

## REPORT TO THE CITY COUNCIL

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**DATE:** March 6, 2018

**TITLE:** Approval of Mission Springs Water District Initiating Formation of Assessment District No. 17 of the Mission Springs Water District

**Prepared by:** Spicer Consulting Group, LLC

**Reviewed by:** Luke Rainey, Deputy City Manager

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### RECOMMENDATION

Consider adoption of a Resolution of the City Council that does not object to the Mission Springs Water District initiation of proceedings for the construction of certain work pursuant to the provisions of the Municipal Government Act of 1913 for Assessment District No. 17 and additional Assessment Districts contained therein.

### BACKGROUND

Mission Springs Water District (MSWD) is working on the formation of its Assessment District (AD No. 17) to provide sewer system improvements to properties currently required to use on-site septic systems. The proposed improvements (the Improvements) will provide an enhanced reliable connection for waste water treatment to each property within the boundaries of AD No. 17. This ability to connect to the waste water collection and treatment system will allow for more flexible and increased potential development on each undeveloped property and remove the potential prohibition and environmental constraints placed on existing developed residential and commercial properties within AD No. 17.

The boundaries of AD No. 17 (Exhibit 2) include properties located in the City of Desert Hot Springs, generally located in Zone A at the southeast corner of the 16th Street and Palm Drive intersection, north of 12th Street, and east of the storm drain channel; and in Zone B north of Hacienda Avenue and east of Mountain View Road. MSWD provides water and sewer services to the properties within the boundaries of AD No. 17.

Formation of AD No. 17 and the approval of the financing of the Improvements will ultimately be determined by the landowners within AD No. 17, weighted based on the estimated burden represented by each property. However, pursuant to Section 10105 of the Streets and Highways Code, when a proceeding to form a new assessment district is undertaken by a legislative body other than that of a city or county, before the resolution of intention to form the assessment district is adopted, the forming municipality must obtain the approval of the legislative body of the city or county (if there is any portion of the assessment district which lies within such city or county).

The City Council approved a similar action for AD No. 15 on June 6, 2017

### DISCUSSION/FISCAL IMPACT

There will be no fiscal impact of AD No. 17 on the City of Desert Hot Springs. If formed, following a public hearing and landowner vote pursuant to the 1913 Act of the California Streets & Highways Code, the Improvements will be financed through prepayment of assessments of the properties within AD No. 17, or bonds/obligations issued by MSWD on behalf of AD No. 17, or other sources of funds secured by MSWD on behalf of the properties within AD No. 17.

### EXHIBIT(S)

- 1) Resolution not objecting to MSWD initiation of proceedings for Assessment District No. 17
- 2) Proposed Boundary Map of Assessment District No. 17
- 3) MSWD Resolution (included for reference)