

MOTION:

**May 16, 2006
Regular Meeting**

SECOND:

Res. No. 06-

RE:

ADOPT INCREASE LEVY FOR ROAD IMPROVEMENT AND MAINTENANCE IN BULL RUN MOUNTAIN SERVICE DISTRICT FROM \$0.10 TO \$0.12 PER \$100 OF ASSESSED VALUE AND BUDGET AND APPROPRIATE \$28,398 IN FISCAL YEAR 2007 TO REFLECT THIS CHANGE

ACTION:

WHEREAS, in 1990, the Prince William Board of County Supervisors (Board of County Supervisors) created the Bull Run Mountain Service District (Service District) to provide a mechanism for levying a tax for road maintenance and improvements to the roads in the Service District; and

WHEREAS, upon the adoption of the Service District, the Prince William County Department of Public Works (Public Works), Bull Run Mountain Civic Association, Inc. (Civic Association) and the Service District entered into an agreement (Agreement) requiring Public Works to provide such maintenance; and

WHEREAS, in July 2001, an amendment to the Agreement provided for a Road Committee to give Public Works advisory recommendations for road improvements in the Service District; and

WHEREAS, the Service District, Public Works, the Civic Association, and Road Committee are all in agreement that improvements to the roads in the Service District are needed and that an increase of the current levy from \$0.10 per every \$100 of assessed real estate to \$0.12 per every \$100 of assessed real estate is necessary to effect the completion of the proposed improvements; and

WHEREAS, the Board of County Supervisors adopted the County's FY07 Budget setting the levy at \$0.10 per every \$100 of assessed real estate amounting to a projected revenue of \$141,993; and

WHEREAS, a public hearing was properly advertised and was held on May 16, 2006 on the proposal to increase said levy and amend the FY07 Budget for the Bull Run Mountain District (Budget Code #401208) to increase the projected revenue to \$170,391;

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NOW, THEREFORE, BE IT RESOLVED that the Prince William Board of County Supervisors does hereby adopt the increase the levy for road maintenance and improvement in the Bull Run Sanitary District from \$0.10 to \$0.12 per \$100 of assessed value in the Sanitary District and increases the FY07 Budget and appropriation to reflect the adjustments as shown below:

Revenue Increases:

<u>OCA</u>	<u>OBJ. Lev. - 3</u>	<u>Amount</u>
401208 Bull Run Roads Service District	0010 R/E Taxes	\$27,404
	0041 R/E Taxes Public Services	994
	Total	\$28,398

Expenditure Increase:

<u>OCA</u>	<u>OBJ. Lev. -3</u>	<u>Amount</u>
401208 Bull Run Roads Service District	3260 General Construction	
	Contractual Services	\$28,398
	Total	\$28,398

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

For Information:

County Attorney

CERTIFIED COPY

Clerk to the Board



Craig S. Gerhart
County Executive

COUNTY OF PRINCE WILLIAM

OFFICE OF EXECUTIVE MANAGEMENT


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May 2, 2006

TO: Board of County Supervisors

FROM: Thomas Bruun 
Acting Director of Public Works

THRU: Craig S. Gerhart
County Executive

RE: Approve Increase Levy for Road Improvement and Maintenance in Bull Run Mountain Service District from \$0.10 to \$0.12 per \$100 of Assessed Value and Budget and Appropriate \$28,398 in Fiscal Year '07 to Reflect this Change

I. Background in chronological order is as follows:

- A. Bull Run Mountain Service District – The Service District was established pursuant to Section 15.1-18.2 VA Code Ann. by ordinance duly adopted by the Board of County Supervisors on April 3, 1990 for the purpose of providing a vehicle to assist in the maintenance of the roads in the Bull Run Mountain subdivision. On April 17, 1990 a Road Maintenance Agreement was signed by representatives of the Service District, the Bull Run Civic Association and the Public Works Department. The purpose of this was two-fold: one was to assign the obligation for the maintenance of non-state maintained roads within the Bull Run Mountain subdivision and the other was to collect monies specifically for the maintenance.
- B. Miles of Roads – Bull Run Mountain Service District contains approximately 14 miles of privately owned roads.
- C. Upkeep and Maintenance – Per the agreement, the Bull Run Civic Association, an advisory road committee, and County representatives coordinates road maintenance with a contractor under contract with the County.

Approve Increase Levy for Road Improvement and Maintenance in Bull Run Mountain Service District from \$0.10 to \$0.12 per \$100 of Assessed Value and Budget and Appropriate \$28,398 in Fiscal Year '07 to Reflect this Change
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II. Current Situation is as follows:

- A. Current Road Conditions – Topography (steep grades) and geology (shallow underlying bedrock) prevent the current roads from being upgraded to Virginia Department of Transportation (VDOT) standards. Increases in road usage due to property improvements within the district have decreased the efficiency of the current road surfaces. Maintenance is routinely performed each year just to keep the road up to base standards. The residents desire surface paving improvements to the existing gravel road ways which in turn will increase property values and decrease maintenance costs.
- B. Service District Levy – A \$0.10 levy per \$100.00 of assessed real estate property value is currently collected from property owners within the District to fund the maintenance of their roads, currently generating annual revenue of \$140,000.
- C. Contract for Improvement – Working with a contractor that is currently under contract with the County, the Civic Association has obtained a cost estimate of \$ 1.3 million dollars to tar and chip the majority of the road surfaces within the district. This surface has a life expectancy of five to seven years. The Civic Association is requesting an increase in the levy to \$0.12 and will secure a loan to fund this improvement. The loan will be paid back over a six year period with monies collected from the levy for road improvements.
- D. TRIP program - Transportation is one of the County's top priorities. The state does not have the financial resources to assist the County with much needed road improvements. Therefore, the County has implemented a Transportation Road Improvement Program (TRIP) to assist with these road improvements. TRIP monies are available to assist the District with this loan for road improvements. FY 2007 funds of \$200,000 available in the Gainesville District will be allocated to this effort. Future TRIP funding may also be used to offset additional costs.
- E. Annual Cost – The average costs for maintaining the roads within the district exceed \$80,000 per season.

Approve Increase Levy for Road Improvement and Maintenance in Bull Run Mountain Service District from \$0.10 to \$0.12 per \$100 of Assessed Value and Budget and Appropriate \$28,398 in Fiscal Year '07 to Reflect this Change
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- F. Civic Association Resolution – On April 24, 2006, the Bull Run Mountain Civic Association passed a resolution to improve the roads with tar and chip applications and increase the levy by \$0.02 to \$0.12 per \$100.00 of assessed values to pay for the increased financial obligation.
- G. Board Action Requested - Approve Increase to the Levy for Road Improvement and Maintenance in Bull Run Mountain Service District from \$0.10 to \$0.12 per \$100 of Assessed Value and Amend the FY 2007 Budget.

III. Issues in order of importance are:

- A. Fiscal Impact – What is the impact this proposed increase in the Service District levy will have on County funds?
- B. Service Level/Policy Issues – Are there service levels or policy issues associated with this loan
- C. Timing – When does the money need to be available?
- D. Legal – Are there legal issues associated with this?

IV. Alternatives in order of feasibility are:

- A. Approve Increase to the Levy for Road Improvement and Maintenance in Bull Run Mountain Service District from \$0.10 to \$0.12 per \$100 of Assessed Value and Amend the FY 2007 Budget.
 - 1. Fiscal Impact – The increase in the levy from \$0.10 to \$0.12 will generate an additional \$28,398 per year for a total amount \$170,391. These funds together with some TRIP money from the Gainesville District will be used to fund the loan for this improvement. There is no impact on County funds since all money to repay loan are currently collected through the Service District levy.
 - 2. Service Level/Policy Issues – Improvements to Bull Run Mountain roads will meet strategic goals of improving safety and enhance the County's economic development efforts.

Approve Increase Levy for Road Improvement and Maintenance in Bull Run Mountain Service District from \$0.10 to \$0.12 per \$100 of Assessed Value and Budget and Appropriate \$28,398 in Fiscal Year '07 to Reflect this Change
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3. Timing – The contractor needs to schedule his crews as soon as possible to complete this project before the asphalt plants close in the fall. The project is estimated to take 8 to 10 weeks to complete.
4. Legal – The Board has the authority to increase the Service District levy and to use the funds to pay a loan to improve the roads within the Bull Run Service District.

B. Take No Action.

1. Fiscal Impact – No impact on county funds.
2. Service Level/Policy Issues – Bull Run Mountain residents will not be able to afford to make the tar and chip surface improvements to the proposed roads.
3. Timing – Does not apply
4. Legal – The County has discretion whether to increase this levy and may choose this option.

V. **Recommendation** is that the Board of County Supervisors concurs with Alternative A and approves the attached Resolution.

Staff Contact: Uwe H. Kirste-6689