



Engineer's Report

Fiscal Year 2026-2027

City of Rialto

Street Light Maintenance District No. 1

Prepared For



June 2026



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i. Engineer's Statement

AGENCY: CITY OF RIALTO

PROJECT: STREET LIGHT MAINTENANCE DISTRICT NO. 1

TO: CITY COUNCIL
CITY OF RIALTO
STATE OF CALIFORNIA

Report Pursuant to "Landscaping and Lighting Act of 1972"

Pursuant to direction from the City Council (the "City Council") of the City of Rialto (the "City"), State of California, submitted herewith is the Engineer's Report for Street Light Maintenance District No. 1 (the "Report"), consisting of the following parts, pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the State of California, being the "Landscaping and Lighting Act of 1972" (the "1972 Act"), as amended, commencing with Section 22500, and which is in accordance with Resolution No. 8504 adopted by the City Council, San Bernardino County, California ordering the preparation of the Report for Street Light Maintenance District No. 1 (the "District" or "SLD No. 1"). This Report is applicable for the ensuing 12-month period, being the Fiscal Year commencing July 1, 2026, to June 30, 2027.

SECTION 1 **PLANS AND SPECIFICATIONS** of the improvements to be maintained and/or improved for Fiscal Year 2026-2027. The plans and specifications show and describe the existing improvements and are sufficient in showing and describing the general nature, location, and extent of the improvements.

SECTION 2 A **COST ESTIMATE** of the improvements to be maintained and-or improved for the mentioned Fiscal Year.

SECTION 3 The **METHOD OF APPORTIONMENT** showing the proportionate amount of the assessment to be charged in proportion to the benefits to be received by each lot or parcel within the exterior boundaries as shown in Appendix B.

SECTION 4 An **ASSESSMENT** showing the proportionate amount of the assessment to be charged in proportion to the benefits to be received by each lot or parcel within the boundaries of the District, as shown in Appendix B.

SECTION 5 An **ASSESSMENT DIAGRAM** of the District. Said Diagrams shall show the boundaries of the District. Reference is made to the San Bernardino County (the "County") Assessor's Maps for a detailed description of the lines and dimensions of any lots or parcels. The lines and dimensions of each lot shall conform to those shown on the County Assessor's Maps for the Fiscal Year to which the Report applies.

i. Engineer's Statement

I, Matthew E. Webb, a Professional Civil Engineer (employed at Albert A. Webb Associates and retained through an agreement between Webb Municipal Finance, LLC and my employer), acting on behalf of the City of Rialto, pursuant to the Act do hereby assess and apportion the total amount of the costs and expenses upon the parcels of land within Street Light Maintenance District No. 1 liable therefore and benefited thereby, in proportion to the estimated benefits that each parcel receives, respectively, from said maintenance, works of improvement, and appurtenances.

Executed this _____ day of _____ 2026.



ALBERT A. WEBB ASSOCIATES

MATTHEW E. WEBB
PROFESSIONAL CIVIL ENGINEER NO. 37385
ENGINEER OF WORK
ON BEHALF OF THE CITY OF RIALTO
STATE OF CALIFORNIA

Final approval, confirmation and levy of the annual assessment and all matters in the Engineer's Report were made on the _____ day of _____ 2026, by adoption of Resolution No. _____ by City Council.

CITY CLERK
CITY OF RIALTO
STATE OF CALIFORNIA

A copy of the Assessment Roll and Engineer's Report was filed in the City Clerk's Office on the _____ day of _____ 2026.

CITY CLERK
CITY OF RIALTO
STATE OF CALIFORNIA

i. Engineer's Statement

WHEREAS, on May 26, 2026, the City Council, under the Act, adopted its Resolution Initiating Proceedings for the Levy and Collection of Assessments and the Preparation of an Engineer's Report for SLD No. 1;

Whereas, the Resolution of Intention directed Webb Municipal Finance, LLC, to prepare and file a report presenting plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operation and servicing of the improvements for SLD No. 1 for the referenced Fiscal Year, a diagram for SLD No. 1 showing the area and properties to be assessed, and an assessment of the estimated costs of the maintenance, operation and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within SLD No. 1 in proportion to the special benefit received;

1. Plans and Specifications

Overview

This Report describes the District, the improvements, and the proposed assessments to be levied against properties in connection with the benefits the properties will receive from the maintenance and servicing of the District improvements for Fiscal Year 2026-2027. The annual assessments to be levied on properties within the District provide a funding source for the continued operation and maintenance of local lighting and landscaping improvements installed in connection with the development of properties within the District. Each fiscal year, the City establishes the District's assessments based on an estimate of the costs to maintain, operate and service the lighting and landscaping improvements and based upon available revenues including fund balances, City contributions and assessment limits. The costs of the improvements and the proposed annual assessments budgeted and assessed against properties within the District may include: the estimated expenditures for regular annual maintenance and repairs; incidental expenditures related to the operation and administration of the District; deficits or surpluses from prior years; revenues from other sources; and the collection of adequate funds for operational reserves or periodic expenditures including installments collected for long-term improvement projects. Each parcel is assessed proportionately for only those improvements, services, and expenses for which the parcel will receive special benefit.

The word "parcel," for the purposes of this Report, refers to an individual property assigned its own Assessor's Parcel Number ("APN") by the County Assessor's Office. The County Auditor/Controller uses Assessor's Parcel Numbers and specific Fund Numbers to identify properties to be assessed on the tax roll for the special benefit assessments.

Description of Improvements and Services

Generally, the work to be performed consists of the annual maintenance, operation and servicing costs for street lighting and landscaping which were required as a condition of approval for various developments at specified locations within the City. Annual costs include, but are not limited to, maintenance, electrical and incidental expenses, and the costs of maintaining trees located in the public right-of-way.

The existing streetlight improvements are owned either by the Southern California Edison Company, the State of California Department of Transportation, or the City. Facilities owned by either the Southern California Edison Company or the State of California Department of Transportation were constructed in accordance with plans and specifications on file with the respective owners. Plans and specifications for street light facilities constructed by or for the City are on file in the office of the City Engineer.

Reference is hereby made to said plans and specifications and they are by reference made a part of this report to the same extent as if said plans and specifications were attached hereto.

The Anticipated Annual Cost

The costs for the maintenance district include but are not limited to:

- Energy costs
- Maintenance costs, including staff; inventory; maintenance, servicing, and repair of all equipment, tools, and vehicles; and personnel training for street lighting, street trees and park landscape
- Reconstruction and repair contracts, including defective service pedestals, vandalism, and circuitry repair
- Capital improvement costs
- Incidental costs, including engineering and legal expenses, finance department expenses for the processing of Edison payments.

It is not anticipated that any major improvements will be installed this fiscal year. It is anticipated that minor improvements at diverse locations will be added to the District periodically during the year.

2. Cost Estimate

The maintenance of existing street light facilities is performed by either the Southern California Edison Company, the State of California Department of Transportation or by the City through its own forces or contract personnel. The portion of the street light system owned and operated by the Southern California Edison Company is billed to the City on a monthly flat rate per street light basis. These flat rates vary based upon the type and size of luminaries and are adjusted as allowed by the California Public Utilities Commission.

A portion of the street lighting system is owned and maintained by the City. Electrical energy is purchased from the Southern California Edison Company at metered locations. Again, as with the Edison-owned lights, there are regular increases in the electrical energy costs; however, with the City-owned system these increases are termed "fuel cost adjustments."

The maintenance of existing street trees is performed by the City through its own forces or contract personnel. Costs assessed to the district include those for labor, material, and equipment.

Table 2-1
Fiscal Year 2026-2027 Cost Estimate

Budget Item	Amount
Electricity	\$350,000
Contract Services	\$744,895
Personnel Expenses	\$33,761
Other Expenses	\$279,381
Other Service and Supply Expenses	\$57
County Fee	\$0
Transfers Out - General Fund	\$0
Total Costs and Expenses	\$1,408,094
Reserve Fund Contribution	\$0
General Fund Contribution	(\$535,771)
Estimated Net Assessment 2026-2027:	\$872,323

2. Cost Estimate

The following table depicts the expenditure detail for the City over the course of five (5) years, as well as the projected expenditure detail for fiscal year 2026-2027

Table 2-2
Expenditure Detail

Account #	Fund	Prg	Object	Expenses	Budget 2022/2023	Budget 2023/2024	Budget 2024/2025	Budget 2025/2026	Projected Budget 2026/2027
490-400-4860-7105	490	4860	7105	Property Assessments - Street Lights	\$614,580	\$614,580	\$624,000	\$639,470	\$639,587
490-400-4860-7401	490	4860	7401	Finance Investment Income Allocation	\$24,075	\$0	\$6,400	\$10,000	\$10,000
490-400-7309-7105	490	7309	7105	Property Assessments - Street Lights	\$223,685	\$223,685	\$227,064	\$232,693	\$232,736
				TOTAL REVENUES	\$862,339	\$838,265	\$857,464	\$882,163	\$882,323
490-500-4860-2002	490	4860	2002	Electricity	\$271,880	\$381,386	\$481,480	\$350,000	\$350,000
490-500-4860-2011	490	4860	2011	Contract Services	\$233,000	\$249,500	\$239,525	\$237,486	\$244,895
490-500-4860-2140	490	4860	2140	Postage	\$260	\$100	\$110	\$0	\$0
490-500-4860-2145	490	4860	2145	Liability Insurance	\$0	\$0	\$0	\$0	\$0
490-500-4860-2000	490	4860	2000	Total Services and Supplies	\$505,140	\$630,986	\$721,115	\$587,486	\$594,895
				TOTAL STREET LIGHT SERVICES	\$505,140	\$630,986	\$721,115	\$587,486	\$594,895
490-500-4860-3001	490	4860	3001	Capital Improvements	\$0	\$0	\$0	\$0	\$0
490-500-4860-4001	490	4860	4001	Principal	\$186,035	\$192,780	\$199,871	\$207,346	\$214,984
490-500-4860-4010	490	4860	4010	Interest	\$93,350	\$86,500	\$79,621	\$72,034	\$64,397
490-500-4860-5010	490	4860	5010	Transfers Out- General Fund	\$6,661	\$0	\$0	\$0	\$0
490-500-4860-5000	490	4860	5000	Total Other	\$0	\$0	\$0	\$0	\$0
				TOTAL OTHER	\$286,046	\$279,280	\$279,492	\$279,380	\$279,381
490-500-7309-1001	490	7309	1001	Salaries	\$17,381	\$19,065	\$20,642	\$21,530	\$21,530
490-500-7309-1005	490	7309	1005	Special Compensation	\$2,431	\$2,672	\$2,893	\$1,723	\$1,723
490-500-7309-1010	490	7309	1010	Pastime	\$0	\$0	\$0	\$0	\$0
490-500-7309-1020	490	7309	1020	Overtime	\$0	\$0	\$0	\$0	\$0
490-500-7309-1030	490	7309	1030	Retirement	\$2,241	\$2,627	\$2,845	\$2,695	\$2,695
490-500-7309-1040	490	7309	1040	Worker's Compensation	\$3,730	\$2,100	\$1,780	\$2,063	\$2,063
490-500-7309-1050	490	7309	1050	Other Fringe Benefits	\$5,486	\$5,515	\$6,388	\$5,750	\$5,750
	490	7309	1070	Other Post Employment Benefits	\$0	\$0	\$0	\$0	\$0
490-500-7309-1080	490	7309	1080	Leave - Cashouts	\$0	\$0	\$0	\$0	\$0
490-500-7309-1000	490	7309	1000	Total Personnel	\$31,270	\$31,978	\$34,548	\$33,761	\$33,761
490-500-7309-2002	490	7309	2002	Electricity	\$0	\$0	\$0	\$0	\$0
490-500-7309-2003	490	7309	2003	Gas	\$0	\$0	\$0	\$0	\$0
490-500-7309-2004	490	7309	2004	Water/Wastewater	\$0	\$0	\$0	\$0	\$0
490-500-7309-2010	490	7309	2010	Legal Services	\$0	\$0	\$0	\$0	\$0
490-500-7309-2011	490	7309	2011	Contract Services	\$400,000	\$481,250	\$500,000	\$500,000	\$500,000
490-500-7309-2021	490	7309	2021	Other Services & Supplies	\$0	\$0	\$0	\$0	\$0
490-500-7309-2030	490	7309	2030	Maintenance- Office and Machinery	\$0	\$0	\$0	\$0	\$0
490-500-7309-2040	490	7309	2040	Vandalism	\$0	\$0	\$0	\$0	\$0
490-500-7309-2105	490	7309	2105	MIS	\$0	\$0	\$0	\$0	\$0
490-500-7309-2110	490	7309	2110	Fleet Maint./Replacement Charges	\$1,500	\$0	\$0	\$0	\$0
490-500-7309-2122	490	7309	2122	Simonson Center Department Fees	\$60	\$60	\$60	\$57	\$57
490-500-7309-2125	490	7309	2125	Building Maintenance	\$0	\$0	\$0	\$0	\$0
490-500-7309-2140	490	7309	2140		\$0	\$0	\$0	\$0	\$0
490-500-7309-2145	490	7309	2145	Liability Insurance	\$2,830	\$2,650	\$70	\$0	\$0
				County Fee (\$.30 Per Parcel)	\$0	\$0	\$0	\$0	\$0
490-500-7309-2000	490	7309	2000	Total Services & Supplies	\$404,390	\$483,960	\$500,130	\$500,057	\$500,057
490-500-7309-5010	490	7309	5010	Transfers Out- General Fund	\$0	\$0	\$0	\$0	\$0
490-500-7309-5000	490	7309	5000	Total Other	\$0	\$0	\$0	\$0	\$0
490-500-7309-	490	7309		TOTAL TREE MAINTENANCE	\$435,659	\$515,938	\$534,678	\$533,818	\$533,818
				TOTAL STREET LIGHTING FUND	\$791,186	\$910,266	\$1,000,607	\$866,866	\$874,276
				TOTAL TREE MAINTENANCE & STREET LIGHT	\$1,226,845	\$1,426,203	\$1,535,285	\$1,400,684	\$1,408,094
				Reserve Fund Contribution	(\$41,618)	(\$114,565)	(\$547,291)	\$0	\$0
				General Fund Contribution	(\$342,766)	(\$460,574)	(\$129,217)	(\$528,522)	(\$535,771)
				TOTAL REVENUE (NET ASSESSMENTS)	\$842,461	\$851,064	\$858,777	\$872,162	\$872,323

3. Method of Apportionment

Proposition 218 Compliance

On November 5, 1996, California voters approved Proposition 218, entitled “Right to Vote on Taxes Act,” which added Article XIII D to the California Constitution. While its title refers only to taxes, Proposition 218 establishes new procedural requirements for the formation and administration of assessment districts. Proposition 218 also requires that with certain specified exceptions, which are described below, all existing assessment districts must be ratified by the property owners within the District using the new procedures.

Some of these exceptions include:

1. Any assessments imposed exclusively to finance the capital cost or maintenance and operation expenses for streets.
2. Any assessments levied pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment was initially imposed.

However, even if assessments are initially exempt from Proposition 218, if the assessments are increased in the future, the City will need to comply with the provisions of Proposition 218 for that portion of the increased assessment formula (e.g., CPI increase).

Proposition 218 does not define the term “streets,” however, based on the opinions of the public agency officials, attorneys, assessment engineers and Senate Bill 919, it has been determined that streets include all public improvements located within the street rights-of-way. This would include median and parkway landscaping, traffic signals, safety lighting, and street lighting.

Proposition 218 defines “assessment” as “any levy or charge upon real property by an agency for a special benefit conferred upon the real property.” Cal. Const., art. XIII D, §2(b). A special assessment, sometimes called a “benefit assessment,” is a charge generally levied upon parcels of real property to pay for benefits the parcels receive from local improvements. Special assessments are levied according to statutory authority granted by the Legislature or, in some instances, local charters. Distinguishing among taxes, fees, and assessments can be difficult and often depends on the context in which the distinction is made. For example, taxes, assessments, and property-related fees all may be imposed on property. The key feature that distinguishes an assessment from a tax, fee, or charge is the existence of a special benefit to real property. Without identifying a special benefit, there can be no assessment.

Distinguishing General and Special Benefit

Proposition 218 added a set of procedures and requirements, which a local government must follow to levy an assessment. In addition to notice, hearing, and assessment ballot proceedings, Proposition 218 provides that “only special benefits are assessable” and requires a local government to “separate the general benefits from the special benefits conferred on a parcel.”

By its nature, most public improvements financed through an assessment district contain an element of public benefit. The test is: does there exist, with relation to the improvement, a special benefit to the property assessed? The law requires that portion of the cost of the improvement which benefits the public generally to be separated from that portion of the cost of the improvement which specially benefits assessed properties. Proposition 218 provides the following definition of “special benefit”:

“Special benefit” means a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large. General enhancement of property value does not constitute “special benefit”.

Below is the description of the Method of Apportionment and Special Benefit and the Assessment Roll summary for the Assessment District.

3. Method of Apportionment

Improvements Authorized by the 1972 Act

As applicable or may be applicable to this proposed District, the 1972 Act defines improvements to mean one or any combination of the following:

- The installation or planting of landscaping.
- The installation or construction of statuary, fountains, and other ornamental structures and facilities.
- The installation or construction of public lighting facilities.
- The installation or construction of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof, including, but not limited to, grading, clearing, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.
- The maintenance or servicing, or both, of any of the foregoing.
- The acquisition of any existing improvement otherwise authorized pursuant to this section.

Incidental expenses associated with the improvements including, but not limited to:

- The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment;
- The costs of printing, advertising, and the publishing, posting, and mailing of notices;
- Compensation payable to the County for collection of assessments;
- Compensation of any engineer or attorney employed to render services;
- Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements;
- Any expenses incidental to the issuance of bonds or notes pursuant to Section 22662.5.
- Costs associated with any elections held for the approval of a new or increased assessment.

The 1972 Act defines "Maintain" or "maintenance" to mean 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.

The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

Method of Apportionment

The City Council, in determining the necessity of forming the District, considered the increasing cost of providing services to the residents, businesses and properties located within the City. The benefit provided by street lighting consists of security for residents, building owners, tenants, storage areas, pedestrians, drivers, and many other safety aspects within the community. The citizens of the City benefit from regular park landscape maintenance that preserves the City's economic and humanistic values.

In accordance with Section 22595 of the 1972 Act all railroad, gas, water or electric utility or electric line right-of-way included within the District that receives benefit will be assessed for said benefit.

FORMULA FOR ASSESSMENT

Assessments proposed for individual lots within the District will be assessed for benefit received as determined previously by the City Council.

3. Method of Apportionment

For the purpose of assessment, the following four assessment categories have been established:

1. Residential Developed
2. Residential Vacant
3. Non-Residential Developed
4. Non-Residential Vacant

Residential properties include single-family units, multiple-family units (condominiums and apartment complexes) and mobile home parks. The Non-Residential categories include primarily commercial, professional, office and industrial uses.

Residential Rates: There are two categories of cost, which will be assigned to each property. The first category is the Land Benefit Factor. The costs associated with the residential share of street lighting costs have been divided among all of the residential properties. Properties with less than one acre are assessed one unit. Larger properties are charged at the rate of four units per acre (the average number of lots that an acre can be subdivided into). This charge is levied against every residential lot within the City regardless of whether it has been developed or not. This portion of the assessment for Fiscal Year 2026-2027 is \$8.18 per acre. The minimum assessment per residential parcel is \$2.05. The second category is the Development Factor. This category is applied to only those residential lots which are developed. A single-family dwelling unit receives one unit of benefit. Vacant residential properties will not pay this cost since they do not derive any direct measurable benefit from the District. This portion of the assessment for Fiscal Year 2026-2027 is \$24.03 per unit.

Non-Residential Rates: Non-Residential properties are assessed similarly to residential properties. There is a Land Benefit Factor of the assessment, which is charged on a per acre basis. The Land Benefit Factor for Fiscal Year 2026-2027 is \$8.18 per acre. The minimum assessment is \$4.09.

The second category, the Development Factor, is calculated by dividing the acreage of all developed non-residential properties into the costs associated with those properties. The Development Factor for Fiscal Year 2026-2027 is \$52.09 per acre.

Cottage Commercial: The Cottage Commercial zone, located on the east and west sides of Olive Avenue between Rialto Avenue and First Street, consists of properties which are within a commercial area, but which are occupied as residences. Properties occupied as residences are assessed at the residential rate using the residential formula. Properties occupied as businesses are assessed at the non-residential rate using the non-residential formula with the minimum rate being equal to one-half of an acre.

To summarize, there are two classifications of parcel assessments: Residential and Non-Residential. Each classification is broken down into two categories: Land Benefit Factor and Development Benefit Factor. The Land Benefit Factor reflects the benefit every property receives from the services provided under the District. Every parcel within the District is assessed a Land Benefit Factor. The Development Benefit Factor is assessed against developed properties exclusively. A vacant property will receive "0" assessment for the Development Benefit Factor portion.

Therefore, the assessment for the District is derived by the following formula:

$$\text{Land Benefit Factor} + \text{Development Factor} = \text{FY 2026-2027 Assessment}$$

Examples of various types of property as applied to the formula:

A typical single-family residence located on a tract-sized lot 1/4 acre would therefore receive an assessment of \$26.08:

$$(0.25 * \$8.18) + \$24.03 = \$26.08$$

3. Method of Apportionment

A vacant residential property one acre in size would receive an assessment of \$8.18:

$$(1 * \$8.18) + \$0 = \$8.18$$

No vacant residential property will receive an assessment of less than one quarter of the acreage charge (\$2.05).

A commercial property on three acres would receive an assessment of \$180.81:

$$(3 * \$8.18) + (3 * \$52.09) = \$180.81$$

A vacant commercial property on 20 acres would receive an assessment of \$163.60:

$$(20 * \$8.18) + (20 * \$0) = \$163.60$$

No vacant non-residential property will receive an assessment of less than one-half the acreage charge (\$4.09).

4. Assessment

The listing of parcels assessed within this District, along with the proposed assessment amounts, will be submitted to the City's Public Works Department, under a separate cover, and by reference is made part of this Report.

APPENDIX A

Assessment Roll (Under Separate Cover)



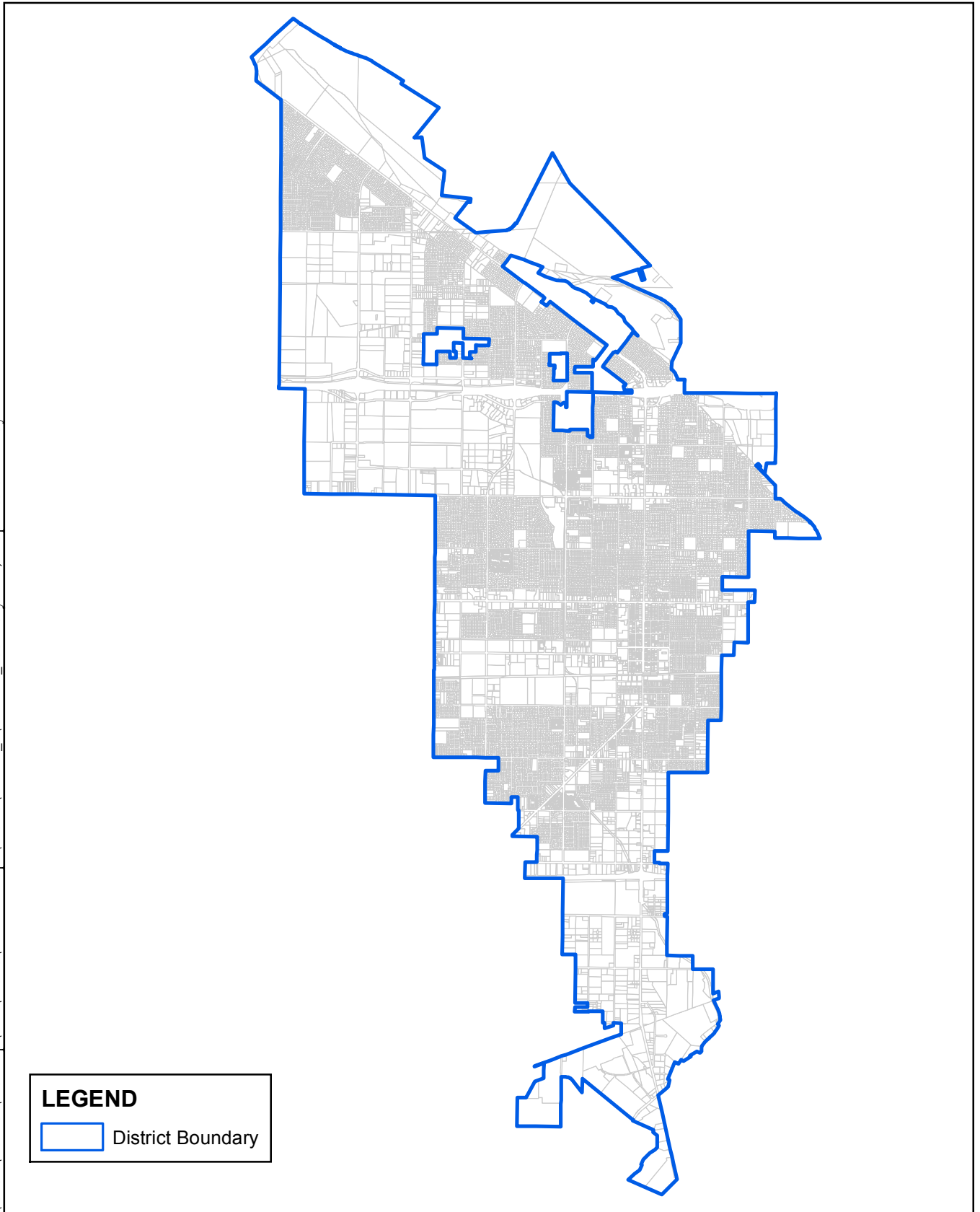
APPENDIX B
Boundary Map



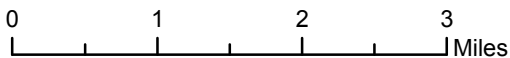
CITY OF RIALTO

STREET LIGHT MAINTENANCE DISTRICT NO. 1

C:\Users\boliver\Desktop\GIS\Rialto\Arc GIS maps\Rialto\SLMD_1\SLMD1_boundary.mxd; Map created 12 May 2020



Source: San Bernardino Co. GIS, 2020





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