Attachment 7

CITY OF COSTA MESA

Department of Public Services/Administration

INTER OFFICE MEMORANDUM

TO: Rick Francis, Assistant Chief Executive Officer

FROM: Ernesto Munoz, Public Services Director

DATE: October 1, 2013

SUBJECT: **ESTIMATES OF FISCAL IMPACTS RELATIVE TO THE PROPOSED SANTA ANA AVENUE/COLLEEN PLACE ISLAND ANNEXATION**

Pursuant to your request, the Public Services Department provides the following cost estimates to assist with the proposed Santa Ana Avenue/Colleen Place Island Annexation process. The area contains approximately a quarter of a mile of public roads and includes 51 residential homes. The population is estimated at 146 people.

The City of Costa Mesa, Public Services Department currently provides street sweeping services to 22nd Street and Santa Ana Avenue. Since 22nd Street and Santa Ana Avenue are already receiving street sweeping services from the City of Costa Mesa, no additional costs related to these services are projected for those streets.

The areas that would require new City services would be Colleen Place and Vista Baya cul-de-sacs. A total one-time cost is estimated in the amount of $2,720 for initial start-up maintenance services. The costs are related to the replacement of missing street signs, cleaning/maintaining/repairing of catch basins, trimming of parkway trees/palms, and street sweeping. No immediate expenses are projected relating to Transportation or Graffiti Abatement.

Recurring annual maintenance costs are estimated at $10,181. This cost represents an allocation of resources to this area to ensure proper ongoing annual maintenance of parkways, storm drains, signs and markings, street sweeping, and street repairs (Attachment 1).

On September 27, staff conducted a visual inspection of the Santa Ana Avenue/Colleen Place Island. Vista Baya was found to be in relative good condition with no notable immediate repairs needed at this time. However, staff noted that Colleen Place is missing sidewalks, and has substandard driveways. The estimated cost to bring Colleen Place's parkways to City standards is estimated to be $60,000, and is included in Attachment 1 under the Recommended Capital Improvements.

The grand total estimate includes one-time costs and recurring maintenance expenses that total $12,901 for the first year, and the recommended Capital Improvements total $60,000. Please let me know if we can answer any questions relative to this item.

Attachment 1 - Annexation Estimates

c Tom Hatch, Chief Executive Officer
Margaret Chang, Management Analyst

Proposed Santa Ana/Colleen Island
Annexation Estimates

ATTACHMENT 1

PROGRAM	Start Up Costs	Recurring Annual Costs
Parkway & Median Maintenance-20111		
Tree/Palms Maintenace	$ 1,414	$ 1,015
Replant of missing trees (5)	500	80
Storm Drain Maintenance-30121		
Clean, maintain and repair (2) catch basins (storm drains)	200	200
Signs & Markings-30243		
Maintain existing signs/Replacement	600	172
Street Sweeping-30111		
Street Sweeping (Weekly)	0	314
Street Design-30112		
Street maintenance costs (curb & gutter, sidewalks, driveways, and pavement)		8,400 *
Subtotals:	2,714	10,181
TOTAL FIRST YEAR EXPENDITURES:		12,895

Recommeneded Capital Improvements	Estimated Costs
Colleen Place Missing Sidewalk Replacement/Driveway Rehabilitation Project	$ 60,000

* The cost to repair area streets within the next 20 years is estimated at $168,000 or $8,400/year