

ANNUAL REPORT

Fiscal Year 2016-2017

**Morva Drive/Morva Court
County Service Area**

Daniel Woldesenbet, Ph.D., P.E., Director of Public Works
Alameda County Public Works Agency 951 Turner Court, Hayward, CA 94545

TABLE OF CONTENTS

INTRODUCTION 1

SCOPE OF SERVICE AND LOCATION 1

VICINITY MAP 1

ROAD AND DRAINAGE IMPROVEMENTS 2

SERVICE PROGRAM AND SERVICE CHARGES 3

ESTIMATED 2016-2017 SERVICES 4

INCOME AND EXPENDITURE HISTORY 5

INTRODUCTION

The Annual Report (Report) for County Service Area (CSA) R-1982-2, Morva Drive/Morva Court, is presented to the Alameda County Board of Supervisors (Board) in compliance with County Service Area Law and the Alameda County Ordinance Code. Annually, Public Works Agency staff evaluates road conditions within the Morva Drive/Morva Court CSA. Staff then meets with the Morva Drive/Morva Court CSA property owners' representatives to review proposed service programs. Staff calculates service charges required to fund the program and the administration of the CSA. This Report and the recommended service charges are submitted to your Board for review, for public comment, and approval.

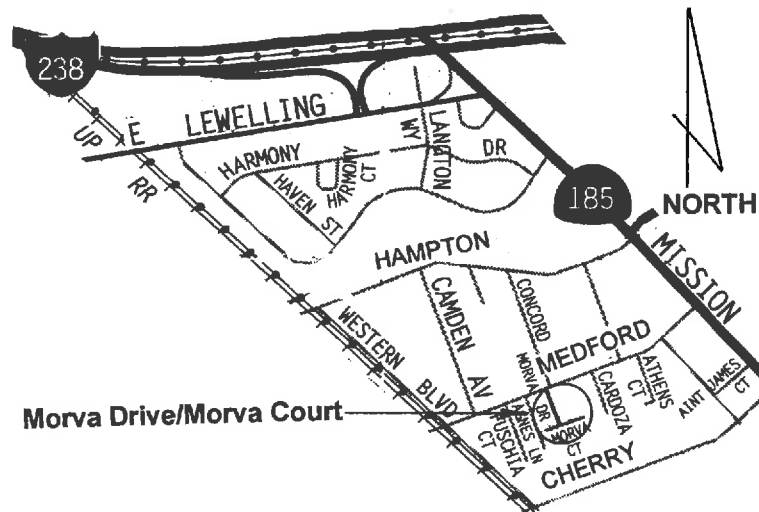
The Report describes the CSA's road and drainage improvement history and the property owners' commitment to ongoing maintenance of the road improvements. Copies of the Report are available for review or purchase at the Public Works Agency, 951 Turner Court, Hayward, CA 94545. Copies of Reports may be purchased in person for \$5.00 each, or by mail for \$8.00 prepaid. Copies are also posted on the Public Works Agency website where they can be downloaded and printed for free. They can be found at: <http://www.acgov.org/pwa>. The Annual Report is listed under Publications. The Reports are updated on the County's website each year in September.

SCOPE OF SERVICE AND LOCATION

The Morva County Service Area (CSA) was established in June 1983, to provide a financing mechanism for road maintenance services for Morva Court and Morva Drive, which are private roads. These roads serve 20 residences located on 13 low to middle income properties.

The CSA is located in the Eden Consolidated Area, of unincorporated Hayward, southerly of Medford Avenue, between Mission Boulevard and the BART tracks.

VICINITY MAP



ROAD AND DRAINAGE IMPROVEMENTS

In the past, due to a lack of fund availability, Morva Court and Morva Drive suffered from deferred maintenance over the years, with flooding problems during rainy periods. As a result, property owners approached the Public Works Agency and Housing and Community Development (HCD) for financial assistance to make needed road and drainage improvements. However, although residents applied for and received funding approval from an HCD grant program, lack of available Alameda County Flood Control and Water Conservation District matching funds prohibited implementation of the needed improvements.

During the 1996-1997 Fiscal Year, the Public Works Agency committed staff resources and funding up to \$40,000 for this project. The HCD Advisory Committee also approved a grant of approximately \$53,000 for the project at that time. During the 1997-1998 Fiscal Year, Public Works staff developed plans and specifications for the project and began the bidding process. The drainage improvements, road surface overlay and minor sidewalk repairs were completed during the 1998-1999 Fiscal Year.

During the 1996-1997 Fiscal Year, a majority of property owners signed a Memorandum of Understanding and Support for the project. The MOU stated that the property owners agreed to pay \$125 per year for each living unit through the 2002-2003 Fiscal Year for ongoing road maintenance and CSA administration.

HISTORY OF SERVICE PROGRAM AND SERVICE CHARGES

Service charges were collected through the 2002-2003 Fiscal Year to fund ongoing maintenance of Morva Court and Morva Drive, both private roads, and for CSA administrative services. However, ongoing maintenance costs had exceeded estimated maintenance costs and rapidly depleted CSA funds.

At the April 2006 CSA business meeting, property owners observed that road maintenance funds would be completely depleted within the next fiscal year. They expressed concern about long-term maintenance needs and future fund sufficiency. They requested that a maximum service charge be established at \$250 per living-unit. They indicated that setting maximum service charges will allow flexibility in providing long-term road maintenance services, routine maintenance services, and a fund to accommodate any emergency road maintenance needs.

An official ballot was conducted and the majority of returned ballots voted in favor of raising the maximum service charge to \$250 per living but voted to keep the service charges for the year, which can be lower than the maximum amount, at \$125 per living unit for Fiscal Year 2006-2007.

Service Charges remained the same at \$125 per living unit through Fiscal Year 2009-2010. Service Charges were increased to the Maximum service charges of \$250 per living unit for Fiscal Year 2010-2011 by a majority vote of those present at the Annual Business meeting in March 2010. It was necessary to increase the Service Charges to build up the available fund balance for long term road maintenance work in Fiscal Year 2011-2012. After a review of the current condition of the roads, it is anticipated that base repairs and a slurry seal would be needed at that time.

At the Annual Business meeting in March 2011, the condition of the roads was discussed. It was determined by Maintenance & Operations County staff that road base repairs may not be appropriate this year. The roads had deteriorated further from the winter rains. Estimates had not come in time for the meeting for the cost of a larger repair such as a slurry seal or to determine if this would be an appropriate repair. So it was recommended following the meeting that a service program be recommended for up to \$11,000 if needed for base repairs or emergency repairs, or if they had enough funds, to proceed with a slurry seal. In the 2013-2014 year, as the fund balance had increased, a slurry seal was planned and completed with the County's slurry seal projects.

SERVICE CHARGES FOR MORVA DRIVE/MORVA COURT

Current Annual Service Charge	Proposed Maximum Annual Service Charge	Proposed 2015-2016 Service Charge	Service Charge to be Levied
\$250.00	\$250.00	\$250.00	Per Living Unit

PROGRAM RECOMMENDED FOR THE 2016-2017 FISCAL YEAR

At the annual business meeting in the spring of 2016, the property owners did not feel any repairs would be necessary this next year but requested that \$500.00 be approved for minor emergency repairs for 2015-2016 fiscal year. A slurry seal project was recently completed and the roads were in good repair. The property owners in attendance recommended the continuance of the Annual Service Charge at the previous year's level of \$250.00 Per living Unit. The Service Charges and budget of \$500.00 will be recommended to the Board of Supervisors for approval.

MORVA DRIVE/COURT COUNTY SERVICE AREA

ESTIMATED BUDGET

with a \$250/Living Unit Service Charge

<u>2013-2014 Fiscal Year</u>	<u>2015-2016</u> Proposed Budget	<u>2015-2016</u> Year to Date	<u>2016-2017</u> Proposed Budget
BEGINNING BALANCE (est.)	\$16,136.30	\$16,136.30	\$21,322.54
Interest on Investments	\$24.00	\$24.00	\$24.00
Service Charges (estimates after Auditor collection Fee-1.75% approx \$87.50)	\$5,000.00	\$5,162.24	\$5,162.24
Other Income	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
TOTAL INCOME	\$21,160.30	\$21,322.54	\$26,508.78
EXPENSES			
Publications	\$0.00	\$0.00	\$0.00
Engineering	\$0.00	\$0.00	\$0.00
Est. for Professional Serv. Contract	\$0.00	\$0.00	\$0.00
Routine M & O	\$500.00	\$0.00	\$500.00
Administration	<u>\$300.00</u>	<u>\$0.00</u>	<u>\$300.00</u>
TOTAL EXPENSES	\$800.00	\$0.00	\$800.00
ESTIMATED CARRYOVER	\$20,360.30	\$21,322.54	\$25,708.78

Required Legal Notices

Slurry Seal or other outside contract

Approved estimate for emergency repairs if needed,
includes Labor for site review, materials, repairs
SDA Staff, County Counsel, & Risk Management

**Morva Drive/Court County Service Area
Actual Income and Expenditure History**

Fiscal Year	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
INCOME									
Beginning Fund Balance	\$1,104	\$2,601	\$4,771	\$7,033	\$9,316	\$10,917	\$16,120	\$10,923	\$16,136
Interest on Investments	\$77	\$77	\$41	\$41	\$52	\$41	\$33	\$52	\$45
Service Charges (after Auditor Fee 1.75)	\$2,333	\$2,333	\$2,333	\$2,499	\$5,162	\$5,162	\$5,162	\$4,899	\$4,899
Other Income	\$125	\$125	\$125	\$0	\$0	\$0	\$0	\$262	\$262
Revenue Total	\$2,536	\$2,535	\$2,499	\$2,540	\$5,215	\$5,203	\$5,195	\$5,213	\$5,206
TOTAL INCOME	\$3,639	\$5,136	\$7,270	\$9,573	\$14,530	\$16,120	\$21,314	\$16,136	\$21,342
EXPENSES									
Publications/Legal Notices	\$27	\$50	\$134	\$153	\$0	\$0	\$0	\$0	\$0
Professional & Specialized Serv							\$10,282	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Routine M & O + Material	\$127	\$0	\$0	\$0	\$3,614	\$0	\$0	\$0	\$0
Administration	\$843	\$314	\$104	\$104	\$0	\$0	\$109	\$0	\$0
County Counsel	\$42	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENSES	\$1,039	\$365	\$237	\$257	\$3,614	\$0	\$10,391	\$0	\$0
FUND BALANCE	\$2,601	\$4,771	\$7,033	\$9,316	\$10,917	\$16,120	\$10,923	\$16,136	\$21,342

(Fiscal Year July 1-June 30)