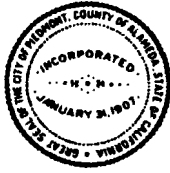


**City of Piedmont
California**



Date: March 1, 2007
To: Mayor & Council
From: Ann Swift, City Clerk
Subject: **Underground Assessment District – Voting Levels and Policies in Other Cities**

I received a request from a councilmember to research the policy of Belvedere and Tiburon regarding underground assessment districts, specifically any policy which might relate to the level of public support needed for the council to endorse a district.

The City of Belvedere has a policy supporting underground assessment districts. Currently 54% of the city is undergrounded and four new districts are in process. Belvedere accepts a simple majority of ballots cast as criteria for council support. The average cost in their completed district was \$35,000.

The Town of Tiburon also has a policy which strongly supports undergrounding. In 2006, the council approved two new districts. Del Mar Valley received 56% popular support. Lyford Cove received 59% popular support.

The decision of the Tiburon City Council was challenged by a lawsuit (Bonander vs. Town of Tiburon). As of March 2006, the city spent \$30,946 to defend the lawsuit (\$23,500 of which was reimbursed by property owners within the district). A \$50,000 litigation fund was included in the revised engineer's report when the matter went to a second ballot. According to an e-mail from Sam Sperry today, the lawsuit was dismissed on a technicality on February 26, 2007.

In accordance with a recent settlement agreement, proponents of a district in Tiburon are now required to raise funds for legal advisory services in the amount of \$100 per property owner up to a maximum of \$10,000 per district. This amount is included in what Piedmont has referred to as the "Preliminary Expense Agreement".