeds were planned, designed, constructed, operated and maintained. The Board has determined that these publicly owned properties do not receive the same special benefits from the construction of these facilities as do the other land use classes described above. In addition public schools have entered into joint use agreements with the District which provide economic value to the District which offsets the cost of any incidental special benefits received by these publicly owned parcels. Likewise, property consisting of a railroad, gas, water, or electric utility right-of-way shall not be assessed, since such utility-related property is not deemed to benefit at all from the construction of the proposed improvements. Finally, properties owned by churches, vacant and agricultural parcels will not be assessed.

Since the exempt land use class receives a zero point rating in all benefit categories, it is not included in the Benefit Assessment Matrix.

#### **NON-RESIDENTIAL ASSESSMENT UNITS**

In order to equalize the assessment among residential and non-residential land use classes in terms of the area of land to be benefited by the construction of the proposed improvements, an assessment methodology has been used to convert the acreage of each non-residential parcel into an equivalent number of single family residential parcels that could have been developed on each non-residential parcel but for the commercial and/or industrial use to which the parcel has been put. Approximately eighty-eight percent (88%) of the parcels within the proposed Assessment District are traditional single-family residential subdivision lots. The average gross density of these subdivisions is approximately 3.6 gross dwelling units per acre. Assuming ten percent (10%) of the gross acreage of a subdivision is consumed in public streets, the average net density of these subdivisions is approximately 4.0 dwelling units per net acre and the average residential lot size is approximately one-quarter acre. Accordingly, the number of assessment units for each commercial and industrial parcel has been determined by dividing the parcel acreage of each parcel by four. Therefore, each commercial and industrial parcel within the Assessment District will be assessed on a quarter acre basis and each one-quarter acre of each commercial and/or industrial parcel will generate a separate assessment. This methodology equalizes the assessment and the distribution of benefit between residential and non-residential parcels by insuring that each non-residential assessment unit represents essentially the same land area to be benefited by the construction of the improvements with assessment proceeds as the average single family residential parcel.

#### **BENEFIT FACTOR INDEX**

The Assessment Matrix also shows the Benefit Factor Index for each land use category. Since a single family residential parcel is the "benchmark property", the relative scores of all other land use classes were related to the benchmark by indexing. A single family residential parcel was assigned a relative Benefit Factor Index of 1.00. The Benefit Factor Index for other land use classes was determined by dividing the point total for each

particular land use class by the point total for the single family/condominium residential class.

#### **ASSESSMENT PER PARCEL**

The total number of units (either dwelling unit or one-quarter acre parcel count) for each land use class was multiplied by its respective Benefit Factor Index to determine the number of Single Family Equivalent (SFE) assessment benefit units for each land use class. The sum of the Assessment Units for all land use classes was then divided into the annual assessment amount to determine a Base Assessment.

The final assessment per parcel was determined by multiplying the Base Assessment times the SFE units for the parcel.

#### **BENEFIT ASSESSMENT MATRIX**

In an effort to categorize the special benefit that each parcel of land would receive by the formation of a landscaping and lighting assessment district and the levying of an assessment to cover the improvements intended, a matrix of impacts was developed. The matrix follows this section. The matrix was developed as follows.

The determining factor as to how a benefit was derived was the use of the land as determined by the Sacramento County Assessor's Department. Each parcel is assigned a one digit code based upon the use of the property and in most cases, the zoning of the land. Using the Assessor's Code numbers, the various uses of land within the District boundaries were broken down into five different uses. It was determined that there are six different ways that a parcel of land can be benefited by enhancing the park system. Each different category of land use is affected differently by these types of benefit.

Each type of benefit was applied to each category of use and rated on a scale of one to five, with five being the most intense level of benefit. The number of points assigned by the rating is shown on the following page. The points for the six types of benefit were tallied and an overall number was determined for each category of land use. The resultant number is then used in assigning the annual assessment to the various parcels of land within the District boundaries. An annual check is made of property usage to ensure that the latest information is used in assigning the assessment levy.

	Land Use Classes				
	Per Unit			Per 1/4 Acre	
	Single Family/ Condominium	Multi-Family	Mobile Home	Commercial	Industrial/ Mini-Storage
1 Enhanced recreation opportunities and expanded access to recreation facilities for residents, customers and guests	5	5	5	2	1
2 Preservation of open space, wildlife, scenery, views and other environmental benefits enjoyed by residents, customers and guests; protection of historical and cultural assets of the region.	5	5	5	1	1
3 Increased economic activity resulting in the attraction of customers and guests.	0	2	0	5	3
4 Expanded employment opportunities.	5	5	5	5	1
5 Reduced cost of local government in law enforcement and public health care.	5	3	3	4	2
6 Increased property values.	5	5	4	5	2
<b>Total Points</b>	25	25	22	22	10
Units/ 1/4 Acre	10,664	1,747	415	759	136
Benefit Factor Index	1.00	1.00	0.88	0.88	0.40
Single Family Equivalent Units (SFE)	10,664.00	1,747.00	365.20	667.92	54.40
<b>Total SFE Units</b>			13,498.52		
<b>Annual Assessment Amount</b>			\$566,937.84		
<b>Base Assessment</b>			\$42.00		
<b>Assessment per Unit</b>	\$42.00	\$42.00	\$36.96	\$36.96	\$16.80
<b>Assessment per SFE</b>	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00
Assessment Subtotals	\$447,888.00	\$73,374.00	\$15,338.40	\$28,052.64	\$2,284.80
<b>Total Assessment</b>			\$566,937.84		

**ASSESSMENT**

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WHEREAS, on February 11, 2021 the Board of the Orangevale Recreation and Park District adopted its resolution initiating proceedings for the levy of assessments within the Assessment District and authorizing the Orangevale Recreation and Park District, County of Sacramento, California, pursuant to the provisions of the Landscaping and Lighting Act of 1972 and Article XIII D of the California Constitution (collectively "the Act"), to proceed with the proposed levy of assessments;

WHEREAS, said Resolution directed the undersigned Engineer of Work to prepare and file a report presenting an estimate of costs, a diagram for the assessment district and an assessment of the estimated costs of the improvements upon all assessable parcels within the assessment district, to which Resolution and the description of said proposed improvements therein contained, reference is hereby made for further particulars;

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under said Act and the order of the Board of said Orangevale Recreation and Park District, hereby make the following assessment to cover the portion of the estimated cost of said improvements, and the costs and expenses incidental thereto to be paid by the assessment district.

The amount to be paid for said improvements and the expense incidental thereto, to be paid by the Assessment District for the fiscal year 2021-22 is generally as follows:

SUMMARY COST ESTIMATE	
	FY 2021-22 Budget
Capital Improvements and Maintenance Expenditures	\$813,938
Incidental Expenses	\$36,000
Debt Service	\$1,300
Salaries and Benefits	\$799,735
<b>TOTAL BUDGET</b>	<b>\$1,650,973</b>
Less: Contributions	
District Contribution for General Benefits	(\$825,487)
District Contribution toward Special Benefits	(\$258,549)
<b>NET AMOUNT TO ASSESSMENTS</b>	<b>\$566,938</b>

As required by the Act, an Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of said Assessment District. The distinctive number of each parcel or lot of land in the said Assessment District is its Assessor Parcel Number appearing on the Assessment Roll.

I do hereby assess and apportion said net amount of the cost and expenses of said improvements, including the costs and expenses incident thereto, upon the parcels and lots of land within said Assessment District, in accordance with the special benefits to be received by each parcel or lot, from the improvements, and more particularly set forth in the Cost Estimate and Method of Assessment hereto attached and by reference made a part hereof.

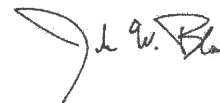
The assessment is made upon the parcels or lots of land within the Assessment District in proportion to the special benefits to be received by the parcels or lots of land, from said improvements.

Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of Sacramento for the fiscal year 2021-22. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of said County.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Roll, the amount of the assessment for the fiscal year 2021-22 for each parcel or lot of land within the said Assessment District.

Dated: June 11, 2021

Engineer of Work



By \_\_\_\_\_

John W. Bliss, License No. C052091



## **ASSESSMENT DIAGRAM**

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The Assessment District includes all properties within the boundaries of the Orangevale Recreation and Park District. The area within the boundaries of the Park District is primarily developed for urban residential and commercial use.

The boundaries of the Parks Maintenance and Assessment District are displayed on the following Assessment Diagram.

FILED IN THE OFFICE OF THE ADMINISTRATOR OF THE ORANGEVALE RECREATION AND PARK DISTRICT, COUNTY OF SACRAMENTO, CALIFORNIA, THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_.

ADMINISTRATOR \_\_\_\_\_

RECORDED IN THE OFFICE OF THE ADMINISTRATOR OF THE ORANGEVALE RECREATION AND PARK DISTRICT, COUNTY OF SACRAMENTO, CALIFORNIA, THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_.

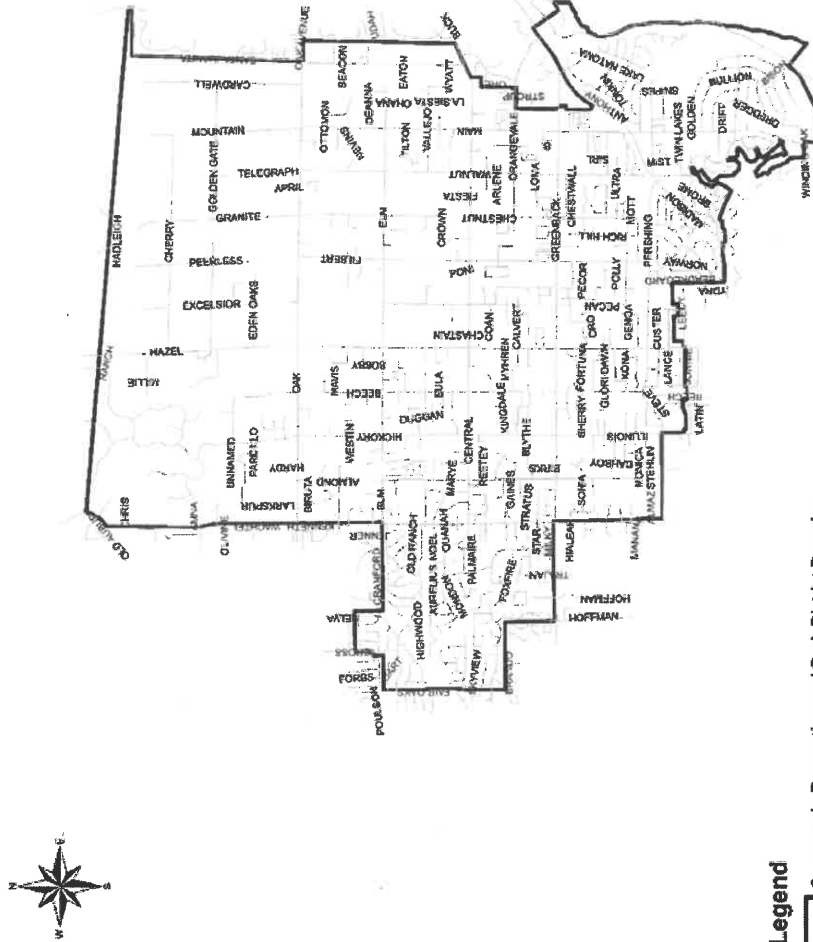
ADMINISTRATOR \_\_\_\_\_

AN ASSESSMENT WAS CONFIRMED AND LEVIED BY THE BOARD OF DIRECTORS OF THE ORANGEVALE RECREATION AND PARK DISTRICT ON THE \_\_\_\_\_ PARCELS OF LAND ON THIS ASSESSMENT DIAGRAM ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_ FOR THE FISCAL YEAR 20\_\_\_\_ AND \_\_\_\_\_ AND \_\_\_\_\_ FOR THE FISCAL YEAR 20\_\_\_\_ AND \_\_\_\_\_ FOR SAID FISCAL YEAR WERE FILED IN THE OFFICE OF THE COUNTY AUDITOR OF THE COUNTY OF SACRAMENTO ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_. THE ASSESSMENT ROLL FOR THE EXACT AMOUNT OF EACH ASSESSMENT LEVIED AGAINST EACH PARCEL OF LAND.

ADMINISTRATOR \_\_\_\_\_

NOTE: REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS RECORDS OF THE COUNTY OF SACRAMENTO FOR A DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF ANY PARCELS SHOWN HEREIN. THOSE MAPS SHALL GOVERN FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH PARCELS. EACH PARCEL IS IDENTIFIED IN SAID MAPS BY ITS DISTINCTIVE ASSESSOR'S PARCEL NUMBER.

ORANGEVALE RECREATION & PARK DISTRICT  
LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT  
ASSESSMENT DIAGRAM



Legend  
 Orangevale Recreation and Park District Boundary

SCI Consulting Group  
 4145 Mariposa Blvd  
 Folsom, CA 95634

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## **ASSESSMENT ROLL 2021-22**

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An Assessment Roll (a listing of all parcels assessed within the Assessment District and the amount of the assessment) will be filed with the Clerk of the Board and is, by reference, made part of this report and is available for public inspection during normal office hours.

Each lot or parcel listed on the Assessment Roll is shown and illustrated on the latest County Assessor records and these records are, by reference made part of this report. These records shall govern for all details concerning the description of the lots or parcels.

## END NOTES

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<sup>1</sup> Love, L. and Crompton, J. *Trends: Parks, Practice and Program*. Oxford University Press-USA. New York, NY. 1993.

<sup>2</sup> *1993 State of the Industry Report*. Widdekind, L. ed. The Outdoor Industry Association (The Outdoor Recreation Coalition of America and the Sporting Goods Manufacturers Association's Outdoor Products. pub.) Boulder CO. 1993.

<sup>3</sup> *California Parks and Recreation*. The California Parks and Recreation Society, pub. Sacramento, CA. (<http://www.cprs.org>.)

<sup>4</sup> PKF Consulting. San Francisco, CA. "Analysis of the Economic Impacts of the Northern Central Rail Trail." For the Greenways Commission, Maryland Department of Natural Resources, Annapolis, Maryland. June 1994.

<sup>5</sup> Outdoor Recreation Resources Review Commission, *Outdoor Recreation For America: A Report To The President And The Congress*. January 2002.

<sup>6</sup> Ibid. Smith, Van.

<sup>7</sup> Ibid. California Parks and Recreation. 1997.

<sup>8</sup> *Parks and Recreation*, National Recreation and Park Association, pub. Ashburn, Virginia. January 2001. (<http://www.nrpa.org/>)

<sup>9</sup> National Park Service. NPS Technical Information Center. Washington D.C, 1983.

<sup>10</sup> Report of the President Commission on Americans Outdoors, *U.S. Government Printing Office: Management*. Washington D.C. 1987.

<sup>11</sup> Crompton, J., Love L., More T., *An Empirical Study of the Role of Recreation, Parks and Open Space in Companies' (Re)Location Decisions*, *Journal of Park and Recreation Administration*, Spring, 1997, vol 15 no. 1, p37, 40.

<sup>12</sup> Wylde, Boomers on the Horizon: Housing Preferences of the 55+ Market, *National Association of Home Builders*, 2002.

<sup>13</sup> Ibid. NPS.

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<sup>14</sup> Ibid. NPRA. June 1985.

<sup>15</sup> Knox v. City of Orland, 4 Cal.4th 132, 143 (1993) the Supreme Court of California.

<sup>16</sup> Wilson v. Lambert (1898) 168 U.S. 611, 616 [42 L.Ed. 599, 601, 18S.Ct.217] the United States Supreme Court.



**RESOLUTION NO: 21-07-672**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
ORANGEVALE RECREATION & PARK DISTRICT APPROVING  
THE ENGINEER'S REPORT,  
CONFIRMING THE DIAGRAM AND ASSESSMENT,  
AND ORDERING THE LEVY OF ASSESSMENT  
FOR THE FISCAL YEAR 2021-22 FOR THE  
KENNETH GROVE LANDSCAPING AND LIGHTING  
ASSESSMENT DISTRICT**

RESOLVED, by the Governing Board (the "Board") of the Kenneth Grove Landscaping and Lighting Assessment District (the "District"), County of Sacramento, State of California, that

**WHEREAS**, the formation of the Kenneth Grove Recreation and Park District Maintenance Assessment District (the "Assessment District"), pursuant to the provisions of the Landscaping and Lighting Act of 1972 has previously been ordered through Resolution 94-05-86A; and

**WHEREAS**, the purpose of financing certain park and recreation improvements and refurbishments, as specified in the District's updated Master Plan and for the purpose of funding maintenance operations of the District, as described in the Engineer's Report; and

**WHEREAS**, by its Resolution No. 21-02-660, A Resolution Directing Preparation of the 2021-22 Engineer's Report for the Kenneth Grove Landscaping and Lighting Assessment District (the "Park District"), this Board designated SCI Consulting Group as Engineer of Work and ordered said Engineer to make and file a report in writing in accordance with and pursuant to the Landscaping and Lighting Act of 1972; and

**WHEREAS**, the report was duly made and filed with the Clerk of the Board and duly considered by this Board and found to be sufficient in every particular, whereupon it was determined that the report should stand as the Engineer's Report for all subsequent proceedings under and pursuant to the aforesaid resolution, and that June 10, 2021 at the hour of 6:30 p.m. at the District offices of the Orangevale Recreation and Park District, 6826 Hazel Avenue, Orangevale, California, 95662, were appointed as the time and place for a hearing by this Board on the question of the levy of the proposed assessment, notice of which hearing was given as required by law; and

**WHEREAS**, at the appointed time and place the hearing was duly and regularly held, and all persons interested and desiring to be heard were given an opportunity to be heard, and all matters and things pertaining to the levy were fully heard and considered by this Board, and all oral statements and all written protests or communications were duly heard, considered and overruled, and this Board thereby acquired jurisdiction to order the levy and the confirmation of the diagram and assessment prepared by and made a part of the Engineer's Report to

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Orangevale, CA 95662  
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pay the costs and expenses thereof;

**NOW, THEREFORE, IT IS FOUND, DETERMINED AND ORDERED,**  
that:

1. The public interest, convenience and necessity require that the levy be made.
2. The Assessment District benefited by the improvements and assessed to pay the costs and expenses thereof, and the exterior boundaries thereof, are as shown by a map thereof filed in the office of the Clerk of the Board, which map is made a part hereof by reference thereto.
3. The assessment is levied without regard to property valuation.
4. The Engineer's Report as a whole and each part thereof, to wit:

(a) the Engineer's estimate of the itemized and total costs and expenses of maintaining the improvements and of the incidental expenses in connection therewith;

(b) the diagram showing the assessment district, plans and specifications for the improvements to be maintained and the boundaries and dimensions of the respective lots and parcels of land within the Assessment District; and

(c) the assessment of the total amount of the cost and expenses of the proposed maintenance of the improvements upon the several lots and parcels of land in the Assessment District in proportion to the estimated special benefits to be received by such lots and parcels, respectively, from the maintenance, and of the expenses incidental thereto;

are finally approved and confirmed.

5. Final adoption and approval of the Engineer's Report as a whole, and of the plans and specifications, estimate of the costs and expenses, the diagram and the assessment, as contained in the report as hereinabove determined and ordered, is intended to and shall refer and apply to the report, or any portion thereof as amended, modified, or revised or corrected by, or pursuant to and in accordance with, any resolution or order, if any, heretofore duly adopted or made by this Board.
6. The assessment to pay the costs and expenses of the maintenance of the improvements for fiscal year 2021-22 is hereby levied. For further particulars pursuant to the provisions of the Landscaping and Lighting Act of 1972, reference is hereby made to the Resolution Directing Preparation of Engineer's Report.

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7. Based on the oral and documentary evidence, including the Engineer's Report, offered and received at the hearing, this Board expressly finds and determines (a) that each of the several lots and parcels of land will be specially benefited by the maintenance of the improvements at least in the amount if not more than the amount, of the assessment apportioned against the lots and parcels of land, respectively, and (b) that there is substantial evidence to support, and the weight of the evidence preponderates in favor of, the aforesaid finding and determination as to special benefits.
8. Immediately upon the adoption of this resolution, but in no event later than the third Monday in August following such adoption, the Clerk of the Board shall file a certified copy of the diagram and assessment and a certified copy of this resolution with the Auditor of the County of Sacramento. Upon such filing, the County Auditor shall enter on the County assessment roll opposite each lot or parcel of land the amount of assessment thereupon as shown in the assessment. The assessments shall be collected at the same time and in the same manner as County taxes are collected and all laws providing for the collection and enforcement of County taxes shall apply to the collection and enforcement of the assessments, After collection by the County, the net amount of the assessments, after deduction of any compensation due the County for collection, shall be paid to the Kenneth Grove Landscaping and Lighting Assessment District.
9. The moneys representing assessments collected by the County shall be deposited in the District Treasury to the credit of the improvement fund previously established under the distinctive designation of the Assessment District. Moneys in the improvement fund shall be expended only for the maintenance, servicing, construction or installation of the improvements.

PASSED AND ADOPTED this 8<sup>th</sup> day of July, 2021 by the following vote:

AYES :  
NOES:  
ABSENT:  
ABSTAIN:

---

ACTING CHAIR, BOARD OF DIRECTORS

---

CLERK OF THE BOARD

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**ORANGEVALE RECREATION AND PARK  
DISTRICT**

**KENNETH GROVE ASSESSMENT DISTRICT**

**ENGINEER'S REPORT**

FISCAL YEAR 2021-22

PURSUANT TO THE LANDSCAPE AND LIGHTING ACT OF 1972 AND  
ARTICLE XIID OF THE CALIFORNIA CONSTITUTION

ENGINEER OF WORK:  
**SCIConsultingGroup**  
4745 MANGELS BOULEVARD  
FAIRFIELD, CALIFORNIA 94534  
PHONE 707.430.4300  
FAX 707.430.4319  
[www.sci-cg.com](http://www.sci-cg.com)

**KENNETH GROVE ASSESSMENT DISTRICT**

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**BOARD OF DIRECTORS**

Michael Stickney, Chair  
Lisa Montes, Vice Chair  
Erica Swenson, Secretary  
Sharon Brunberg, Director  
Manie Meraz, Director

**DISTRICT ADMINISTRATOR**

Barry Ross

**DISTRICT'S ATTORNEY**

David W. McMurchie

**ENGINEER OF WORK**

SCI Consulting Group



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## INTRODUCTION

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### FORMATION OF ASSESSMENT DISTRICT

The Kenneth Grove Assessment District was formed pursuant the Landscaping and Lighting Act of 1972 by the Orangevale Recreation and Park District commencing with Resolution No. 94-02-83 dated February 10, 1994 (hereinafter the "Resolution of Intention"). The Resolution of Intention provides the following: (1) formation of the Kenneth Grove Landscaping and Lighting Assessment District; and (2) a description of the improvements which the Assessment District is authorized to construct and maintain including the following: (a) installation of sound walls and other ornamental structures and facilities which are necessary or convenient for the maintenance or servicing of curbs, gutters, walls, sidewalks, paving, water irrigation, drainage or electrical facilities; and (b) land preparation such as grading, leveling, cutting and filling, sod landscaping, irrigation systems, sidewalks and drainage; and (c) the maintenance or servicing of all of the above including repair, removal or replacement of all or part of any improvement or other typical maintenance services.

The Engineer's Report, diagram and assessment and Resolution of Formation of the Kenneth Grove Landscaping and Lighting Assessment District was adopted by the Board of Directors of Orangevale Recreation and Park District by Resolution No. 94-05-86A on May 12, 1994. That resolution confirmed the findings in the Resolution of Intention and was adopted after a public hearing during which members of the public were offered the opportunity to protest against the formation of the Assessment District. The Resolution of Formation notes that the owners of the affected properties included within the proposed Assessment District have filed with the District written consents to the proposed formation of the Kenneth Grove Landscaping and Lighting Assessment District and the proposed levying of assessments as specified in the Engineer's Report. The Resolution of Formation included a provision that a perpetual contingency reserve fund be established in the amount of the first year's total assessment revenue to be paid by the developer by agreement in order to cover the costs of any contingencies which may occur throughout the duration of the Assessment District. The Resolution of Formation also provided that should any new subdivision be annexed into the Kenneth Grove Landscaping and Lighting Assessment District in the future, that a separate perpetual contingency reserve fund is required to be established for operations within that particular annexed area calculated as the amount of the first year's assessment levied against real property within that annexed area to be paid by the developer of the annexed area to fund contingencies with respect to maintenance and operations in future years with respect to the property annexed to the Assessment District.

The initial assessment levied upon each parcel of real property within the Kenneth Grove Assessment District for fiscal year 1994-95 was \$150.78 per parcel. The Kenneth Grove Assessment District has continued to levy the same annual assessment per parcel of \$150.78 per fiscal year from the date of formation to the present time.

The Kenneth Grove Assessment District was also formed for the purposes of providing park and recreational improvements in addition to landscape corridors and streetscapes to the residents of the assessment district. The Assessment District may utilize assessment revenue to fund these additional purposes in the future.

#### Exemptions from Proposition 218

Having been formed in 1994, the Kenneth Grove Assessment District assessments were existing on November 6, 1996, the effective date of Article XIID of the California Constitution (Proposition 218). Proposition 218 identified preexisting assessments which fell within one of four exemptions identified in section 5 of Article XIID as exempt from the procedures and approval process for assessments detailed in Proposition 218.

The four "exemptions" delineated in Proposition 218 that are applicable to the Kenneth Grove Assessment District are as follows:

- (1) Any assessment imposed exclusively to finance the capital cost or maintenance and operation expenses for sidewalks, streets, sewers, water, flood control, drainage systems, or vector control (Cal. Const., art. XIID, § 5, subd. (a)); and
- (2) Any assessment imposed pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment is initially imposed (Cal. Const., art. XIID, § 5, subd. (b)).

Both of these exemptions from the provisions of Proposition 218 apply to the Kenneth Grove Assessment District. First, the Assessment District was formed pursuant to a petition signed by all of the current owners of the real property subject to the assessment (the developer of the Kenneth Grove Subdivision) at the time the assessment was initially imposed which meets the requirements of California Constitution Article XIID, section 5(b).

In addition, the initial purpose of the assessment was to finance the capital costs and maintenance and operation costs for constructing sidewalks, sidewalk and street landscaping, irrigation and drainage to enhance the parcels of property comprising the Kenneth Grove Assessment District.

Both of these exemptions from the procedures and approval process for assessments specified in Proposition 218 have been satisfied within the Kenneth Grove Assessment District.

First, the exemption which is an assessment imposed by a petition signed by the persons owning all the parcels subject to the assessment at the time the assessment is initially imposed is evidenced by the Resolutions of the District and the written consents filed by the then current owners of the real property subject to the assessment in 1994 before the Assessment District was formed.

The second exemption available for capital and maintenance costs associated with sidewalks, streets, and landscaping and irrigation associated with sidewalks and streets is supported by case law decided under the provisions of California Constitution Article XIII D, section 5(b) (hereinafter "Proposition 218"). The Board of Directors of the District has adopted the position that street and sidewalk landscaping is an integral part of "streets" and "sidewalks" and therefore an existing assessment for the maintenance of such landscaping is exempt under Proposition 218. Streets and Highways Code section 29 provides that "roadside planting and weed control" is included within the definition of construction and maintenance of streets.

The assessments levied within the Kenneth Grove Assessment District prior to the passage of Proposition 218 are exempt under both of these exceptions articulated in Proposition 218.

Those procedures and approval processes with respect to which the Kenneth Grove Assessment District is exempt are as follows:

- (1) Procedural requirements regarding the imposition of assessments including (a) identification of all parcels which will have special benefit conferred upon them by the improvements or services funded by the assessment; and (b) differentiation between "special benefit" and "general benefit" conferred on properties from the improvement and/or services funded with assessment proceeds; and (c) allocation of assessments per parcel dependent upon the proportion of special benefit to each property in relationship to the entirety of the costs of acquiring or constructing an improvement or of maintaining and operating such an improvement among the parcels to be assessed; and (d) the assessment on a parcel may not exceed the reasonable cost of the "proportional special benefit" conferred on that parcel by the improvements or services funded with assessment proceeds; and (e) procedural requirements including the 45-day mailed notice to property owners of the proposed assessment; an opportunity for property owners to protest by ballot against the proposed assessment at a public hearing; and prohibition of any assessment if a majority protest exists, A "majority protest" is defined as ballots from property owners submitted in opposition to the assessments amounting to more than 50% of the total ballots submitted by property owners, with ballots submitted weighted according to the proportional financial obligation for paying assessments for each affected parcel.

In light of the fact that the Kenneth Grove Assessment District was formed prior to the imposition of Proposition 218 on November 6, 1996 and complies with the definitions of two of the exemptions in Proposition 218 as specified above, the assessments levied within the Kenneth Grove Assessment District are exempt from the substantive and procedural requirements outlined above.

Despite that exemption, this Engineer's Report specifies the facts and circumstances demonstrating that the assessments levied within the Kenneth Grove Assessment District comply with the substantive requirements of Proposition 218.

## **SUBSTANTIVE REQUIREMENTS OF PROPOSITION 218**

### **SILICON VALLEY TAXPAYERS ASSOCIATION, INC. V SANTA CLARA COUNTY OPEN SPACE AUTHORITY**

In July of 2008, the California Supreme Court issued its ruling on the Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority ("SVTA"). This ruling is the most significant court case in further legally clarifying the substantive assessment requirements of Proposition 218. Several of the most important elements of the ruling included further emphasis that:

- Benefit assessments are for special, not general, benefit
- The services and/or improvements funded by assessments must be clearly defined
- Special benefits are directly received by and provide a direct advantage to property in the assessment district

This Engineer's Report is consistent with the SVTA decision and with the requirements of Article 13C and 13D of the California Constitution because the improvements to be funded are clearly defined; the benefiting property in the Assessment District enjoys close and unique proximity, access and views to the Improvements; the Improvements serve as an extension of usable land area for benefiting properties in the Assessment District and such special benefits provide a direct advantage to property in the Assessment District that is not enjoyed by the public at large or other property.

## PLANS & SPECIFICATIONS

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The work and improvements proposed to be undertaken by the Orangevale Recreation and Park District's Kenneth Grove Assessment District (the "Assessment District") and the cost thereof paid from the levy of the annual assessment provide special benefit to Assessor Parcels within the Assessment District as defined in the Method of Assessment herein. In addition to the definitions provided by the Landscaping and Lighting Act of 1972, (the "Act") the work and improvements are generally described as follows:

Installation, maintenance and servicing of public recreational facilities and improvements including landscape corridors, streetscapes and other park and recreational improvements. The plans and specifications for these improvements have been filed with the District Administrator of the Orangevale Recreation and Park District and are incorporated herein by reference.

As applied herein, "Installation" means the construction of recreational improvements, including, but not limited to, land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks and drainage, lights, playground equipment, play courts, recreational facilities and public restrooms.

"Maintenance" means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of any improvement, including repair, removal or replacement of all or any part of any improvement; providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury; the removal of trimmings, rubbish, debris, and other solid waste, and the cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

"Servicing" means the furnishing of electric current, or energy, gas or other illuminating agent for any public lighting facilities or for the lighting or operation of any other improvements; or water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other improvements.

## FISCAL YEAR 2021-22 ESTIMATE OF COST AND BUDGET

<b>ORANGEVALE RECREATION AND PARK DISTRICT</b> <b>Kenneth Grove Assessment District</b> Estimate of Cost Fiscal Year 2021-22		<i><b>Total Budget</b></i>
<b>Installation, Maintenance &amp; Servicing Costs</b>		
Improvements		\$0
<b>Operating Expenses</b>		
Ag/Horticulture Services & Supplies		\$500
Water		\$800
Fuel		\$600
Maintenance Contract		\$0
Subtotal		\$1,900
<b>Incidental Expenses</b>		
Advertising/Legal Notices		\$500
Administration & Inspection		\$1,130
Annual Engineer's Report		\$1,000
Professional Services		\$600
Other Expenses		\$298
Subtotal		\$3,528
<b>Contribution to/(from) Reserves Fund Balance Available</b>		
Contribution to (from) Contingency		\$0
<b>Total Landscaping and Lighting Assessment District Budget</b>		<b>\$5,428</b>
(Net Amount to be Assessed)		
<b>Budget Allocation to Property</b>		
<b>Total Assessment Budget</b>		<b>\$5,428</b>
Single Family Equivalent Benefit Units		36.00
Assessment per Single Family Equivalent Unit		\$150.78

## METHOD OF APPORTIONMENT

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### METHOD OF APPORTIONMENT

This section of the Engineer's Report includes an explanation of the benefits to be derived from the installation, maintenance and servicing of park facilities throughout the Park District, and the methodology used to apportion the total assessment to properties within the Assessment District.

The Assessment District consists of all Assessor Parcels within the boundaries of the Assessment Diagram as included within this Engineer's Report. The method used for apportioning the assessment is based upon the proportional special benefits to be derived by the properties in the Assessment District over and above general benefits conferred on real property or to the public at large. The apportionment of special benefit is a two step process: the first step is to identify the types of special benefit arising from the improvements, and the second step is to allocate the assessments to property based on the estimated relative special benefit for each type of property.

### DISCUSSION OF BENEFIT

In summary, the assessments can only be levied based on the special benefit to property. This benefit is received by property over and above any general benefits. Moreover, such benefit is not based on any one property owner's use of the Park District's recreational facilities or a property owner's specific demographic status. With reference to the requirements for assessments, Section 22573 of the Landscaping and Lighting Act of 1972 states:

"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements."

Proposition 218, as codified in Article XIII D of the California Constitution, has confirmed that assessments must be based on the special benefit to property and that the value of the special benefits must reasonably exceed the cost of the assessment:

"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

The Kenneth Grove Assessment District consists solely of residential parcels populated with single family residences which receive the benefit of sidewalks and streetscape landscaping constructed adjacent to major streets within the subdivision, which improvements were constructed by the developer of the subdivision and are maintained by the Kenneth Grove Assessment District. The Assessment District also was formed with the power to levy assessments for additional park and recreational improvements to serve the residents of the assessment district. All of the parcels within the boundaries of the



Assessment District enjoy close proximity to the sidewalk and streetscape improvements constructed and maintained with assessment proceeds. The Assessment District consists of only 36 parcels comprising the subdivision, and the improvements consisting of sidewalk and streetscape landscaping and maintenance uniquely benefit this small subdivision as a "special benefit." Existing improvements are not of sufficient magnitude to significantly benefit adjacent residential parcels located outside the Assessment District.

The following benefit categories summarize the types of special benefit to residential, parcels resulting from the installation, maintenance and servicing of existing sidewalk and streetscape landscaping improvements and future park and recreational improvements to be provided with the assessment proceeds. These categories of special benefit are summarized as follows:

- a. Extension of a walkable areas and green spaces for properties within close proximity to the Improvements.
- b. Proximity to improved sidewalks and streetscape landscaping and other park and recreational improvements.
- c. Access to improved sidewalks and landscaping and other park and recreational improvements constructed to serve the residents and property of the assessment district.
- d. Improved local views regarding sidewalk and streetscape landscaping and future park and recreational improvements.

In this case, the recent the SVTA decision provides enhanced clarity to the definitions of special benefits to properties in three distinct areas:

- Proximity
- Expanded or improved access
- Views

The SVTA decision also clarifies that a special benefit is a service or improvement that provides a direct advantage to a parcel and that indirect or derivative advantages resulting from the overall public benefits from a service or improvement are general benefits. The SVTA decision also provides specific guidance that landscape and park and recreational improvements are a direct advantage and special benefit to property that is proximate to such landscape and park and recreational improvements constructed and maintained with assessment proceeds:

*the characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g. proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g. general enhancement of the district's property values).*

Proximity, improved access and views, in addition to the other special benefits listed above further strengthen the argument that these assessments comply with the provisions of Proposition 218, despite the fact that they are exempt from such constitutional requirements as set forth above.

Although it could be argued that there are no general benefits from these Improvements, it is possible that there are some visual benefits received by parcels which are not in the Assessment District. This is a measure of the general benefits to the public at large. We estimate this benefit to be no more than 5%.

Special Benefit	95%
General Benefit	5%
Total Benefit	100%

The maintenance and servicing of these Improvements is also partially funded, directly and indirectly, from other sources including the Orangevale Recreation and Park District, County of Sacramento, the local water provider, and the State of California. This funding may come in the form of grants, development fees, special programs, and general funds, as well as direct maintenance and servicing of facilities (e.g., curbs, gutters, streets, drainage systems, etc.). This funding from other sources more than compensates for general benefits, if any, received by the properties within the Assessment District. The sum total of this contribution exceeds the 5% minimum needed to offset any general benefit, as noted above.

Therefore, despite its exemptions from the procedural and substantive requirements of Proposition 218, the Kenneth Grove Assessment District complies with the substantive requirements of Proposition 218 regarding the differentiation between special benefit to properties within the assessment district from the improvements and maintenance funded with assessment proceeds and general benefit to properties outside the assessment district.

#### **METHOD OF ASSESSMENT**

The second step in apportioning assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a single family home, or, in other words, on the basis of Single Family Equivalents (SFE). This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefit and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. For the purposes of this Engineer's Report, all properties are designated a SFE value, which is each property's relative benefit in relation to a single family home on one parcel. In this case, the "benchmark" property is the single family detached dwelling which is one Single Family Equivalent or one SFE.

**ASSESSMENT APPORTIONMENT**

The benefits from the Assessment District are deemed to be received by property on a dwelling unit basis, with equal benefit to each dwelling unit on a parcel. Therefore, all improved residential properties that represent a single residential dwelling unit are assigned one Single Family Equivalent or 1.0 SFE. Traditional houses, zero-lot line houses and town homes are included in this category. Multi-family parcels are also assigned one SFE per dwelling unit. Property owned by the District does not benefit from the assessments and therefore is assigned zero SFE units. Currently, all assessed properties within the Assessment District are in single family residential use.

**ASSESSMENT**

WHEREAS, on February 11, 2021 the Board of the Orangevale Recreation and Park District adopted its resolution initiating proceedings for the levy of assessments within the Assessment District and authorizing the Orangevale Recreation and Park District, County of Sacramento, California, pursuant to the provisions of the Landscaping and Lighting Act of 1972 and Article XIID of the California Constitution (collectively "the Act"), to proceed with the proposed levy of assessments;

WHEREAS, said Resolution directed the undersigned Engineer of Work to prepare and file a report presenting an estimate of costs, a diagram for the assessment district and an assessment of the estimated costs of the improvements upon all assessable parcels within the assessment district, to which Resolution and the description of said proposed improvements therein contained, reference is hereby made for further particulars;

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under said Act and the order of the Board of said Orangevale Recreation and Park District, hereby make the following assessment to cover the portion of the estimated cost of said improvements, and the costs and expenses incidental thereto to be paid by the assessment district.

The amount to be paid for said improvements and the expense incidental thereto, to be paid by the Assessment District for the fiscal year 2021-22 is generally as follows:

SUMMARY COST ESTIMATE		FY 2021-22 Budget
Capital Improvements and Maintenance Expenditures	\$1,900	
Incidental Expenses	\$3,528	
<b>TOTAL BUDGET</b>		<b>\$5,428</b>
Less: Contributions		
Contributions to/(from) Reserves and Contingency		\$0
<b>NET AMOUNT TO ASSESSMENTS</b>		<b>\$5,428</b>

As required by the Act, an Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of said Assessment District. The distinctive number of each parcel or lot of land in the said Assessment District is its Assessor Parcel Number appearing on the Assessment Roll.

I do hereby assess and apportion said net amount of the cost and expenses of said improvements, including the costs and expenses incident thereto, upon the parcels and

lots of land within said Assessment District, in accordance with the special benefits to be received by each parcel or lot, from the improvements, and more particularly set forth in the Cost Estimate and Method of Assessment hereto attached and by reference made a part hereof.

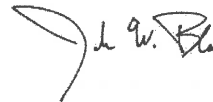
The assessment is made upon the parcels or lots of land within the Assessment District in proportion to the special benefits to be received by the parcels or lots of land, from said improvements.

Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of Sacramento for the fiscal year 2021-22. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of said County.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Roll, the amount of the assessment for the fiscal year 2021-22 for each parcel or lot of land within the said Assessment District.

Dated: April 6, 2021

Engineer of Work



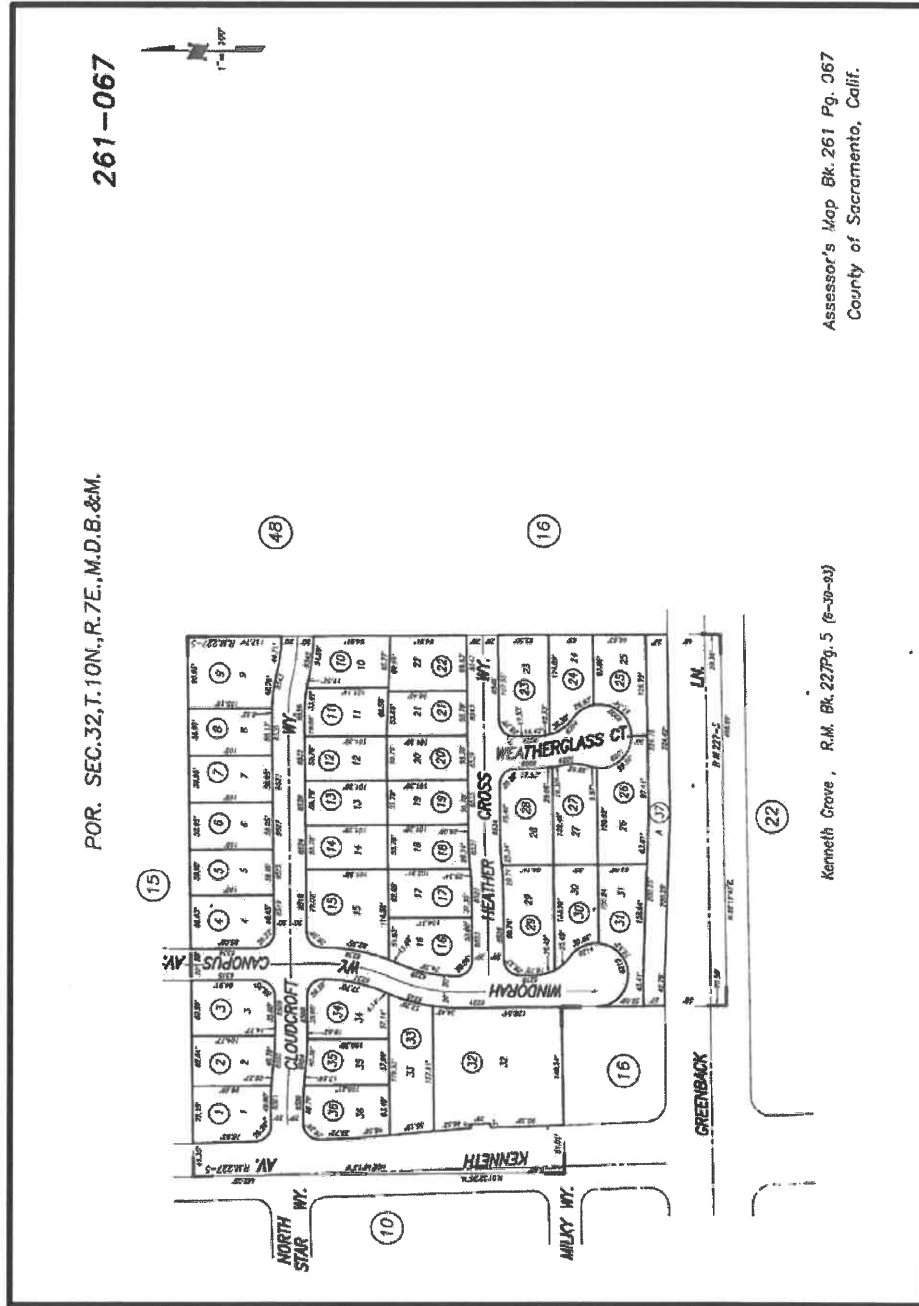
By \_\_\_\_\_

John W. Bliss, License No. C052091



Assessment Diagram

The boundaries of the Assessment District are displayed on the Assessment Diagram below.



## APPENDIX A - 2021-22 ASSESSMENT ROLL

### Orangevale RPD, Orangevale RPD Kenneth Grove Tax Roll FY 2021-22

Assessment Number & Assessor Parcel Number	Owner Name(s)	Site Address	SFE Units	Tax	Assessment Number & Assessor Parcel Number
26106700350000	BALAKRISHNA VI	8504 CLOUDCROF	1	\$150.78	
26106700200000	BALLUCH TIMOTH	8539 HEATHER C	1	\$150.78	
26106700020000	BELMONTE FAMIL	8505 CLOUDCROF	1	\$150.78	
26106700360000	CHAVEZ ALBERTO	8500 CLOUDCROF	1	\$150.78	
26106700060000	DALE BARTLETT	8527 CLOUDCROF	1	\$150.78	
26106700070000	DARLEEN M GURW	8531 CLOUDCROF	1	\$150.78	
26106700110000	DAVID WRIGHT/C	8536 CLOUDCROF	1	\$150.78	
26106700280000	DIAZ GONZALEZ	6209 WEATHERGL	1	\$150.78	
26106700240000	FORD THOMAS	6204 WEATHERGL	1	\$150.78	
26106700040000	GOLTZ STEVEN D	8519 CLOUDCROF	1	\$150.78	
26106700270000	GROVER MORRIS	6205 WEATHERGL	1	\$150.78	
26106700220000	HUSARY JOSEPH	8547 HEATHER C	1	\$150.78	
26106700050000	IRMA DOT LEBAS	8523 CLOUDCROF	1	\$150.78	
26106700330000	JOAN D OXFORD	6225 WINDORAH	1	\$150.78	
26106700080000	JOHNSON JEAN F	8535 CLOUDCROF	1	\$150.78	
26106700260000	LANDI ROBERT C	6201 WEATHERGL	1	\$150.78	
26106700210000	LE NIKKI KHIET	8543 HEATHER C	1	\$150.78	
26106700030000	MANUEL R/IRIS	8509 CLOUDCROF	1	\$150.78	
26106700230000	MARK J CHRISTE	6208 WEATHERGL	1	\$150.78	
26106700250000	MAXIMA BARTLET	6200 WEATHERGL	1	\$150.78	
26106700170000	MAXIMA BARTLET	8527 HEATHER C	1	\$150.78	
26106700150000	MCCANN FAMILY	6238 WINDORAH	1	\$150.78	
26106700310000	MELEOBELLE LP	6210 WINDORAH	1	\$150.78	
26106700370000	ORANGEVALE REC	GREENBACK LN	0	\$0.00	
26106700160000	PAMELA JEAN HE	8523 HEATHER C	1	\$150.78	
26106700090000	PEDERSEN JAMES	8543 CLOUDCROF	1	\$150.78	
26106700190000	REIMCHE TROY A	8535 HEATHER C	1	\$150.78	
26106700130000	ROUSSEL JOHN T	8528 CLOUDCROF	1	\$150.78	
26106700140000	SCIORTINO NICH	8524 CLOUDCROF	1	\$150.78	
26106700100000	SEGURA TREADWE	8542 CLOUDCROF	1	\$150.78	
26106700300000	SHARLENE C DAV	6214 WINDORAH	1	\$150.78	
26106700340000	SHARLENE C DAV	8508 CLOUDCROF	1	\$150.78	
26106700010000	SHARLENE C DAV	8501 CLOUDCROF	1	\$150.78	
26106700180000	SHARLENE DAVID	8531 HEATHER C	1	\$150.78	
26106700320000	SMITH RODNEY R	6221 WINDORAH	1	\$150.78	
26106700290000	STADLER SCOTT	6218 WINDORAH	1	\$150.78	
26106700120000	WAYNE/JERRIE S	8532 CLOUDCROF	1	\$150.78	



**RESOLUTION NO. 21-07-673**

**OF THE BOARD OF DIRECTORS  
OF THE ORANGEVALE RECREATION AND PARK DISTRICT**

**RESOLUTION APPROVING THE ORANGEVALE RECREATION AND  
PARK DISTRICT PARK IMPACT FEE NEXUS STUDY UPDATE AND  
REQUESTING THE SACRAMENTO COUNTY BOARD OF  
SUPERVISORS ADOPT AND IMPLEMENT THE UPDATED PARK  
IMPACT FEE PROGRAM ON BEHALF OF THE DISTRICT**

*WHEREAS*, the Board of Directors (“the District Board”) of the Orangevale Recreation and Park District (“District”) has determined that current park and recreational facilities will not be adequate for future population growth; and

*WHEREAS*, AB 1600 was adopted and codified in California Government Code Section 66000 et seq. allowing the establishing, increasing, or imposing of a development fee as a condition of approval where the purpose and use of the fee were identified, and reasonable relationship to the development project was demonstrated; and

*WHEREAS*, the District Board approved the District’s current park impact fee program on July 8, 2010, by their Resolution No. 10-07-422; and

*WHEREAS*, the Sacramento County Board of Supervisors (“County Board”) established the District current park impact fee program on September 14, 2010, by their Resolution No. 2010-0714; and

*WHEREAS*, the Board has received and considered the Park Impact Fee Nexus Study Update prepared by SCI Consulting Group dated February 2021 (“Nexus Study Update”) that provides all information necessary to meet the requirements of California Government Code Section 66000 et al.

***NOW, THEREFORE, IT IS HEREBY RESOLVED*** by the Board of Directors of the Orangevale Recreation and Park District that:

- 1) The Board hereby receives and approves the Nexus Study Update.
- 2) After considering the Nexus Study Update, this Resolution, and after considering the public testimony, the Board hereby makes the following findings;
  - a) The park impact fees justified by the Nexus Study Update and approved pursuant to this Resolution are for the purpose of funding the cost of new or expanded parks and recreational facilities to meet the needs of the resident population and nonresident employees generated by new development in the District; and

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- b) The park impact fees justified by the Nexus Study Update and approved pursuant to this Resolution will be used to fund the cost of new or expanded park and recreation facilities and administrative costs associated with the park impact fee program; and
- c) The uses of the park impact fees justified by the Nexus Study Update and approved pursuant to this Resolution are reasonably related to the types of development projects on which the fees are imposed in that fee revenue will be used to fund new and expanded parks and recreational facilities to meet the additional demand generated by the residents and nonresident employee created by new development. Fee revenue will be deposited into a separate park impact fee account or fund in a manner to avoid any commingling of the fees with other revenues and funds. The fee revenue will be restricted to the allowable uses described in Nexus Study Update. These actions ensure that a new development project paying the park impact fee will benefit from its use; and
- d) The park impact fees justified by the Nexus Study Update and approved pursuant to this Resolution bear a reasonable relationship to the need for park and recreational facilities in that each new development project will generate additional need for park and recreational services and the associated need for park and recreational facilities. The need is defined by the District's level of service standards for such facilities; and
- e) The Nexus Study Update demonstrates that there is a reasonable relationship between the amount of the park impact fee and the cost of the park and recreation facilities attributable to the development on which the fee is imposed. For residential park impact fees, park and recreational facility costs are defined on a per capita basis and applied to five residential land use categories according to their respective average household population. For nonresidential park impact fees, costs are defined on a per employee basis based on a residential equivalent factor and nonresident employee factor and then applied to three nonresidential land use categories according to their respective average employment density.

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- 3) The Board does hereby approve the following updated park impact fees.

**ORPD Proposed Park Impact Fee Schedule**

<b>Land Use Category</b>	<b>Unit <sup>1</sup></b>	<b>Proposed Park Impact Fee</b>
Single-Family Detached Housing	DU	\$6,993
2 to 4 Unit Attached Housing	DU	\$5,987
5 + Unit Attached Housing	DU	\$4,628
Mobile Homes	DU	\$4,377
Accessory Dwelling Unit	See Note 2	
Retail / Commercial	BSQFT	\$0.44
Office	BSQFT	\$0.68
Industrial	BSQFT	\$0.29

Notes:

<sup>1</sup> DU means dwelling unit; BSQFT means building square feet.

<sup>2</sup> ADUs that are 850 square feet or less and multi-bedroom ADUs 1,000 square feet or less are exempt from the park impact fee. For all other ADUs, the park impact fee shall be imposed proportionately in relation to the square footage of the primary dwelling unit.

- 4) The Board finds pursuant to the California Environmental Quality Act (“CEQA”), this action is not a “project” because the Resolution provides a mechanism for funding the acquisition and development of park and recreational facilities but does not involve a commitment to any specific project for such purposes that may result in a potentially significant impact on the environment. (CEQA Guidelines § 15378.)
- 5) Pursuant to County Municipal Code Section 16.155.190, the park impact fee shall be adjusted with notice to the District automatically without any further action by the Board of Supervisors on March 1 by averaging the net percentage change Engineering News-Record Construction Cost Index for San Francisco and the 20 U.S. Cities Index for the preceding calendar year.
- 6) If any portion of this Resolution is found by a court of competent jurisdiction to be invalid, such finding shall not affect the validity of the remaining portions of this Resolution.

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**BE IT FURTHER RESOLVED** that the District Board formally requests that the County Board adopt and implement the updated park impact fee program on behalf of the District.

**PASSED AND ADOPTED** this 8<sup>th</sup> day of July 2021, by the following vote:

AYES :

NOES:

ABSENT:

ABSTAIN:

**ORANGEVALE RECREATION & PARK DISTRICT**

APPROVED: \_\_\_\_\_  
Acting Chair, Board of Directors

ATTEST: \_\_\_\_\_  
Clerk of the Board

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# **ORANGEVALE RECREATION AND PARK DISTRICT**

## **PARK IMPACT FEE NEXUS STUDY UPDATE**

FEBRUARY 2021  
FINAL REPORT V1.1

PREPARED FOR:

**BOARD OF DIRECTORS  
ORANGEVALE RECREATION AND PARK DISTRICT**

PREPARED BY:



**SCI Consulting Group**  
4745 MANGLES BOULEVARD  
FAIRFIELD, CALIFORNIA 94534  
PHONE 707.430.4300  
FAX 707.430.4319  
[www.sci-cg.com](http://www.sci-cg.com)

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**ORANGEVALE RECREATION AND PARK DISTRICT**

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**BOARD OF DIRECTORS**

Michael Stickney, Chair  
Erica Swenson, Secretary  
Sharon Brunberg, Director  
Manie Meraz, Director  
Lisa Montes, Director

**DISTRICT ADMINISTRATOR**

Barry Ross

**FINANCE / HR SUPERINTENDENT**

Jennifer Von Aesch

**IMPACT FEE CONSULTANT**

Blair Aas, SCI Consulting Group

## **ACKNOWLEDGMENTS**

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This Park Impact Fee Nexus Study Update was prepared by SCI Consulting Group ("SCI") under contract with the Orangevale Recreation and Park District. The work was accomplished under the general direction of Greg Foell, former District Administrator for the District.

We would like to acknowledge the special efforts made by individuals and organizations to this project:

Jennifer Von Aesch, Orangevale Recreation and Park District  
Susan Goetz, Sacramento County Special Districts Section  
Dorothy Kodani, Sacramento County Special Districts Section  
Bob Davison, Sacramento County Engineering Division  
Sacramento County Assessor's Office  
Sacramento County Auditor's Office

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## EXECUTIVE SUMMARY

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### INTRODUCTION

Since December 1, 2010, the County of Sacramento ("County"), on behalf of the Orangevale Recreation and Park District ("District"), has imposed a park impact fee on new residential and nonresidential development within the service area of the District. The purpose of the park impact fee is to fund the one-time cost of expanding the District's parks and recreational facilities in order to meet the impact of new development.

The legal and policy basis for imposing the current park impact fee is supported by the District's Park Impact Fee Nexus Study, Revised Final Report dated July 2010, which was approved by the District Board of Directors on July 8, 2010, by Resolution No. 10-07-442 and later adopted by the Sacramento County Board of Supervisors on September 14, 2010, by Resolution No. 2010-0714. This fee program was adopted in conjunction with the adoption of similar fee programs for seven other Sacramento County Recreation and Park Districts ("Park Districts" or "RPD"). These RPDs include Arcade Creek RPD, Carmichael RPD, Fair Oaks RPD, Mission Oaks RPD, North Highlands RPD, Rio Linda Elverta RPD, and Sunrise RPD.

This Park Impact Fee Nexus Study Update ("Nexus Study") was prepared pursuant to the "Mitigation Fee Act," as found in Government Code § 66000 et seq. and Sacramento County Code Chapter 16.155. The purpose of this Nexus Study is to establish the legal and policy basis for the continued imposition and update of the District's park impact fee. For purposes of this Nexus Study, "parks" shall mean mini-parks, neighborhood parks, and community parks. The term "recreational facilities" shall mean, but not be limited to, playground equipment, fields, courts, shade structures, restrooms buildings, and community use buildings.

In order to impose such fees, this Nexus Study will demonstrate that a reasonable relationship or "nexus" exists between new development and the need for additional parks and recreational facilities with the District as a result of new development. More specifically, this Nexus Study will present findings in order to meet the substantive requirements of the Act, also known as AB 1600, which are as follows:

- Identify the **purpose** of the fee.
- Identify the **use** to which the fee is to be put.
- Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed ("**benefit relationship**").

- Determine how there is a reasonable relationship between the need for parks and recreational facilities and the type of development project on which the fee is imposed ("**impact relationship**").
- Determine how there is a reasonable relationship between the amount of the fee and the cost of the facilities or portion of the facilities attributable to the development on which the fee is imposed ("**proportional relationship**").

Additionally, the Act specifies that the fee shall not include costs attributable to existing deficiencies in public facilities but may include the costs attributable to the increased demand for public facilities reasonably related to the development project in order to refurbish existing facilities to maintain the existing level of service or achieve an adopted level of service that is consistent with the general plan.

#### **AGREEMENT IN PRINCIPLE**

In late 2009 thru early 2010, the eight RPD administrators, SCI Consulting Group, and Sacramento County Special Districts staff worked closely with the North State Building Industry Association and area developers to establish reasonable park impact fee programs that would serve the RPDs needs and the needs of the development community as well. From these meetings, an Agreement in Principle was reached that outlined a framework for establishing and implementing the park impact fee programs. The Agreement in Principle was subsequently approved by the County Board of Supervisors on March 24, 2010.

The provisions of the Agreement in Principle are summarized below and provided in detail in Appendix A.

1. The park impact fee programs shall be reflective of current average park development costs.
2. In general, the calculation of the average park development cost per acre shall be limited to certain costs and amenities.
3. The park impact fee programs may include a community use facility cost component.
4. The park impact fee programs may include an aquatics facility of equal or lesser cost in lieu of a community use facility.
5. The park impact fee programs shall be based on District Master Plan levels of service.
6. The RPDs shall work with the school district(s) and/or other public entities within their respective boundaries to achieve joint use by combining parks with school and/or other public sites when possible.
7. Implementation of any new infill park fee programs shall be phased.

8. A credit for facilities or improvements constructed in-lieu of the park impact shall be provided based upon the provisions and unit prices in the park impact fee program.

This Nexus Study Update and updated fee program complies with the terms of the Agreement in Principle.

#### METHODOLOGY / APPROACH

To update the District's park impact fee program consistent with the **substantive requirements** of the Act and the Agreement in Principle, this Nexus Study utilizes a per capita standard-based methodology. Under this method, the cost components are based on the District's level of service ("LOS") standards and defined on a per capita basis. For the residential park impact fee, the total per capita costs are applied to five residential land use categories according to their respective dwelling unit occupancy factor to establish a cost/fee per new dwelling unit. For the nonresidential park impact fee, an equivalent cost per employee is determined and applied to three nonresidential land uses according to their respective employment density factors to establish a cost/fee per square foot of new nonresidential building area.

It is important to note that the maximum park impact fee determined by this Nexus Study is not directly influenced by the level of development in the District. The park impact fee is determined with an open-end approach based on the District's level of service standards rather than a definite facility plan and a definite level of future development. Therefore, if the actual level of development is significantly higher or lower rate than projected, no revision of the park impact fee program would be necessary.

The Nexus Study also details the **procedural requirements** for the adoption of the Nexus Study and updated park impact fee program ("fee program"). Also, the Act contains specific requirements for the **annual administration** of the fee program. These statutory requirements and other important information regarding the imposition and collection of the fee are provided in the last two sections of the Nexus Study.

## SUMMARY OF KEY FINDINGS

The following key findings are presented:

1. Park impact fees are needed to ensure that the District can develop park and recreation facilities and improvements needed for the resident and nonresident employee growth created by new development in the communities served by the District.
2. Sacramento County, on behalf of the District, currently imposes the following park impact fees on new residential and nonresidential development in the District's service area.

**FIGURE 1 – CURRENT PARK IMPACT FEE SCHEDULE**

Land Use Category	Unit <sup>1</sup>	Current Park Impact Fee <sup>2</sup>
Single-Family Detached Housing	DU	\$7,268
2 to 4 Unit Attached Housing	DU	\$6,232
5 + Unit Attached Housing	DU	\$4,863
Mobile Homes	DU	\$3,958
Accessory Dwelling Unit	See Note 3	
Retail / Commercial	BSQFT	\$0.49
Office	BSQFT	\$0.81
Industrial	BSQFT	\$0.33

Notes:

<sup>1</sup> DU means dwelling unit, BSQFT means building square feet.

<sup>2</sup> To become effective March 1, 2021; established by Sacramento County Board of Supervisors on September 4, 2010 by Resolution No. 2010-0714.

<sup>3</sup> ADUs that are 850 square feet or less and multi-bedroom ADUs 1,000 square feet or less are exempt from the park impact fee. For all other ADUs, the park impact fee shall be imposed proportionately in relation to the square footage of the primary dwelling unit.

3. Since 2010, the District has collected \$1,149,145.21 in park impact fees and has expended \$769,498.58 on various recreational improvements at existing District parks. These improvements include Community Center Park Access Trail, Pecan Park Dog Park, and Community Trail, Orangevale Community Park Pathway, Orangevale Community Center Update, Almond Park Shade Structure, Almond Park Path, Almond Park Tennis Courts, Pecan Park Community Trail, Youth Center Playground and Sidewalk, Youth Center Building Project. After accounting for

interest earned and administrative costs, the District's unexpended park impact fee fund balance was \$381,372.98 as of June 30, 2020.

4. For subdivided residential land, the District receives the dedication of land, payment of fees-in-lieu of land, or combination thereof under the Quimby Act and Sacramento County Code Chapter 22.40.
5. According to the District's adopted Master Plan and the Sacramento County's General Plan, the District's goal is to provide 5.0 acres of neighborhood parks and community for every 1,000 residents.
6. Based on the District's current population and existing park acres, the District's existing level of service is 3.95 acres of developed parks for every 1,000 residents.
7. Consistent with nexus requirements of the Act, this Nexus Study demonstrates that there is a reasonable relationship between new development, the amount of the proposed fee, and parks and recreational facilities funded by the fee.
8. The District may approve, and the County may adopt the fees in Figure 2 at or below the maximum levels determined by this Nexus Study. If the District and County choose to adopt lower fees, the adopted fee for each land use category must be reduced by the same percentage.

**FIGURE 2 – MAXIMUM PARK IMPACT FEE SCHEDULE**

Land Use Category	Unit <sup>1</sup>	Maximum Park Impact Fee <sup>2</sup>
Single-Family Detached Housing	DU	\$6,993
2 to 4 Unit Attached Housing	DU	\$5,987
5 + Unit Attached Housing	DU	\$4,628
Mobile Homes	DU	\$4,377
Accessory Dwelling Unit	See Note 3	
Retail / Commercial	BSQFT	\$0.44
Office	BSQFT	\$0.68
Industrial	BSQFT	\$0.29

Notes:

<sup>1</sup> DU means dwelling unit; BSQFT means building square feet.

<sup>2</sup> See Figures 8 and 13.

<sup>3</sup> ADUs that are 850 square feet or less and multi-bedroom ADUs 1,000 square feet or less are exempt from the park impact fee. For all other ADUs, the park impact fee shall be imposed proportionately in relation to the square footage of the primary dwelling unit.



**SUMMARY OF KEY RECOMMENDATIONS**

Based on the findings presented in the Nexus Study, the following key recommendations are presented:

1. The park impact fee should be collected from new development in addition to land dedication and in-lieu fees pursuant to the Sacramento County Code Chapter 22.40.
2. The park impact fee should be adopted in accordance with Government Code Sections 66016, 66017, and 66018.
3. The District and the County should comply with the annual reporting requirements under Government Code § 66006(b).
4. Following the fifth fiscal year after the first deposit of fee revenue and every five years thereafter, District and the County should comply with the reporting requirements under Government Code § 66001(d).
5. The cost estimates presented in this Nexus Study are in January 2021 dollars. The adopted park impact fee should be adjusted annually by averaging the net percentage change in the Engineering News-Record Construction Cost Index for San Francisco and the Engineering News-Record 20 U.S. Cities Construction Cost Index for the preceding year.
6. In order to comply with the Act and recent court decisions, a fee credit must be given for demolished existing dwelling units or existing nonresidential building square footage as part of a new development project.

## PER CAPITA COST COMPONENTS

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The Act requires that development impact fees be determined in a way that ensures a reasonable relationship between the amount of the fee and the cost of park and recreational facilities attributable to the new development on which the fee is imposed. This section presents the calculation of the total cost per capita for developed parks based on the District's master plan level of service for such facilities.

### POPULATION PROJECTION

Figure 3 presents the District's current and projected population through 2036 for the Orangevale Census-Designated Place. The District's current population was determined using figures from the U.S. Census Bureau's 2013-2017 American Community Survey 5-Year Estimate. The District's 2036 population was projected based on the District's recent annual growth rate of 0.22% or about 25 housing units per year. As shown below, it is estimated that the District's population, as of January 2021, is approximately 34,325. It is projected that the District will grow by 1,152 residents to a household population of 35,477 by 2036.

**FIGURE 3 – CURRENT AND PROJECTED DISTRICT POPULATION**

Population Projection	2021	2025	2030	2036	Growth 2021 thru 2036
Orangevale RPD	34,325	34,629	35,012	35,477	1,152

Source: 2010 U.S. Census

### DEVELOPED PARKS

According to the District's Master Plan, neighborhood parks are typically a combination of playground and park designed primarily for non-supervised, non-organized recreational activities. They are typically 2 – 10 acres in size. Community parks, ranging from 10 acres to 100 acres in size, are designed for organized groups or team sports, while also providing facilities for individual and family activities.

The District has six (6) developed neighborhood parks, and three (3) developed community parks totaling 135.04 acres or 3.95 acres for every 1,000 residents. However, the District's adopted Master Plan standard for developed parks is 5.0 acres per 1,000 residents. Therefore, to accommodate the anticipated population growth of 1,152 new residents by 2036, an additional 5.76 acres of developed parks will be required.

To achieve their adopted Master Plan goal, the District will need to fund existing development share of needed parks, and any other improvements not identified, with other funding sources. Other potential sources of funds include, but are not limited to, a general obligation bond measure, state and federal grants, the District's general fund, and existing or new special tax and assessment proceeds, if allowable.

#### PARK DEVELOPMENT COST PER CAPITA

Figure 4 below calculates the per capita cost of developing new parks in the District. As presented, the 5.0 acres per 1,000 population Master Plan standard is multiplied by the estimated average per acre cost for park development to arrive at a per capita cost. The average park development cost per acre shown represents the weighted average construction cost per acre (in 2021 dollars) for neighborhood and community parks per recent cost estimates. Any other facilities, aside from those listed for typical parks in Appendix B, such as community use facilities, are included as separate cost components.

**FIGURE 4 – PARK DEVELOPMENT COST PER CAPITA**

Cost Component	Acres per 1,000	Acres per	Average	Cost per
	Population <sup>1</sup>	Capita <sup>1</sup>	Development	Capita
	Calc	a	b = a / 1,000	c
			Cost per Acre <sup>2</sup>	d = b * c
Developed Parks	5.00	0.00500	\$439,500	\$2,197.50

Source: Orangevale Recreation and Park District, Master Plan 2011

Notes:

<sup>1</sup> Based on District's Master Plan Level of Service.

<sup>2</sup> See Appendix B.

#### COMMUNITY USE FACILITIES COSTS PER CAPITA

The residents of the District currently have the use of two community centers. As shown in Figure 5 on the following page, the District's two community centers provide 15,800 square feet of useable community use space to the population of the District. Therefore, the existing level of service ("LOS") for community use facilities is 460.3 square feet per 1,000 residents.

**FIGURE 5 – COMMUNITY USE FACILITIES LEVEL OF SERVICE**

Facility	Existing Space (BSQFT)		Current Population <sup>1</sup>	Existing Sq. Ft. Per 1,000 Population
	Calc	a	b	c = (a / b) * 1,000
Orangevale Activity Building		3,200	34,325	93.2
Orangevale Community Center		12,600	34,325	367.1
<b>Total Community Use Facilities</b>		<b>15,800</b>		<b>460.3</b>

Source: Orangevale Recreation and Park District

Notes:

<sup>1</sup> See Figure 3.

In October 2019, the District acquired the 3.76-acre Regency Baptist Church property adjacent to Orangevale Community Park. The District's plans are to renovate the existing 6,978 square feet building and develop the 2 acres of undeveloped land to serve the new community center. Based on an estimated total construction cost of \$481 per square foot, the cost of a new community center to serve new development is \$221.40 per capita, as shown below. The construction cost estimate for the project is provided in Appendix B.

The District will need to fund existing development share of these improvements, and any other improvements not currently identified, with other funding sources. Other potential sources of funds include, but are not limited to, a general obligation bond measure, state and federal grants, the District's general fund, and existing or new special tax and assessment proceeds, if allowable.

**FIGURE 6 – COMMUNITY USE FACILITIES COST PER CAPITA**

Cost Component	Estimated Cost		
	LOS Standard <sup>1</sup>	Per Sq. Ft. <sup>2</sup>	Cost per Capita
Calc	a	b	c = (a * b) / 1,000
Community Center	460.3 sq. ft. per 1,000 pop.	\$481	\$221.40

Notes:

<sup>1</sup> See Figure 5.

<sup>2</sup> See Appendix B for cost details.

**DETERMINATION OF THE RESIDENTIAL PARK IMPACT FEE**

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This section presents the calculation of the total cost per capita for parks and recreational facilities. The total cost per capita for each is then applied to five residential land use categories in proportion to the demand they create as measured by their respective dwelling unit occupancy factor.

**PARK IMPACT FEE COST COMPONENTS**

The figure below summarizes the per capita cost components from the previous section and includes an additional four percent for the administration of the park impact fee program. The fee program administrative cost component is designed to recover the cost collection, documentation, annual reporting requirements, five-year report requirements, periodic Nexus Study updates, and other costs reasonably related to compliance with the Act. As shown, the total per capita cost is \$2,515.66.

**FIGURE 7 – PARK IMPACT FEE COST COMPONENTS**

<b>Cost Component</b>	<b>Per Capita Cost</b>
Park Development	\$2,197.50
Community Use Facilities	\$221.40
Fee Program Administration (4%) <sup>1</sup>	\$96.76
<b>Total Cost per Capita</b>	<b>\$2,515.66</b>

Notes:

<sup>1</sup> Collection, accounting, documentation, annual reporting requirements, five-year report requirements, periodic Nexus Study updates and other costs reasonably related to compliance with the Act

**RESIDENTIAL LAND USE CATEGORIES**

The Act requires that development impact fees be determined in a way that ensures a reasonable relationship between the amount of the fee and the cost of the facilities or portion of the facilities attributable to the development on which the fee is imposed. Since the demand for / need for park and recreational services is inherently driven by service population and since different residential land uses have varying household occupancies, the residential park impact fee is expressed on a per dwelling unit basis based on their respective dwelling unit occupancy factor for four residential land uses.

This Nexus Study also incorporates the addition of another residential unit to a single-family parcel as a fifth category labeled as "Accessory Dwelling Unit."

For the purpose of this fee program, a "dwelling unit" means one or more rooms in a building or structure or portion thereof designed exclusively for residential occupancy by one or more persons for living or sleeping purposes and having kitchen and bath facilities.

The five residential land use categories are as follows:

- **"Single-family detached housing"** means detached one-family dwelling units;
- **"2 to 4 unit attached housing"** means buildings or structures designed for two through four families for living or sleeping purposes and having a kitchen and bath facilities for each family, including two-family, group, and row dwelling units;
- **"5 + unit attached housing"** means buildings or structures designed for five or more families for living or sleeping purposes and having kitchen and bath facilities for each family, including condominiums and cluster developments;
- **"Mobile home"** means a development area for residential occupancy in vehicles which require a permit to be moved on a highway, other than a motor vehicle designed or used for human habitation and for being drawn by another vehicle;
- **"Accessory dwelling unit"** means a dwelling unit, or "granny flat," either a detached or attached dwelling unit, which provides complete, independent living facilities for one or more persons with provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the primary residence.

**DWELLING UNIT OCCUPANCY FACTOR**

Figure 8 below presents the calculation of the dwelling unit occupancy factor for the four residential land uses. The calculation is based on information from the *2013-2017 American Community Survey 5-Year Estimate* from the 2010 U.S. Census for the Orangevale Census-Designated Place ("CDP"), which is found to be representative of the boundaries of the District.

**FIGURE 8 – DWELLING UNIT OCCUPANCY FACTOR**

Land Use Categories	Occupied		Total Number of Occupants	Dwelling Unit Occupancy Factor
	Calc	a		
Single-Family Detached Housing		10,600	29,468	<b>2.78</b>
2 to 4 Unit Attached Housing		901	2,144	<b>2.38</b>
5 + Unit Attached Housing		1,044	1,919	<b>1.84</b>
Mobile Homes		370	644	<b>1.74</b>

Source: 2010 U.S. Census for the Orangevale Census-Designated Place

**RESIDENTIAL PARK IMPACT FEE DETERMINATION**

Figure 9 below presents the calculation of the maximum park impact fee. As shown, the per dwelling unit fees for four residential land uses are determined by multiplying the total cost per capita by their respective dwelling unit occupancy factor. The park impact fee for an ADU greater than 850 square feet and a multi-bedroom ADU that is greater than 1,000 square feet shall be imposed proportionately in relation to the square footage of the primary dwelling unit. All other ADUs are exempt from the park impact fee. For example, the calculation of the maximum park impact fee for the construction of a 900 square foot accessory dwelling unit on a single-family parcel with a 2,250 square foot single-family home would be  $(900 / 2,250) * \$6,993 = \$2,797$ .

The District may approve, and the County may adopt fees lower than the maximum, justified amounts shown below, provided that they are reduced by the same percentage for each land use category.

**FIGURE 9 – MAXIMUM RESIDENTIAL PARK IMPACT FEE**

Land Use Category	Unit	Total Cost Per Capita <sup>1</sup>	Dwelling Unit	Maximum Park Impact Fee <sup>3</sup>
			Occupancy Factor <sup>2</sup>	
Calc		a	b	c = a * b
Single-Family Detached Housing	DU	\$2,515.66	2.78	<b>\$6,993</b>
2 to 4 Unit Attached Housing	DU	\$2,515.66	2.38	<b>\$5,987</b>
5 + Unit Attached Housing	DU	\$2,515.66	1.84	<b>\$4,628</b>
Mobile Homes	DU	\$2,515.66	1.74	<b>\$4,377</b>
Accessory Dwelling Unit				<b>See Note 4</b>

Notes:

<sup>1</sup> See Figure 7.

<sup>2</sup> See Figure 8.

<sup>3</sup> Maximum park impact fee is rounded down to the nearest dollar.

<sup>4</sup> ADUs that are 850 square feet or less and multi-bedroom ADUs 1,000 square feet or less are exempt from the park impact fee. For all other ADUs, the park impact fee shall be imposed proportionately in relation to the square footage of the primary dwelling unit.



**PROJECTED PARK IMPACT FEE REVENUE**

Figure 10 projects residential park impact fee revenue through 2036. Total fee revenue (in 2021 dollars) is estimated by multiplying the total cost per capita by the projected resident population growth for the period. As shown, it is projected the District may generate approximately \$2.9 million (in 2021 dollars) by 2036. Certainly, arguments can be made for higher or lower population growth. However, the projected population growth and fee revenue are merely estimates for planning purposes. The maximum fee amounts do not depend upon the timing and level of development.

**FIGURE 10 – PROJECTED PARK IMPACT FEE REVENUE**

Land Use Category	Total Cost per Capita <sup>1</sup>	Projected Population Growth (2036) <sup>2</sup>	Projected Park Impact Fee Revenue (2021\$)
Calc	a	b	c = a * b
Residential Development	\$2,515.66	1,152	\$2,898,040

Notes:

<sup>1</sup> See Figure 7.

<sup>2</sup> See Figure 3.

The fee revenue must be deposited into a separate park impact fee account or fund in a manner to avoid any commingling of the fees with other revenues and funds of the County.

The fee revenue will be restricted to the funding of new or expanded parks and recreational facilities that add to the park and recreational service capacity of the District. Additionally, the use of fee proceeds for rehabilitation of existing parks and recreational facilities is limited in that they may only cover the portion of an improvement that expands service capacity. For example, if the District planned to replace a shade structure within an existing park with a significantly larger shade structure, park impact fee proceeds could fund the portion equal to the percentage increase in the square footage of the larger shade structure, or by another reasonable measurement of capacity. (See Figure 11 for more information.)

Fee revenue will also be used to cover fee program administration costs such as collection, documentation, annual reporting requirements, five-year report requirements, periodic Nexus Study updates, and other costs reasonably related to compliance with the Act.

Fee revenue may not be used to fund 1) the renovation or replacement of existing facilities and 2) operational, maintenance or repair costs.

## NEXUS FINDINGS FOR RESIDENTIAL PARK IMPACT FEE

This section summarizes the nexus findings required to demonstrate the legal justification of the residential park impact fee.

### PURPOSE OF THE FEE

The purpose of the residential park impact fee is to fund new or expanded parks and recreational facilities, to meet the needs of the new resident population generated by new residential development in the District.

### USE OF FEE REVENUE

Park impact fee revenue will be used to fund the development and/or acquisition of new or expanded parks and recreational facilities to serve new development. A summary of the allowable and prohibited uses of the fee revenue is provided in Figure 11 below.

**FIGURE 11 – SUMMARY OF ALLOWABLE AND PROHIBITED USES OF FEE REVENUE**

<u><i>Allowable Uses</i></u>	<u><i>Prohibited Uses</i></u>
<ul style="list-style-type: none"> <li>▪ <i>The cost of new or expanded parks and recreational facilities (100%)</i></li> <li>▪ <i>The cost of new recreational facilities in <u>existing</u> parks that that expand service capacity (100%)</i></li> <li>▪ <i>Park and recreational facility costs already incurred that provide growth-related capacity (100%)</i></li> <li>▪ <i>The proportional cost of park and recreational facility renovation projects that expand service capacity</i></li> <li>▪ <i>Collection, accounting, documentation, annual reporting requirements, five-year report requirements, periodic Nexus Study updates, and other costs reasonably related to compliance with the Act.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Existing deficiencies, such as renovation or replacement of existing recreational facilities that do not expand service capacity</i></li> <li>▪ <i>Parkland acquisition, construction of swimming pools<sup>1</sup>, and purchase or lease of vehicles.</i></li> <li>▪ <i>Operational, maintenance, or repair costs</i></li> </ul>

<sup>1</sup> Swimming pool construction costs are a prohibited use of fee revenue under this proposed fee program. However, in a future fee program update, the District may include an aquatics facility cost component of equal or lesser cost in lieu of a community use facility cost component.

#### BENEFIT RELATIONSHIP

The fee will be collected as development occurs. Fee revenue will be used to fund new and expanded parks and recreational facilities to meet the additional demand generated by the new residents created by new development projects. Fee revenue will be deposited into a separate park impact fee account or fund in a manner to avoid any commingling of the fees with other revenues and funds. The fee revenue will be restricted to the uses described in the "Use of Fee Revenue" finding. These actions ensure that a development project paying the park impact fee will benefit from its use.

#### IMPACT RELATIONSHIP

Since the need for park and recreational services is inherently population-driven, new residential development in the District will generate the need for additional park and recreational services and the corresponding need for various facilities. The need is measured in proportion to the dwelling unit occupancy factor for five residential land use categories. The District's Master Plan park standard is 5.0 improved park acres for every 1,000 residents. The District's standard for community use facilities is 460.3 building square feet per 1,000 residents. The fees' use (funding new or expanded park and recreational facilities) is therefore reasonably related to the type of project (new residential development) upon which it is imposed.

#### PROPORTIONALITY

The amount of park and recreational facilities needed to serve a unit of development is based on the District's level of service standards for such facilities. The cost of new and expanded park and recreational facilities and fee program administrative costs are defined on a cost per capita basis. These per capita costs are then applied to five residential land use categories based on their respective dwelling unit occupancy factor.

The use of average dwelling unit occupancy for five residential land use categories to determine the park impact fee schedule achieves proportionality across the types of development on which the fee is imposed. In general, a single-family home will generate a higher number of persons than a multifamily unit, and as a result, will pay a higher fee. Thus, the application of the park impact fee schedule to a specific project ensures a reasonable relationship between the fee and the cost of park and recreational facilities attributable to that residential development project.

## DETERMINATION OF THE NONRESIDENTIAL PARK IMPACT FEE

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In addition to the residents of the District, employees who work in the District also use and place demands upon the District's park facilities. Just as future growth in the residential population will impact park facilities, future growth in the District's employee population will also impact park facilities, and additional parks and recreational facilities are required for the future growth in employees within the District. Therefore, this section determines a park impact fee for nonresidential land uses.

### RESIDENTIAL EQUIVALENT FACTOR

Employees use park and recreational facilities in a variety of ways. They participate in lunchtime activities, gym use, community center functions, before-work and after-work group functions, weekend company functions, company-sponsored sports leagues, lunchtime trail use, etc. However, one employee is generally not considered to have the same demand for or impact upon park facilities as one resident. Therefore, this Nexus Study utilizes a residential equivalent factor, which is determined by the number of hours an employee is within the District divided by the number of hours in a year available to a full-time employee to use the District's park and recreation facilities while in the District as the ratio of the demand one employee will have on park facilities, as compared to one resident.

In general, residents of the District can use the District's park and recreation facilities year-round. Conversely, park and recreation facility use by employees in the District is generally limited to shorter periods before and after work and during lunch or break times. This time available for park usage within the District is estimated to be two hours per day, five days per week. In order to establish an employee park usage factor of equivalence with residents, each resident is assumed to be able to use parks 16 hours per day, 365 days per year. Thus, for purposes of this Nexus Study, one employee is considered to have the equivalent park facilities demand of 0.09 residents, as shown in Figure 12 below.

**FIGURE 12 – RESIDENTIAL EQUIVALENT FACTOR**

Total Park Hours Available per Year <sup>1</sup>	5,840
Hours Available to Employees per Year for Park Use <sup>2</sup>	520
<b>Residential Equivalent Factor</b>	<b>0.09</b>

Notes:

<sup>1</sup> 365 days per year, 16 hours per day.

<sup>2</sup> 52 weeks per year, 5 days per week, 2 hours per day out of a 10 hour day.

**NONRESIDENT EMPLOYEE FACTOR**

In order to isolate the impact from nonresident employees that do not live in the District, a nonresident employee factor is determined using figures from the 2000 U.S. Census. (Unfortunately, the 2010 U.S. Census does not provide similar data.) This factor was not included in the 2010 park impact fee program. As shown below, of the 13,003 employees who worked in the Orangevale Census-Designated Place ("CDP") in 2000, 11,312 were not residents of the CDP. Therefore, for purposes of this Nexus Study, it is assumed that 87 percent of employees generated by new nonresidential development with the District will reside outside the District. 2000 U.S. Census figures are found to be reasonably representative of the same ratio today.

**FIGURE 13 – NONRESIDENT EMPLOYEE FACTOR**

	Calc	
Work In Place of Residence	a	1,691
Work Outside Place of Residence	b	11,312
<b>Total Workers in Place</b>	<b>c = a + b</b>	<b>13,003</b>
<b>Nonresident Employee Factor</b>	<b>d = b / c</b>	<b>0.87</b>

Source: 2000 U.S. Census for Orangevale CDP

**COST PER EMPLOYEE**

Figure 14 below presents the calculation of the cost per nonresident employee based on the per capita cost multiplied by the residential equivalent factor and nonresident employee factor for nonresidential land uses. As shown, the cost per employee is \$194.87, or the equivalent of 7.7% of the per capita cost for a District resident.

**FIGURE 14 – COST PER EMPLOYEE**

Land Use	Per Capita	Residential	Nonresident	Cost per Employee
	Costs <sup>1</sup>	Equivalent Factor <sup>2</sup>	Employee Factor <sup>3</sup>	
	Calc a	b	c	d = a * b * c
Nonresidential	\$2,515.66	0.09	0.87	\$194.87

Notes:

<sup>1</sup> See Figure 7.

<sup>2</sup> See Figure 12.

<sup>3</sup> See Figure 13.

### NONRESIDENTIAL LAND USE CATEGORIES

As mentioned earlier, the Act requires that development impact fees be determined in a way that ensures a reasonable relationship between the amount of the fee and the cost of the facilities or portion of the facilities attributable to the development on which the fee is imposed. Since nonresidential land uses have varying employment densities, the nonresidential park impact fee is expressed on a per square footage basis based on their respective employment density for three nonresidential land use categories.

Pursuant to County Code Section 16.155.020, nonresidential development means a permit for the original construction or installation of three categories of structures, including retail and commercial, office, and industrial or similar nonresidential occupancy. These categories are defined below.

- **"Retail / Commercial"** means buildings to be used for retail, general commercial, hotel/motel, private school, and similar nonresidential occupancy.
- **"Office"** means a building to be used for general business services, professional office, medical office, and similar nonresidential occupancy.
- **"Industrial"** means a building to be used for manufacturing, fabrication, assembly, storage, distribution, and similar nonresidential purposes.

The nonresidential fee shall be charged for "covered and enclosed space" within the perimeter of a nonresidential structure. Any storage areas incidental to the principal use of the development, garages, parking structures, unenclosed walkways, or utility or disposal areas shall not be subject to the fee.

### NONRESIDENTIAL PARK IMPACT FEE DETERMINATION

In order to determine the nonresidential park impact fees, the cost per employee is applied to the three nonresidential land uses by their employment density to arrive at nonresidential park impact fees per square foot. The nonresidential park impact fees for retail/commercial, office, and industrial land uses are shown in Figure 15 on the following page. The District may approve, and the County may adopt fees lower than the maximum amounts justified by this Nexus Study provided that they are reduced by the same percentage for each land use category.

**FIGURE 15 – MAXIMUM NONRESIDENTIAL PARK IMPACT FEE**

Nonresidential Land Use Category	Cost per	Employees per	Maximum
	Employee <sup>1</sup>	1,000 Sq. Ft. <sup>2</sup>	Nonresidential Park Impact Fee <sup>3</sup>
Calc	a	b	c = a / (1,000 / b)
Retail / Commercial	\$194.87	2.25	\$0.44
Office	\$194.87	3.50	\$0.68
Industrial	\$194.87	1.50	\$0.29

Notes:

<sup>1</sup> See Figure 12.

<sup>2</sup> Employment density figures are based on the SCAG "Employment Density Study" dated October 31, 2001 prepared by The Natelson Company, Inc.

<sup>3</sup> Fee is rounded to the nearest cent.

The employment density figures are based on the commonly cited Southern California Association of Government ("SCAG") "Employment Density Study" dated October 31, 2001, prepared by The Natelson Company, Inc. The previous employment density figures were based on a now outdated San Diego Association of Governments ("SANDAG") Traffic Generator Study. All density figures are expressed in terms of the number of employees per 1,000 square feet of building area. For the purpose of this Nexus Study, these figures are considered to be representative of the employment density of future nonresidential development.

#### **NEXUS FINDINGS FOR NONRESIDENTIAL PARK IMPACT FEE**

This section summarizes the nexus findings required to demonstrate the legal justification of the nonresidential park impact fee.

##### **PURPOSE OF THE FEE**

The purpose of the nonresidential park impact fees is to fund new or expanded parks and recreational facilities, to meet the needs of new employees created by new nonresidential development within the District.

##### **USE OF FEE REVENUE**

Park impact fee revenue will be used to fund the development and/or acquisition of new or expanded parks and recreational facilities to serve new nonresidential development. A summary of the allowable and prohibited uses of the fee revenue is provided in Figure 11.

#### BENEFIT RELATIONSHIP

The fee will be collected as new nonresidential development occurs. Fee revenue will be used to fund new and expanded parks and recreational facilities to meet the additional demand generated by the employees created by new development projects. Fee revenue will be deposited into a separate park impact fee account or fund in a manner to avoid any commingling of the fees with other revenues and funds. The fee revenue will be restricted to the uses described in the "Use of Fee Revenue" finding. These actions ensure that a nonresident development project paying the park impact fee will benefit from its use.

#### IMPACT RELATIONSHIP

Since the need for park and recreational services is inherently service population-driven, new nonresidential development will generate additional demand for park services and the associated need for new or expanded parks and recreational facilities. The demand is measured in proportion to the residential equivalent factor, the nonresident employee factor, and the average employment density for retail/other commercial, office, and industrial land use categories. The fees' use (funding new or expanded parks and recreational facilities) is therefore reasonably related to the type of project (new nonresidential development) upon which it is imposed.

#### PROPORTIONALITY

The amount of park and recreational facilities needed to serve a unit of nonresidential development is determined by dividing the cost per employee by the employment density for retail/other commercial, office, and industrial land uses.

The use of employment density to determine the nonresidential park impact fee schedule achieves proportionality across the types of nonresidential development on which the fee is imposed. In general, an office will generate a higher number of employees than an industrial facility on a square footage basis, and as a result, will pay a higher fee. Thus, the application of the park impact fee schedule to a specific nonresidential project ensures a reasonable relationship between the fee and the cost of the park and recreational facilities attributable to that nonresidential development project.



## COMPARISON OF CURRENT AND MAXIMUM PARK IMPACT FEES

The figure below compares the current park impact fee schedule, to be adjusted on March 1, 2021, with the maximum park impact fee schedule justified by this Nexus Study. The decrease in the nonresidential impact fees is largely due to the addition of the nonresident employee factor. The increase in mobile homes is due to an increase in the dwelling unit occupancy factor from 1.56 persons per mobile home in 2010 to 1.74 persons per mobile home in 2021.

**FIGURE 16 – COMPARISON OF CURRENT AND MAXIMUM PARK IMPACT FEES**

Land Use Category	Unit <sup>1</sup>	Current	Maximum	\$ Change	% Change
		Park Impact Fee <sup>2</sup>	Park Impact Fee		
	Calc	a	b	c = a - b	d = c / a - 1
Single-Family Detached Housing	DU	\$7,268	\$6,993	(\$275)	-3.8%
2 to 4 Unit Attached Housing	DU	\$6,232	\$5,987	(\$245)	-3.9%
5 + Unit Attached Housing	DU	\$4,863	\$4,628	(\$235)	-4.8%
Mobile Homes	DU	\$3,958	\$4,377	\$419	10.6%
Accessory Dwelling Unit		----- See Note 3 -----			
Retail / Commercial	BSQFT	\$0.49	\$0.44	(\$0.05)	-10.2%
Office	BSQFT	\$0.81	\$0.68	(\$0.13)	-16.0%
Industrial	BSQFT	\$0.33	\$0.29	(\$0.04)	-12.1%

Notes:

<sup>1</sup> DU means dwelling unit; BSQFT means building square feet.

<sup>2</sup> To become effective March 1, 2021; established by Sacramento County Board of Supervisors on September 4, 2010 by Resolution No. 2010-0714.

<sup>3</sup> ADUs that are 850 square feet or less and multi-bedroom ADUs 1,000 square feet or less are exempt from the park impact fee. For all other ADUs, the park impact fee shall be imposed proportionately in relation to the square footage of the primary dwelling unit.

## **FEE PROGRAM ADOPTION REQUIREMENTS**

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The following is a summary of the statutory procedural requirements for adoption of the fee program by the County Board of Supervisors on behalf of the District. The specific statutory procedural requirements for the adoption of the fee program may be found in the California Government Code Sections 66016, 66017 and 66018, and County Code Chapter 16.155.

1. The Board of Supervisors shall conduct at least "one open and public meeting" as part of a regularly scheduled meeting on the requested fee program.
2. At least 14 days before the meeting, the County shall mail out a notice of the meeting to any interested party who filed a written request for notice of the adoption of new or increased fees.
3. At least ten days before the meeting, the County shall make available to the public the Nexus Study for review.
4. At least ten days before the public hearing, a notice of the time and place of the meeting shall be published twice in a newspaper of general circulation with at least five days intervening between the dates of first and last publication, not counting such publication dates.
5. After the public hearing, the County Board of Supervisors shall adopt a resolution updating the proposed fee program on behalf of the District.
6. The fee shall become effective 60 days after the adoption of the resolution or longer as specified by the resolution.

## FEE PROGRAM ADMINISTRATION REQUIREMENTS

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This section summarizes the statutory requirements and general recommendations for the annual administration of the park impact fee program. The specific statutory requirements for the administration of the fee program may be found in California Govt. Code § 66000 et seq.

### ACCOUNTING REQUIREMENTS

Proceeds from the park impact fee should be deposited into a separate fund or account so that there will be no commingling of fees with other revenue. The park impact fees should be expended solely for the purpose for which they were collected. Any interest earned by such account should be deposited in that account and expended solely for the purpose for which originally collected.

### REPORTING REQUIREMENTS

The following information, entitled "**Annual Report**," must be made available to the public within 180 days after the last day of each fiscal year:

- a brief description of the type of fee in the account;
- the amount of the fee;
- the beginning and ending balance of the account;
- the fees collected that year and the interest earned;
- an identification of each public improvement for which the fees were expended and the amount of the expenditures for each improvement;
- an identification of an approximate date by which development of the improvement will commence if the local agency determines that sufficient funds have been collected to complete financing of an incomplete public improvement;
- a description of each inter-fund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, the date on which any loan will be repaid, and the rate of interest to be returned to the account; and
- the amount of money refunded under section Govt. Code § 66001.

The District and County shall review the Annual Report at the next regularly scheduled public meeting, not less than 15 days after the Annual Report is made available to the public. Notice of the time and place of the meeting, including the address where this information may be reviewed, shall be mailed, at least 15 days prior to the meeting, to any interested party who files a written request with the County for mailed notice of the meeting. Any written request for mailed notices shall be valid for one year from the date on which it is filed unless a renewal request is filed. Renewal requests for mailed notices shall be filed on or before April 1 of each year. The District Board may establish a reasonable annual charge for sending notices based on the estimated cost of providing the service.

For the fifth fiscal year following the first receipt of any park impact fee proceeds, and every five years thereafter, the District must comply with Government Code Section 66001(d)(1) by affirmatively demonstrating that the District still needs unexpended park impact fees to achieve the purpose for which it was originally imposed and that the District has a plan on how to use the unexpended balance to achieve that purpose. Specifically, the District shall make the following findings, entitled "**Five-Year Findings Report**," with respect to that portion of the account or fund remaining unexpended, whether committed or uncommitted:

- Identify the purpose to which the fee is to be put;
- Demonstrate a reasonable relationship between the fee and the purpose for which it is charged;
- Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements; and
- Designate the approximate dates on which the funding is expected to be deposited into the appropriate account or fund.

The County shall provide for the refund of all or any part of such unexpended or unappropriated fee revenue, together with any actual interest accrued thereon, in the manner described in Government Code § 66001 (e) of the, to the current record owner of any property for which a fee was paid; provided that if the administrative costs of refunding such fee revenue exceed the amount to be refunded.

### **ANNUAL INFLATIONARY ADJUSTMENT**

All costs and the associated park impact fees determined by this Nexus Study are in January 2021 dollars. Pursuant to County Municipal Code Section 16.155.190, the park impact fee shall be adjusted with notice to the District Administrators automatically without any further action by the Board of Supervisors on March 1 by averaging the net percentage change Engineering News-Record Construction Cost Index for San Francisco and the 20 U.S. Cities Index for the preceding year.

### **FEE EXEMPTIONS**

Pursuant to County Municipal Code § 16.155.150, the following are exempted from payment of the fee:

- Any replacement or reconstruction of an existing dwelling unit; and
- Additions to single-family residential structures provided no change in use occurs and a second full kitchen is not added; and
- Additions to multifamily residential structures that do not create additional units; and
- Supporting use square footage in multifamily projects, such as the office and recreation areas required to directly serve the multifamily project; and
- Nonhabitable residential structures such as decks, pools, pool cabanas, sheds, garages, etc., and
- Construction of ADUs that are 850 square feet or less and multi-bedroom ADUs that are 1,000 square feet or less; and
- Mobile or manufactured homes with no permanent foundation.

### **FEE CREDITS**

Pursuant to County Municipal Code § 16.155.170, the Act, and recent court cases, the following circumstances must receive a fee credit:

- Demolished existing dwelling units or building square footage as part of a development project.
- If a developer dedicates land or builds specific park facilities under a turn-key agreement, the fee imposed on that development project may be adjusted to reflect a credit for the parks and recreational facilities constructed.

## **APPENDICES**

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Appendix A – Agreement-In-Principle

Appendix B – Cost Estimates for Parks and Recreational Facilities

Appendix C – Inventory of District Park Facilities

Appendix D – District Map

## APPENDIX A – AGREEMENT IN PRINCIPLE

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1. The estimate of costs within the eight proposed park fee programs relating to infill development shall be reflective of current average park construction costs. The park districts will compare recent cost estimates and bids to the cost estimates within the proposed fee programs and adjust the fee programs as appropriate to reflect current costs, taking into consideration the highs and lows of the recently volatile bid climate for public construction projects.
2. In general, the average park development cost component within the proposed fee programs of the park districts may include the following costs and amenities (as appropriate to park size and function per park district master plans)
  - Reasonable design, engineering, fees, and soft costs
  - On-site improvements including site grading, utility connections, soil preparation and amendments, lighting, automatic irrigation, planting, and concrete pathways
  - Street frontage and off-street parking
  - Children's play area
  - Shade structure(s)
  - Picnic Area(s)
  - Restroom(s)
  - Regulation or practice field or court facility(s)
3. All costs will be periodically adjusted based on an agreed-upon construction cost index.
4. Park impact fee programs may include a community center facility cost component. Construction of community centers will be phased depending on the availability of funding from anticipated sources, including park impact fees: Park impact fee programs can only charge new development for its fair share of the cost for community centers. The park districts will need to fund the remaining costs for community centers from other sources.
5. At the discretion of each park district, proposed park fee programs may include in its park fee program proposal an aquatics facility of equal or lesser cost in lieu of a community center facility. Construction of aquatics facilities will be phased depending on the availability of funding from anticipated sources, including park fees. The Fee Programs can only charge new development for its fair share of the cost for such aquatic facilities based on a cost equal or lesser than a community center. The Districts will need to fund the remaining costs for aquatics facilities from other sources.

6. The Fee Programs shall be based on each park district's master plan level of service ("LOS"), which is 5.0 acres of parks per 1,000 residents for each district except for Sunrise RPD (Foothill Farms) with a LOS of 4.5 acres of parks per 1,000 residents.
7. The Districts shall work with the school district(s) and/or other public entities within their respective boundaries to achieve joint use by combining parks with school and/or other public sites when possible.
8. Implementation of any new infill park fee programs shall be phased. The parties have discussed a three-year phasing plan similar to the phasing plan for the recently adopted transportation impact fee adjustment (that specified one-third of the justified fee implemented upon adoption and increased an additional one-third each subsequent year until full implementation).
9. If a development project is conditioned (or otherwise agreement is achieved by mutual consent between the developer and park district) to construct park and recreation facilities or improvements that are included within an implemented park fee program, a credit for such facilities or improvements constructed shall be provided based upon the provisions and unit prices in the park fee program. A development project shall not be conditioned to construct park and recreation facilities that are not included within the proposed fee program unless a funding source is identified and credit for such facilities or improvements constructed is provided, and there is a mutual agreement between the developer and the park district.



## APPENDIX B – COST ESTIMATES FOR PARK AND RECREATION FACILITIES

FIGURE 17 – TYPICAL 5-ACRE NEIGHBORHOOD PARK CONSTRUCTION COSTS

Item	Units	Unit Cost <sup>1</sup>	2021 \$ <sup>1</sup>
	Calc a	b	c = a * b
Basic Park Development	5 acre	\$283,000	\$1,415,000
Parking Lots	20 stall	\$4,000	\$80,000
Soccer Field	1 each	\$16,000	\$16,000
Restroom Building	1 each	\$310,300	\$310,300
Playground Equipment - Large	1 each	\$374,500	\$374,500
Basketball Court (1/2 Court)	1 each	\$48,100	\$48,100
Shade Structure - Large (50 people)	1 each	\$96,600	\$96,600
<b>Total Project Cost</b>			<b><u>\$2,340,500</u></b>
<b>Average Cost Per Acre (rounded)</b>			<b><u>\$468,000</u></b>

Sources: Orangevale RPD, Sacramento County, and SCI Consulting Group

Notes:

<sup>1</sup> Based on park and recreation capital improvement estimates for the Florin Vineyard Community Plan as of January 1, 2019 and adjusted 5.9% for cost inflation based on the average change in ENR CCI SF from January 2019 (12114.87) to January 2021 (13097.91) and the ENR CCI 20-Cities from January 2019 (11206) to January 2021 (11628).

**FIGURE 18 – TYPICAL 20-ACRE COMMUNITY PARK CONSTRUCTION COSTS**

Item	Units		Unit Cost <sup>1</sup>	2021 \$ <sup>1</sup>
	Calc	a	b	c = a * b
Basic Park Development		20 acre	\$224,600	\$4,492,000
Playground Equipment - Small		2 each	\$187,200	\$374,400
Playground Equipment - Large		1 each	\$374,500	\$374,500
Soccer Field		2 each	\$16,000	\$32,000
Youth Baseball / Softball Fields		3 each	\$64,200	\$192,600
Tennis Court with Fence (Set of 2)		4 each	\$107,000	\$428,000
Sports Lighting		1 each	\$41,700	\$41,700
Basketball Court (1/2 Court)		3 each	\$48,100	\$144,300
Shade Structure - Large (50 people)		2 each	\$96,600	\$193,200
Shade Structure - Small (25 people)		2 each	\$49,400	\$98,800
Restroom Building		4 each	\$310,300	\$1,241,200
Parking Lots		150 stall	\$4,000	\$600,000
<b>Total Project Cost</b>				<b><u>\$8,212,700</u></b>
<b>Average Cost Per Acre (rounded)</b>				<b><u>\$411,000</u></b>

Sources: Orangevale RPD, Sacramento County, and SCI Consulting Group

Notes:

<sup>1</sup> Based on park and recreation capital improvement estimates for the Florin Vineyard Community Plan as of January 1, 2019 and adjusted 5.9% for cost inflation based on the average change in ENR CCI SF from January 2019 (12114.87) to January 2021 (13097.91) and the ENR CCI 20-Cities from January 2019 (11206) to January 2021 (11628).

**FIGURE 19 – COST ESTIMATE FOR COMMUNITY CENTER PROJECT**

Item	Units		Unit Cost <sup>1</sup>	2021 \$
	Calc	a	b	c = a * b
Community Building Acquisition <sup>1</sup>		1 fixed		\$213,900
Community Building Renovation		6,978 sf	\$164	\$1,144,392
Basic Park Development		2 acre	\$283,000	\$566,000
Restroom Building		2 each	\$310,300	\$620,600
Parking Lot		100 stalls	\$4,000	\$400,000
Contingency (15%)				\$409,649
<b>Total Project Cost Attributable to New Development</b>				<b><u>\$3,354,541</u></b>
<b>Average Cost Per Building Sq. Ft. (rounded)</b>				<b>\$481</b>

Sources: Orangevale Recreation and Park District, SCI Consulting Group

Notes:

<sup>1</sup> It is assumed that 23% of the \$930,000 total acquisition cost was attributable to the building and 78% was attributable to the land.

## APPENDIX C – DISTRICT PARK INVENTORY

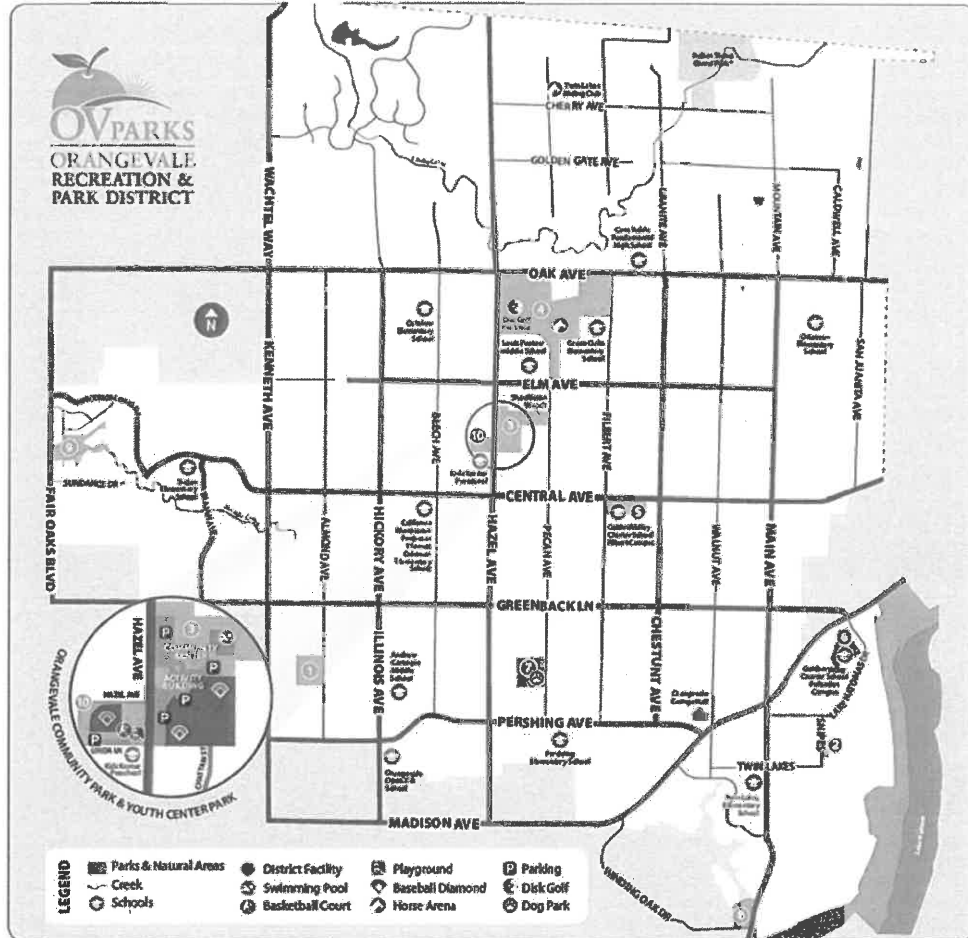
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FIGURE 20 – DISTRICT PARK INVENTORY

Name of Park / Area	Total Acres	Improved Acres	Unimproved Acres
Almond Ave Park	10.10	10.10	
Youth Center	4.19	4.19	
Kids Korner	0.19	0.19	
Community Park	76.02	76.02	
Community Center & Pool Complex	14.10	14.10	
Palisades Park	1.50	1.50	
Pecan Park	9.56	9.56	
Norma Hamlin Park	4.50	4.50	
Sundance Park	14.18	14.18	
Kenneth Grove	0.70	0.70	
Community Center Park - Property A	5.00		5.00
Community Center Park - Property B	3.50		3.50
Rollingwood	7.00		7.00
Streng Ave	6.40		6.40
<b>Total Parks</b>	<b>156.94</b>	<b>135.04</b>	<b>21.90</b>

Source: Orangevale Recreation and Park District

# APPENDIX D – DISTRICT MAP



Above this does not reflect OV parks owned and/or maintained property on school grounds  
 \* County Regional Park facility currently closed to the public

OV PARKS AMENITIES	Address	Acreage	Baseball/Softball Fields	Baseball Courts	Soccer Fields	Tennis Courts	Pickleball Courts	Swim Lanes/Pool	18 Holes Golf Course	9 Holes Golf Course	Swimming Pool	Playgrounds	Sports Fields	Shade Structures	Playstructure	Walking Trails	Horse Area	Dog Park	Art Studio	Passive Use	Planning/Community	
1 Almond Park	5501 Almond Ave	10.14			2	2					2	*	7	*						*	*	2
2 Norma Hamlin Park	5624 Snipes Blvd	4.5										*	3									*
3 Orangevale Community Center	6826 Hazel Ave	21.77	2		*						*										*	2
4 Orangevale Community Park	7301 Filbert Ave	76.02		2	2			*	*	*	*	*	3	4	2	*	*	*			3	* 2
5 Orangevale Sports Fields	6550 Filbert Ave	2.5	*		3																	
6 Palisades Park	9601 Lake Natoma Dr	1.5	*		3	2								3								
7 Pecan Park	5945 Pecan Ave	9.56		1	3	1	2				*	*	3					*	*	*	*	*
8 Rollingwood Natural Area	Main & Winding Oak Dr	6.92																				
9 Sundance Natural Area	13120 Fair Oaks Blvd	14.18														*						
10 Youth Center Park	6745 Hazel Ave	4.41	*	1							*	*	2					*	*	*	*	*

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# STAFF REPORT



DATE: 7-8-21

TO: Board of Directors

FROM: Barry Ross, District Administrator

**SUBJECT: APPROVE THE LETTER OF ENGAGEMENT FROM AUDITOR LARRY BAIN FOR THE FISCAL 2020/21 AUDIT IN THE AMOUNT NOT TO EXCEED \$8,900**

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## **RECOMMENDATION**

Approve the letter of engagement from auditor Larry Bain for the Fiscal 2020/21 Audit in the amount not to exceed \$8,900.

## **BACKGROUND**

Larry Bain has served as the District's auditor for several years and has submitted a letter of engagement to conduct the Fiscal 2020/21 Audit in the amount not to exceed \$8,900.

## **RECOMMENDED MOTION**

I move we approve the letter of engagement from auditor Larry Bain for the Fiscal 2020/21 Audit in the amount not to exceed \$8,900.

# LARRY BAIN, CPA

## AN ACCOUNTING CORPORATION

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2148 Frascati Drive, El Dorado Hills, CA 95762 / (916)601-8894  
[lpbain@sbcglobal.net](mailto:lpbain@sbcglobal.net)

June 7, 2021

Board of Directors  
Orangevale Recreation & Park District  
6826 Hazel Ave  
Orangevale, CA 95662

We are pleased to confirm our understanding of the services we are to provide Orangevale Recreation and Park District for the fiscal year ended June 30, 2021. We will audit the primary government financial statements, which comprises the basic financial statements of Orangevale Recreation and Park District as of and for the fiscal year ended June 30, 2021. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Orangevale Recreation and Park District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Orangevale Recreation and Park District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Budget and Actual Schedules
- 3) Pension trend information

### **Audit Objective**

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Orangevale Recreation and Park District's financial statements. Our report will be addressed to governing board of Orangevale Recreation and Park District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unqualified (unmodified), we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.



### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors or any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditor's is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Orangevale Recreation and Park District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

### **Other Services**

We will assist with preparation of the State Controller Annual Financial Transaction report based on information provided by the District. This report will not be subject to our audit procedures and therefore we will not provide an opinion on this report.

We will assist in preparing the financial statements of Orangevale Recreation and Park District in conformity with U.S. generally accepted accounting principles based on information provided by you. We will also assist in preparing the State Controllers Financial Transaction Report based on information provided by you. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services and State Controller financial transaction report previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

## **Management Responsibilities**

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. You agree to assume all management responsibilities for any nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of the respective financial position of the business-type activities, each major fund, and the aggregate remaining fund information of the Orangevale Recreation and Park District and the respective changes in financial position and where applicable, cash flows, in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon]. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

## **Engagement Administration, Fees, and Other**

We understand that your employees will assist with preparing cash or other confirmations we request and will locate any documents selected by us for testing.

The workpapers for this engagement are the property of Larry Bain, CPA and constitute confidential information. However, we may be requested to make certain workpapers available to regulatory agencies pursuant to authority given to it by law or regulations. If requested, access to such workpapers will be provided under the supervision of Larry Bain, CPA. Furthermore, upon request, we may provide photocopies of selected workpapers to the regulatory agency. The regulatory agency may intend, or decide; to distribute photocopies or information contained therein to others, including to governmental agencies.

We expect to begin our audit on October 27, 2021 to issue our report no later than January, 2022. Larry Bain, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses will not exceed \$8,900. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 45 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to Orangevale Recreation and Park District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Larry Bain, CPA  
An Accounting Corporation

RESPONSE:

This letter correctly sets forth the understanding of Orangevale Recreation and Park District.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# STAFF REPORT



DATE: 7-8-21

TO: Board of Directors

FROM: Barry Ross, District Administrator

**SUBJECT: APPROVE THE PROPOSAL FOR CONSULTANT SERVICES FROM AQUATIC DESIGN GROUP TO PROVIDE A NEEDS ASSESSMENT STUDY FOR THE OVPARKS SWIMMING POOL**

---

## **RECOMMENDATION**

Approve the proposal for consulting services from Aquatic Design Group to provide a needs assessment study for the OVparks swimming pool.

## **BACKGROUND**

The OVparks swimming pool has had an expanded crack and leaking for several years. Staff has been diligent about patching the crack and slowing the leaking, by trying several different recommended methods of temporary repair. The Planning Committee, Finance Committee, and the Maintenance Committee have all emphasized the need to address this ongoing problem. Approximately \$227K has been identified in the OLLAD budget to address this concern in this fiscal year. Aquatic Design Group comes highly recommended by the City of Folsom and the Cordova Recreation & Park District based on recent consulting work done at those agencies. This is an important first step to help us identify specific causes and options for repair for the cracking, separation and leaking. The consultant will also provide a needs assessment for our pool operation equipment systems (i.e. filtration, heating, pumps, chemical).

## **FISCAL IMPACT**

The expected cost for this consultation and needs assessment study is \$9,250.

## **RECOMMENDED MOTION**

I move we approve the proposal for consulting services from Aquatic Design Group to provide a needs assessment study for the OVparks swimming pool.

**1.0 INTRODUCTION**

- 1.1 AQUATIC DESIGN GROUP, INC. of Carlsbad, California (hereinafter referred to as "CONSULTANT"), proposes to provide consulting design services to ORANGEVALE RECREATION AND PARK DISTRICT, (hereinafter referred to as "CLIENT") for the following project:

Orangevale Pool Needs Assessment Study  
Orangevale, California

- 1.2 In conformance with the Request for Proposal dated 17 June 2021 as issued by Mr. Barry Ross, CONSULTANT shall provide:

**2.0 SCOPE OF WORK**

- 2.1 CONSULTANT shall provide consulting services as required to provide a needs assessment study for swimming pool within the above referenced project.

**3.0 SCOPE OF SERVICES**

- 3.1 In conformance with the above scope of work, CONSULTANT shall furnish the following services:
- 3.1.1 Visit the project site and meet with staff to determine facility program needs and other issues to be addressed.
  - 3.1.2 Document existing conditions, including identification of code violations and safety / maintenance concerns.
  - 3.1.3 Prepare a written report outlining observations and making recommendations for mitigation.
  - 3.1.4 Prepare a series of potential options for consideration by CLIENT, including, but not limited to: renovation of existing pool with no change in program; removal and replacement of existing pool with moderate program enhancement; and removal and replacement of existing pool with extensive program enhancement.
  - 3.1.5 Provide rough order of magnitude opinion of probable cost estimates for each potential option.
  - 3.1.6 Forward draft copy of report with design options for CLIENT review and comment.
  - 3.1.7 Upon receipt of CLIENT comments, prepare final report and provide digital copy in Adobe .pdf format.

3.2 Visits to the Project Site:

3.2.1 CONSULTANT shall visit the offices of CLIENT and/or the Project Site in conformance with the following schedule:

- .1 Assessment Phase..... One (1) site visit

**4.0 EXCLUSIONS TO SCOPE OF SERVICES**

- 4.1 As-built drawings of existing facility.
- 4.2 Evaluation of buildings, site work, and site utilities.
- 4.3 Destructive testing of existing pool structures to confirm as-built condition. Note: CONSULTANT cannot guarantee structural integrity of existing pool structures without confirming as-built condition of pool wall thickness, concrete reinforcement and compressive strength. Additional engineering for deficient structures will be considered an additional service and compensated for in conformance with Article 5.1.2, below.
- 4.4 Design and/or engineering drawings, technical specifications.
- 4.5 Leak detection testing, including dye tests and pressure testing pipes.

**5.0 COMPENSATION**

5.1 CLIENT shall compensate CONSULTANT for services rendered as follows:

5.1.1 Basic Services: The Scope of Services described above shall be compensated for by a lump sum, fixed fee equivalent to: EIGHT THOUSAND FIVE HUNDRED AND 00/100 DOLLARS (\$8,500.00).

5.1.2 Additional Services: If requested, additional services will be billed for on an hourly basis, in conformance with the rates outlined in Article 5.3, below.

5.1.4 Reimbursable Expenses: In addition to basic compensation, an allowance of \$750 shall be provided for reimbursable expenses. Reimbursable expenses will be billed at CONSULTANT's direct cost, and shall include the following:

- .1 Plotting and reproduction expense of Drawings, Specifications and other documents.

- .2 Special delivery and handling of documents and correspondence such as courier and overnight delivery services.
- .3 Travel and lodging expense associated with travel outside of Southern California in connection with the Project.

**5.2 Terms of Payment:**

5.2.1 Payments for Basic Services shall be made based upon percentage of completion in not less than monthly installments.

**5.3 Hourly Rates:**

5.3.1 Compensation for additional services (when requested and authorized in advance by CLIENT) shall be provided in conformance with the following hourly rates:

.1	Principal.....	\$ 215.00 per hour
.2	Project Architect / Engineer.....	\$ 195.00 " "
.3	Project Manager.....	\$ 175.00 " "
.4	Designer.....	\$ 135.00 " "
.5	Administrative.....	\$ 80.00 " "

**6.0 TIME**

6.1 CONSULTANT shall issue draft report within thirty (30) calendar days of site visit and authorization to proceed. Final report shall be issued within fifteen (15) calendar days of receipt of review comments from CLIENT.

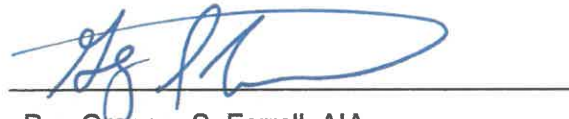
**7.0 AUTHORIZED SIGNATURE**

7.1 This proposal is valid for thirty (30) calendar days from the date referenced below and is submitted for and in behalf of CONSULTANT by:

**AQUATIC DESIGN GROUP, INC.**



By: Scott Palmer  
Its: Director of Marketing



By: Gregory S. Ferrell, AIA  
Its: Principal

**18 June 2021**

Date



# STAFF REPORT



DATE: 7-8-21

TO: Board of Directors

FROM: Barry Ross, District Administrator

**SUBJECT: APPROVE THAT THE SECTIONS OF DAMAGED CONCRETE PATHWAYS AT ORANGEVALE COMMUNITY PARK BE REPLACED WITH NEW CONCRETE IN AFFORDABLE AND MANAGEABLE INTERVALS OVER THE NEXT THREE FISCAL YEARS**

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## **RECOMMENDATION**

Approve that the sections of damaged concrete pathways at Orangevale Community Park be replaced with new concrete in affordable and manageable intervals over the next three fiscal years.

## **BACKGROUND**

There are several stretches of concrete pathway at Orangevale Community Park where cracking has reached, or is reaching, a level of concern. For the most part the pathway looks great and is in very good condition. The damaged sections have been identified and have been prioritized by the level of which repair is needed. Due to budget limitations, staff would like to address the concrete replacement at different intervals over three fiscal years, attending to the most pressing needs first.

## **FISCAL IMPACT**

The cost to fully replace the damaged sections is estimated to be between \$30K - \$40K. The intention is to spend approximately \$10K - \$15K over each of the next three fiscal years to complete this concrete project. If we find that we have a healthy budget balance remaining towards the end of a fiscal year, we may opt to complete more of the concrete work within on fiscal year.

## **RECOMMENDED MOTION**

I move we approve that the sections of damaged concrete pathways at Orangevale Community Park be replaced with new concrete in affordable and manageable intervals over the next three fiscal years.

# STAFF REPORT



DATE: 7/8/21

TO: Board of Directors

FROM: Jason Bain, Recreation Supervisor

**SUBJECT: APPROVAL OF THE AGREEMENT WITH THE ALL EVENTS MANAGEMENT GROUP TO HOLD BOW WOW DAYS – A PETICULAR EVENT IN ORANGEVALE COMMUNITY PARK ON SEPTEMBER 25, 2021**

---

## **RECOMMENDATION**

Approve the agreement with All Events Management Group to hold Bow Wow Days – a Peticular Event in Orangevale Community Park on September 25, 2021.

## **BACKGROUND**

Lisa Montes from AEMG, Inc. submitted a special event application to hold Bow Wow Days – A Peticular Event at the Orangevale Community Park in the area where the Orangevale Town Fair is typically held. This event is a pet awareness event with demonstrations, info on pet care, pet adoptions, music, food, vendors, and crafts. This Event will run from 11am to 3pm on September 25. The fee according to our fee schedule is \$667.

## **RECOMMENDED MOTION**

I move we approve the Agreement with All Events Management Group to hold Bow Wow Days – a Peticular Event in Orangevale Community Park on September 25, 2021 and authorize the District Administrator to execute the agreement.



# Orangevale Recreation & Park District

6826 Hazel Avenue Orangevale, CA 95662  
Phone (916) 988-4373 \* Fax (916) 988-3496 \* info@ovparks.com

District Use Only

Booking #: \_\_\_\_\_

Appl. Date: \_\_\_\_\_

## SPECIAL EVENT RENTAL APPLICATION

Please fill out this form completely and submit with payment to the Orangevale Recreation & Park District office. Applications must be received no less than two weeks prior to your event and no more than one year in advance. It is understood that this application is only a request for facility use. Submitting this application in no way indicates approval for use of District facilities.

### RENTAL CUSTOMER

Name of Applicant: LISA MONTES

Address: 6129 RICH HILL DRIVE City/State/Zip: ORANGEVALE CA 95662

Phone #: 9165326069 Email: LISA@ALLEVENTSPLUS.NET

Sponsoring Organization/Company: ALL EVENTS MANAGEMENT GROUP

Authorized Organization Representative: LISA MONTES

To reserve on behalf of a company or organization, you must provide the District with a signed letter of authorization on official letterhead, granting you the right to act on the group's behalf.

Type of Organization:  Non Profit  Private  Corporation  Other \_\_\_\_\_

If your organization is a non-profit group, please enter non-profit [501 (c) 3] ID #: \_\_\_\_\_

Organization Web Site: ALLEVENTSPLUS.NET Organization Email: INFO@ALLEVENTSPLUS.NET

Name of Event Organizer (if different from applicant): SAME

Alternate Contact Name: VANESSA MONTES Phone/Email: 916-467-0033 VANESSA@ALLEVENTSPLUS.NET

### FACILITY REQUESTED

• Orangevale Community Center - 6826 Hazel Avenue

Field Area

• Orangevale Community Park - 7301 Filbert Avenue

Disc Golf Course

Pavilion & Stage Area

Horse Arena

Oak & Filbert Area

Stone Amphitheater

Other Facility: AREA WHERE POW WOW DAYS IS HELD

### EVENT INFORMATION

Event Name: BOW WOW DAYS - A PETICULAR EVENT

Event Date(s): 9.25.2021 Day(s) of week:  M  T  W  Th  F  Sat  Sun

Event Time(s): Must include an adequate amount of time for set up and clean up of the facility.

Set up time	Event time	Clean up time
From: 7 <input checked="" type="checkbox"/> am <input type="checkbox"/> pm	From: 11 <input checked="" type="checkbox"/> am <input type="checkbox"/> pm	From: 3 <input type="checkbox"/> am <input checked="" type="checkbox"/> pm
To: 10:30 <input checked="" type="checkbox"/> am <input type="checkbox"/> pm	To: 3 <input type="checkbox"/> am <input checked="" type="checkbox"/> pm	To: 6 <input type="checkbox"/> am <input checked="" type="checkbox"/> pm

Type of Event:  Concert  Festival  Celebration  Run/Walk  Other COMMUNITY PET EVENT

Purpose of Event: BRING AWARENESS TO PET NEEDS - ADPOTIONS, CARE, AND DEMONSTRATIONS

Overall Estimated Attendance: 500 Daily 400 Adults 100 Children

Has this event been produced before?  Yes  No If yes, previous attendance: \_\_\_\_\_

If yes, list previous name, date and location of event: \_\_\_\_\_

**EVENT INFORMATION cont'd**

Description of Event - Provide a detailed description of your event (i.e. list activities, entertainment, and vendors, special equipment and structures, etc. You may attach additional pages or materials as needed.

THIS WILL BE A PET AWARENESS EVENT. DEMONSTRATIONS, PET CARE, PET ADOPTIONS, MUSIC, FOOD, VENDORS AND CRAFTS.

How does the community of Orangevale benefit from this event?  
Community will have the opportunity to connect with resources pertaining to the well being and care of thier favorite pet. Wander through dozens of animal rescue groups, adopt a pet, eat, shop, and enjoy the animal exhibitors and exhibitions and more!

Is this a Public or Private event?  Public  Private  Other \_\_\_\_\_

If public, please give name, phone number and website for public event information: same as organizer

Will a charge, fee, or donation be collected for this event?..... Yes  No

If yes, for what purpose will the proceeds be used? .....  Financial Gain  Charity  Fundraiser  Cost of Event

Please list the type (i.e., admission, food charge) and amount of charge:

Admission is free, both space and sponsorship will be solicited to contribute the cost of the event and proceeds will benefit animal outreach programs

Will there be religious, political, or union activities?..... Yes  No

Will food be served at the event? ..... Yes  No

If yes, and you are using a caterer, please list caterer's name and phone # Food trucks

Will alcohol be  served or  sold at your event? ..... Yes  No

If yes, please list the time alcohol will be served 11 am -3 pm in a specific designated area

Will you be bringing any apparatus, equipment, or additional tables and chairs to your event?..... Yes  No

If yes, please list sound, tables, chairs and shade umbrellas

At your event, will there be a .....  Live Band  Recorded Music  Public Address  DJ

**INSURANCE REQUIREMENTS**

The District requires all facility users to provide a Certificate of Insurance in the amount of \$500,000 in liability coverage, with the Orangevale Recreation and Park District named as additionally insured. You may provide your own insurance or purchase special event insurance through the District. The Horse Arena insurance requirement is \$2,000,000.

I will provide my own insurance.  I wish to purchase insurance from the District.

**STATEMENT OF RESPONSIBILITY FOR LIABILITY OR DAMAGE/RECEIPT OF RULES & REGULATIONS**

User agrees to be solely responsible for any and all claims, loss, damages, costs and expenses, including attorneys' fees, arising out of or resulting from any injury to persons or damage to property which arise out of its use of the District's facilities. User agrees to defend, indemnify and hold harmless the District, its officers, agents, employees and volunteers against any and all such claims, demands, causes of action, suits and expenses, arising out of or resulting from its use of the District's facilities.

I, (group representative), the undersigned, have received the rental policies and procedures; and have read and hereby agree to abide by all rules and regulations.

CUSTOMER SIGNATURE: [Signature] DATE: 4.22.2021

REVIEWED BY OVPARKS REPRESENTATIVE: \_\_\_\_\_ DATE: \_\_\_\_\_

**SUPPLEMENTAL SPECIAL USE APPLICATION**

A Supplemental Special Use Application will be required if your event plans to have any of the following: a) over 200 participants, b) amplified music, c) alcohol sales, d) food sales, or e) participant entry fee. Complete this application, attach any necessary supplemental information and submit to the District Office located in the Orangevale Community Center at 6826 Hazel Avenue, Orangevale CA 95662. Application must be submitted at least twelve (12) weeks in advance of the date requested. Submission of this application does not constitute approval of use, and no advertising of the event should occur until written approval is obtained.

EVENT NAME: same as page 1

**Set-Up – List below the days/dates needed to set up the event.**

Day 1: Day of Week \_\_\_\_\_ Date \_\_\_\_\_ Start Time \_\_\_\_\_ End Time \_\_\_\_\_  
Day 2: Day of Week \_\_\_\_\_ Date \_\_\_\_\_ Start Time \_\_\_\_\_ End Time \_\_\_\_\_

**Event Dates – List below the days/dates of the event.**

Day 1: Day of Week \_\_\_\_\_ Date \_\_\_\_\_ Start Time \_\_\_\_\_ End Time \_\_\_\_\_  
Day 2: Day of Week \_\_\_\_\_ Date \_\_\_\_\_ Start Time \_\_\_\_\_ End Time \_\_\_\_\_  
Day 3: Day of Week \_\_\_\_\_ Date \_\_\_\_\_ Start Time \_\_\_\_\_ End Time \_\_\_\_\_  
Day 4: Day of Week \_\_\_\_\_ Date \_\_\_\_\_ Start Time \_\_\_\_\_ End Time \_\_\_\_\_

**Tear-Down Dates – List below the days/dates needed to tear-down the event.**

Day 1: Day of Week \_\_\_\_\_ Date \_\_\_\_\_ Start Time \_\_\_\_\_ End Time \_\_\_\_\_  
Day 2: Day of Week \_\_\_\_\_ Date \_\_\_\_\_ Start Time \_\_\_\_\_ End Time \_\_\_\_\_

**EVENT SITE PLAN/MAP**

Attach a detailed site plan/map of the event layout including locations of vendors, equipment, activities, parking, etc. The site plan should be submitted on 8 ½" x 11" or 8 ½" x 14" white paper. Please indicate a directional sign showing north. Include a key if you use symbols denoting event areas.

**EVENT ACTIVITY PLAN**

Check all activities that apply and items used in conjunction with those activities that will be at your event. Please mark the location of these activities and items on your Site Plan/Map.

**Entertainment**

- Amplified Music – Live Hours – Start 11 am End 3 pm
- Amplified Music – Recorded Hours – Start 11 am End 3 pm
- Carnival Booths/Rides Hours – Start \_\_\_\_\_ End \_\_\_\_\_
- Other \_\_\_\_\_ Hours – Start \_\_\_\_\_ End \_\_\_\_\_

**Sporting Activities**

- Type \_\_\_\_\_ Hours – Start \_\_\_\_\_ End \_\_\_\_\_
- Type \_\_\_\_\_ Hours – Start \_\_\_\_\_ End \_\_\_\_\_

**Vendors**

- Food & Non Alcoholic Beverages.....County of Sacramento Environmental Health permit
- Merchandise.....Must follow local & state laws
- Alcoholic Beverages.....Requires ABC & District permit and security

**Equipment**

Use of tents, temporary structures, staging, portable seating, fencing, portable generators subject to Sacramento Metro Fire District inspection & permit.

- Stage(s)  Dance Floor(s)  Portable Seating
- Fencing  Tents & Canopies  Portable Hand Wash Station
- Electrical Generators  Portable Restrooms  Other
- Animals on event grounds – Petting zoo, pony rides, horses, etc Explain: Adoptions agency and demonstrations
- Vehicles on event grounds – car show, etc Explain:
- I request overnight camping. Explain:
- Public Address, Microphone, Loud Speaker(s) just announcement from stage - music
- I request access to an Orangevale Recreation & Park District water source
- I request access to an Orangevale Recreation & Park District electric source

**SUPPLEMENTAL SPECIAL USE APPLICATION - Cont'd**

**ALCOHOL MANAGEMENT PLAN**

If your event is serving OR selling alcohol, please describe your plan for managing alcohol at your event on a separate sheet and attach to this application. Include in your description your sales plan (cash, tickets), method of serving, who will serve the alcohol (professionals, volunteers), number of service locations, how ID's will be checked, how you will monitor under-age drinking, and if you have an alcohol sponsor(s).

**PARKING & TRAFFIC MANAGEMENT PLAN**

Please describe your plan for parking and traffic control for your event. Your traffic plan may need review by the Sacramento County Sheriff's Department and/or the California Highway Patrol. Please indicate parking locations and traffic flow control on your site plan.

**SANITATION, WASTE & UTILITY PLAN**

You are responsible for properly disposing of all waste and garbage throughout the term of your event. Immediately upon conclusion of the event, the area must be returned to a clean condition. Please describe your plan for waste collection and removal. You are required to provide restroom accommodations for event attendees. Depending on the size and location of your event, you may need to rent portable restrooms. You may also be required to provide hand washing stations. Please describe your plan for providing these items.

**STAFFING PLAN**

Please describe your plan for staffing your event. Include in your description the number and type of staff at your event.

**EMERGENCY AND SAFETY PLAN**

Please describe your plan for handling emergencies at your event. Include in your description provision for security guards, on-site medical treatment (first aid station or ambulance), and evacuation plan in an emergency. Also include your plan for addressing accessibility to your event for persons with disabilities.

**EVENT MARKETING PLAN**

Please ensure that you have event approval before you begin to market, advertise or promote your event. Please describe your plan for marketing your event, once you have approval. Please include radio, television, and other media you will be utilizing and if you plan on placing signs or banners on District property.

**NOTIFICATION PLAN**

An event can change the normal flow of residential and business activity potentially causing a negative impact to the surrounding community. As the event organizer, you are responsible for providing notification of the Event and any possible disruption of traffic which could occur in the surrounding neighborhood to all necessary regulatory agencies, businesses and residences within four (4) blocks of the Event at least one (1) month prior to the Event. Such notification shall be by mail or personal delivery and provide District with written proof that such notifications have been made. Please describe your plan for handling notification.

**STATEMENT OF RESPONSIBILITY FOR LIABILITY OR DAMAGE/RECEIPT OF RULES & REGULATIONS**

User agrees to be solely responsible for any and all claims, loss, damages, costs and expenses, including attorneys' fees, arising out of or resulting from any injury to persons or damage to property which arise out of its use of the District's facilities. User agrees to defend, indemnify and hold harmless the District, its officers, agents, employees and volunteers against any and all such claims, demands, causes of action, suits and expenses, arising out of or resulting from its use of the District's facilities.

I, (group representative), the undersigned, have received the rental policies and procedures; and have read and hereby agree to abide by all rules and regulations.

CUSTOMER SIGNATURE:  DATE: 4.22.21

REVIEWED BY OVPARKS REPRESENTATIVE: \_\_\_\_\_ DATE: \_\_\_\_\_

**Submit**

## **PERMIT AGREEMENT**

This Agreement is made and entered into this 10<sup>th</sup> day of June 2021, by and between Orangevale Recreation and Park District, a recreation and park district formed pursuant to California Public Resources Code Section 5780, et seq., a political subdivision of the State of California located in Sacramento County, hereinafter referred to as the “District”, and Lisa Montes “All Events Management Group or AEMG”, hereinafter referred to as the “Permittee”.

### **RECITALS**

WHEREAS, the District is the owner of certain real property located in the County of Sacramento, State of California known as Orangevale Community Park, located at 7301 Filbert Avenue, Orangevale, California, hereinafter referred to as the "Property"; and

WHEREAS, Permittee desires to use the Property for the Bow Wow Days – A Peticular Event, community special event for the public on September 25, 2021.

WHEREAS, District finds it is in the public interest to enter into this Permit Agreement with Permittee for the use of the Property.

NOW, THEREFORE, it is mutually understood and agreed by and between the parties hereto as follows:

### **SCOPE OF PERMIT AND USE OF PROPERTY**

1. District agrees to grant Permittee the non-exclusive right to use the Property for Bow Wow Days A Peticular Event, September 25, 2021 (the “Event”) for attendance by the general public. Permittee shall also have exclusive use of the areas of the Property outlined in the Application for Use of Facilities (the “Application”), a copy of which is to be completed and attached hereto as Exhibit A and incorporated herein by this reference. Permittee shall have the right to impose reasonable rules and regulations to be observed by the general public to ensure the safety of the participants at said Event. Permittee agrees to comply with all District rules, regulations and policies with respect to the use of the Property. Permittee is authorized to begin Event setup on Saturday, September 25, 2021 at 7am and is required to complete Event take-down and cleanup by Saturday September 25, 2021, 6pm. Permittee is required to coordinate all activities with the District. Permittee agrees that the security deposit will be forfeited if Permittee fails to complete all cleanup of the Property by Saturday, September 25, 2021 at 6pm

Permittee shall cause the removal of any camper, truck, trailer and/or tents from the designated area and the Property no later than September 25, 2021 at 6pm. Under no circumstances shall Permittee and/or Permittee’s exhibitors, concessionaires and/or officials have an open fire (wood fire, bonfire, campfire) on District property unless specifically authorized by the District in writing. In the event an open fire is made, Permittee shall cause the person and/or persons responsible to leave the Property immediately. Permittee shall assume responsibility for any and all injuries and/or damages which occurs and/or arises from the activities authorized under this Paragraph. District shall not assume any liability to Permittee, and/or any other person as a result of the activities authorized by this Paragraph. Permittee shall be responsible for notifying any and

all exhibitors, concessionaires, agents and/or officials that District shall have no liability for any and all injuries and/or damages which occur on the Property. Permittee shall require any person wanting to utilize the Property for camping purposes as authorized by this paragraph to sign a waiver in the form to be provided by District, the original of which shall be provided to District. Permittee understands and agrees that it assumes any and all liability for any personal injury and/or damages resulting from the use of the Property as provided for herein.

Permittee understands that members of the public frequently use Orangevale Community Park and that the Permit being granted is for non-exclusive use and must be shared with other members of the public. The District agrees, however, to not schedule any other events and/or activities on the Property for the dates of the Permit being granted herein.

Permittee agrees and understands that it accepts the Property in an as-is condition and is responsible for inspecting all areas within the Property and immediate surrounding areas for hazards and will take any necessary steps to protect Event participants and attendees until corrective/remedial measures are implemented.

Permittee's use of the Property is limited to those purposes and those activities specifically described in this Agreement. This Agreement is to be strictly construed according to its terms and no use of District Property for purposes or activities other than those specified herein is authorized hereby. Failure of Permittee to comply with this condition may result in revocation of this Agreement.

#### **NATURE OF THE INTEREST GRANTED**

2. It is specifically understood and agreed by the parties hereto that this Agreement does not convey any right, title or interest in the Property to the Permittee other than as specifically stated herein for the purpose of using the Property for the Event and other uses stated in the Application. No relationship between the parties is intended to be created by this Agreement other than as specifically stated herein.

#### **FEEES**

3. In consideration for the use of the Property as provided for herein, Permittee shall pay to the District a security deposit of five hundred dollars (**\$500.00**) (the "Deposit") no later than June 25, 2021, which Deposit shall be used to reserve the dates and pay for any damages associated with the terms of this Permit should said damages not be repaired by Permittee. The parties agree that the District can deduct the expense of repairing and/or replacing any property damage, claims and/or any other unpaid sums owed by Permittee under this Agreement from the Deposit with the balance returned to the Permittee within thirty (30) days of the last day of any repairs. Permittee shall forfeit all or a portion of the Deposit if the event is cancelled in accordance with the schedule set forth in Paragraph 4 below. The District shall provide a detailed itemized list of all deductions from the Deposit to the Permittee.

As further consideration for the use of the Property, Permittee shall pay to the District a rental fee of six hundred sixty seven dollars (**\$667**) (the "Rental Fee") no later than July 27, 2021.



If the event is cancelled for any reason within ninety (90) days prior to the scheduled date, the District agrees to refund any monies paid by Permittee as follows:

Within 89 to 60 days prior to the event, 50% of the Deposit  
Within 59 to 30 days prior to the event, 25 % of the Deposit  
Within 29 to 1 days prior to the event, 0% Deposit.

#### **CHARGES BY PERMITTEE**

4. Permittee shall have the right to charge members of the public for parking in the areas designated for Permittee's exclusive use under this Permit. Permittee shall not charge any member of the public utilizing those portions of the Property for which Permittee is given non-exclusive use.

#### **OBLIGATIONS OF DISTRICT**

5. Provided Permittee has paid all fees required under this Agreement, complied with all of the requirements and is not in breach thereof, District understands and agrees to do the following:

a. District agrees to provide for the non-exclusive use of the Property, including the pavilion, restrooms, and parking facilities, and exclusive use of those facilities specifically identified in the Application.

b. District shall furnish Permittee with electrical and water usage within the capacity of the District's facilities, for the Event from September 25, 2021 only.

c. District shall ensure that at least one (1) staff member will be available within a thirty (30) minute response time to assist with park maintenance emergencies throughout the set-up and for the duration of the event.

d. District shall adjust all irrigation settings for the Property authorized for use by Permittee to accommodate the event.

e. District shall refer all participant inquiries for the Event to Permittee.

## OBLIGATIONS OF PERMITTEE

6. Permittee understand and agrees to do the following:

a. Permittee shall attend a pre-event inspection walk-through which will take place on Friday, September 24, 2021 with the District's representatives and the post-event inspection walk-through that will take place on Monday, September 27, 2021 to determine pre and post event facility conditions and damage.

b. Permittee agrees and understands that it shall reimburse the District for the repair of any area of the Property or its surrounding areas which is damaged or diminished in value by or related to operations or activities under this Permit, and shall pay for the District to restore the area, to the condition existing immediately prior to the commencement of the Permittee's operations under this Permit, excepting normal wear and tear of turf areas. District shall provide an itemized list of any such damages or repairs resulting from the event, within five (5) days from the Event's final walk-through on Monday, September 27, 2021. Permittee will have the opportunity to make the necessary repairs outlined by the District in a time frame approved by the District.

c. Permittee shall provide District with a proposed layout for the Event no later than August 27, 2021 for review by the District. Any feedback on the layout for the Event shall be given no later than September 1, 2021. Permittee agrees to make any modifications and/or revisions to the layout for the Event if indicated by the District that such modification and/or revision is necessary for the safety of the public and/or District property. Any modifications to the layout after approval shall be submitted in writing and approved by District. Permittee shall remain responsible for the layout and ensure the safety of participants and/or attendees of the Event, the general public, District employees and property, and District shall not assume any such liability as a result of approving any layout. Permittee shall also provide District with an emergency notification list.

d. Permittee agrees and understands that it has the sole responsibility at all times to be knowledgeable about, fully understand, and to meet or exceed, at its own cost and expense, all local, state and federal codes, laws, policies, and regulations associated with the Event including but not limited to the provisions of the California Department of Alcoholic Beverage Control, Sacramento Metropolitan Fire District, Sacramento County Environmental Management Department, Sacramento County Sheriff's Department, and Sacramento County Health Officer. Permittee shall file copies of all permits (and records of subsequent inspections) with the District at least one (1) week prior to the Event (or within one (1) hour of on-site inspections during the Event).

e. Permittee agrees and understands that it shall bear any and all costs, fees, charges or expense of any and all permits, applications, operations and/or activities under or related to this Permit and the Event, and District shall not be liable and/or responsible for any cost, fee, charge or expense associated therewith.

f. Permittee shall be responsible for providing adequate security for property, vehicles, participants, workers, and equipment, which are participating in the Event during the

period of this Permit. Permittee's security arrangements and operations shall be coordinated and approved by District (plan must be submitted to District's representative one month prior to the Event). Permittee understands and agrees that District's approval of any security plan for the Event does not relieve Permittee from any and all liability therefore, and further does not transfer any liability resulting from the Event to District.

g. Permittee shall be responsible for furnishing sufficient personnel and equipment for traffic and crowd control and comply with any and all laws, rules and regulations that are applicable thereto.

h. Permittee shall provide, at its own expense, portable restrooms, medical, first aid facilities and personnel, and potable water, as are deemed necessary by the County of Sacramento Environmental Health Department, the Sacramento Metro Fire District, and the District to accommodate the expected number of people. Permittee shall comply with all laws, rules and regulations governing the number and types of facilities, and any and all other rules and regulations required to address the above needs. Permittee shall file Material Data Safety Sheets (MSDS) for all cleaning agents requiring specifications with the District at least one (1) month prior to the event. The plan to accommodate this section shall be submitted to the District for approval no later than Friday, August 27, 2021. Permittee agrees to provide the necessary number of portable restrooms as specified by the County of Sacramento Environmental Management Department. Permittee shall provide for stocking and cleaning of each portable restroom on an hourly basis during the event and pumping of portable restrooms that meets the County of Sacramento Environmental Management Department requirements and any other laws, rules and/or regulations.

i. Permittee shall ensure that all designated fire access and gates remain clear and accessible throughout the Event and use of the Property by Permittee.

j. Permittee understands and agrees that all costs, fees, charges and expenses related to or incurred as a result of the use of the Property by the Permittee, its exhibitors, concessionaires, invitees and/or officials; and, any and all costs, fees, charges and expenses related to or incurred for emergency services as a result of the Event which are provided by District, the County of Sacramento or other public safety agencies; and, all costs, fees, charges and expenses related to or incurred as a result of the exercise of District's right and commitment to construct, maintain and remove temporary facilities shall be borne solely by the Permittee.

k. Permittee shall pay, and hold District and its property free and harmless from, any and all of the following: (a) charges and fees for the furnishing of utilities (existing electricity excepted) to the Event during the term of this Agreement; (b) all sales and use taxes levied on transactions at the Event; (c) all taxes, assessments and other charges, if any, levied or imposed by any governmental entity on any personal property placed by Permittee in, on or about the Property; and (d) all real property taxes, assessments and standby charges, if any, levied or assessed against the Property by a governmental entity as a result of Permittee's use and occupation of the Property and/or any taxable possessory interest created by this Agreement. All such fees, charges, taxes and assessments shall be paid as they become due and payable, but in any event before they become delinquent.

l. Permittee, at its sole cost and expense, shall maintain the Property in good, safe, clean, attractive and sanitary condition and repair, and shall repair all damage resulting from use of the Property (excepting normal wear and tear of turf areas) by Permittee or Permittee's employees, agents, contractors, concessionaires, guests or invitees.

m. Permittee acknowledges receipt of a copy of the District's Park Ordinance which specifies the rules and regulations governing use of District Property and facilities. Permittee agrees to comply with the District's Ordinance concerning the activities permitted to be undertaken on District Property and the use thereof as specified in the District's Park Use Ordinance.

n. Permittee agrees that it shall not use the Property in any manner that will constitute a waste, nuisance or unreasonable annoyance, provided that it is mutually understood and agreed that the use for the Event as described in this Agreement and for other uses consistent with such activity will in no event be deemed by the District to violate this prohibition against nuisance and/or unreasonable annoyance.

#### **INDEMNIFICATION**

7. This Agreement is made upon the express condition that the District is to be free from any and all liability and claims for damage by reason of any injury to any person or persons, including Permittee, its agents, employees, concessionaires, exhibitors, invitees and/or officials, or by reason of any injury to property of any kind whatsoever, and to whomever belonging, including Permittee, its agents, concessionaires, exhibitors, officials, invitees and employees, from any cause or causes whatsoever, in, upon or in any way connected with the Property or any use hereunder.

Permittee shall and hereby agrees to defend and indemnify District and save District, its board of directors, officers, employees and agents harmless from and against all claims, liability, losses, damages, expenses, causes of action, suits or judgments, together with any and all costs or expenses connected with the investigation or defense thereof, including legal fees, by reason of or resulting from: (a) the use, operation, condition, or management of the Property, the Event and/or any temporary structures constructed on the Property; (b) the performance of, or failure to perform any obligations of this Agreement by Permittee, or any concessionaire, exhibitor, official, agent or employee of Permittee; (c) any alleged negligent act or omission of Permittee, or Permittee's employees, concessionaires, exhibitors, officials, invitees, agents, or contractors in connection with any acts performed or required to be performed by Permittee pursuant to this Agreement; and (d) the construction or installation of any temporary structures on the Property. This indemnification shall not apply to the extent that any claim is adjudicated as arising from the sole negligence or willful misconduct of District, its officers, directors, agents or employees.

It is understood and agreed that the indemnification obligations created by this Agreement shall survive the termination of the Agreement.

## INSURANCE

8. Permittee shall carry and maintain during the life of this Agreement such public liability, property damage, and contractual liability insurance, as well as fire and Worker's Compensation insurance as specified below:

a. Public liability, property damage and contractual liability insurance. Permittee agrees that it shall, at all times during the term of this Agreement, furnish public liability and property damage insurance which includes, but is not limited to, personal injury, property damage, losses relating to independent contractors, products and equipment, explosion, collapse and underground hazards in the minimum amount of not less than \$1,000,000.00 for personal injuries as a result of any one occurrence on account of liability and a limit of not less than \$500,000.00 for property damage.

The public liability and property damage insurance furnished by Permittee shall also name the District as an additional insured and shall directly protect, as well as provide for the defense of the District, its officers, agents and employees, as well as Permittee, and Permittee's subcontractors, suppliers, agents, invitees, concessionaires, exhibitors, officials and employees, from all suits, actions, damages, losses or claims of every type or description to which they may be subjected by reason of, or resulting from Permittee's operations on the Property pursuant to this Agreement and all insurance policies shall so state. Said insurance shall also specifically cover the contractual liability of Permittee. Said insurance shall also specify that it acts as primary insurance. Said insurance shall also insure performance by Permittee of the indemnity provisions of this Agreement.

Permittee further agrees that it will, at all times during the term of this Agreement, at its own cost and expense, obtain and keep in full force and effect naming both Permittee and District as insureds thereunder, fire, windstorm and extended coverage insurance in an amount equal to the actual replacement cost of all of Permittee's personal property and equipment utilized by Permittee in utilizing the Property pursuant to this Agreement.

b. Worker's Compensation Insurance, Permittee shall carry full worker's compensation insurance coverage for all persons employed, either directly or through contractors, in utilizing the Property as contemplated by this Agreement, in accordance with the Worker's Compensation Act contained in the Labor Code of the State of California.

By execution of this Agreement, Permittee certifies as follows:

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code. I will comply with such provisions before commencing the performance of the work of this contract.

As part of the execution of this Agreement, Permittee agrees to furnish to the District a certified copy of the insurance policies that it has taken out for public liability, property damage and worker's compensation insurance set forth above for the period covered by

this Agreement, or a certificate of such insurance. All insurance is to be placed with insurers with a current A.M. Best rating A:VII or better unless otherwise accepted in writing by District. Said certified policies of insurance or said certificates of insurance shall be furnished to the District prior to commencing the services contemplated by this Agreement. Each such certified policy or certificate of insurance shall bear an endorsement precluding the cancellation or reduction in coverage of any such policy before the expiration of thirty (30) days after the District shall have received written notification of such a cancellation or reduction.

Should Permittee fail to obtain and keep in force the insurance coverage hereinabove required, the District shall have the right to cancel and terminate this Agreement forthwith and without regard to any other provisions of this Agreement.

#### **ASSIGNMENT OF AGREEMENT**

9. Permittee shall have no right, authority or power to assign, sell or transfer this Agreement, or any right or privilege arising under this Agreement. Permittee agrees that it shall have no right, authority or power to allow or permit any other person or party to have any interest in or use any portion of the District's facilities and/or the Property. However, Permittee may allow concessionaires to enter upon the Property for the performance of functions and services within the scope of the uses allowed to Permittee under the provisions of this Permit. To avoid uncontrolled vending of merchandise during the period of this Permit, only those tenants having an agreement with the District, and concessionaires, exhibitors and salespersons having written agreements with Permittee, shall be allowed to sell to the public on the Property.

#### **DEFAULT**

10. The occurrence of any of the following events, may, at District's election, constitute a default by Permittee under the terms of this Agreement:

a. Failure to abide by any and all laws, rules and regulations of the District, County of Sacramento, Sacramento Metropolitan Fire District, and/or any other regulatory agencies regarding the use and operation of the Property and other District facilities,

b. The issuance of an injunction by any court of competent jurisdiction restraining the use of the site for any of the purposes for which Permittee or the District is authorized;

c. The filing by Permittee of a voluntary petition in bankruptcy or institution of proceedings in bankruptcy against Permittee and/or the adjudication of Permittee as being bankrupt pursuant to such bankruptcy proceedings;

d. The appointment of a receiver of Permittee's assets, which results in a liquidation of Permittee's business;

e. The general assignment of this Permit by Permittee for the benefit of creditors;

f. Failure to perform any provision of this Agreement, including the failure to maintain the insurance required by the terms of this Agreement.

In the event of any such default, the District shall have the following rights and remedies, in addition to any rights and remedies now or hereafter provided by law. All such remedies are cumulative and may be exercised concurrently or separately.

Upon default by Permittee, the District can terminate the right of Permittee to possession of its facilities at any time. Upon termination, Permittee shall immediately surrender and vacate District facilities occupied by it. The District may immediately reenter and take possession of the Property. Termination of the Agreement under this paragraph shall not relieve Permittee from its obligations to indemnify the District as set forth above.

### **HAZARDOUS SUBSTANCES**

11. Permittee shall not place and/or utilize any hazardous substances on the Property unless authorized to do so by the District. Pursuant to Health and Safety Code section 25359.7, Permittee shall notify District in writing within a reasonable time of any material release of hazardous substances and of any hazardous substances that have come to be located on or beneath the site.

12. Prior to the expiration of this Permit, Permittee shall at its sole expense remove all items of personal property, including but not limited to all flammable and hazardous materials and wastes as defined by state or federal law at the time of expiration of the Permit.

13. Permittee shall make available for inspection to the District all records relating to the maintenance, release, mitigation, and cleanup of any hazardous substances on the leased premises.

14. Permittee shall comply with all federal, state and local laws and regulations relating to hazardous materials and wastes, and shall timely comply with the orders of any governmental agencies relating thereto.

15. District, and its authorized employees, officers and agents, and local law enforcement personnel shall have the right to enter the property at any time to inspect the premises.

### **CANCELLATION BY PERMITTEE**

16. Permittee may cancel this Permit and terminate all of its obligations at any time subsequent to the commencement of the term upon the breach of District of, or its failure to perform, any of the covenants or agreements contained in this Permit and the failure of District to remedy any breach for a period of five (5) days after receipt of written notice from Permittee of the existence of such breach. District shall not be considered to be in breach of this Agreement during any period of major construction activity on the Property site taking more than fifteen (15) days to complete, if District can institute temporary measures to lessen the effect of such construction on the Permittee.

## NOTICE

### 17. Service of Notice.

Any notice to or demand upon Permittee or District required or permitted to be made under the provisions of this Agreement or any provisions of law, shall be given or made by registered mail, postage prepaid and addressed as follows until changed:

Orangevale Recreation and Park District  
6826 Hazel Avenue  
Orangevale, CA 95662

AEMG, INC  
Lisa Montes  
6129 Rich Hill Drive  
Orangevale, CA 95662

## NEGATION OF PARTNERSHIP

18. Permittee shall not become or be deemed a partner or joint venture with District by reason of the provisions of this Agreement.

## WAIVER

19. The failure or omission by District to terminate this Agreement for any violation of its terms, conditions or agreement shall in no way bar, stop or prevent District from terminating this Agreement therefore, either for such, or for any subsequent violation of any such term, condition or covenant. The acceptance of any fees hereunder shall not be or be construed to be a waiver of any breach of any term, covenant or condition of this Agreement.

## MISCELLANEOUS PROVISIONS

20. In the event of any litigation between the parties hereto arising out of this Agreement or in connection with the Property used by Permittee pursuant to the terms of this Agreement, the prevailing party shall be entitled to recover a reasonable sum and as for attorney fees, which shall be added to and become a part of any judgment therein.

21. This instrument contains all of the agreements and covenants made between the parties to this Agreement and may not be modified orally or in any other manner than by agreement in writing signed by all the parties to this Agreement or their respective successors or assigns. Any such amendment or modification shall be attached to this Agreement.

22. This Agreement shall be governed by the laws of the State of California. This Agreement constitutes the entire agreement between the parties regarding its subject matter. If any provision in this Agreement is held by any court to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force and effect.



23. This Agreement shall inure to the benefit of and bind any and all successors and assigns of the parties.

24. Both parties represent, covenant and warrant that they have full authority to enter into and execute this Agreement

IN WITNESS WHEREOF, Orangevale Recreation and Park District has caused this Agreement to be executed on its behalf by the chairperson and clerk of its board of directors, and the Permittee has caused this Agreement to be executed on its behalf by its president the day and year first above written.

**ORANGEVALE RECREATION AND  
PARK DISTRICT**

**ALL EVENTS MANAGEMENT GROUP  
LISA MONTES**

By \_\_\_\_\_  
Barry Ross, District Administrator

By \_\_\_\_\_  
Lisa Montes, AEMG, INC President