

IMPARTIAL ANALYSIS OF MEASURE H

CITY OF ST HELENA

Measure H was placed on the ballot by the St. Helena City Council. If the measure is approved by two-thirds of the electors voting on it, the City would be authorized to issue up to \$19,150,000 in general obligation bonds to finance the cost of certain municipal improvement projects of the City as described below.

The measure authorizes the bond proceeds to finance the costs of municipal improvement projects of the City (the "Improvements"), consisting of drinking water system improvements, including but not limited to Bell Canyon Spillway repairs, water main rehabilitation and replacements, valve replacements, installing monitoring equipment at Bell Canyon in accordance with requirements of the State Division of Dam Safety, lower reservoir rehabilitation, and replacing pipes to increase fire flow, sewer system improvements, including but not limited to replacing pipes and making Crinella Lift Station improvements, stormwater system improvements, including but not limited to replacing pipes, drains, culverts and other components of the stormwater system, and recycled water system improvements, including but not limited to providing pump station and pipes to distribute recycled water. The authorized Improvements also include all work, facilities and expenditures necessary and incidental to the projects described above. The final costs, locations, designs, layouts and other components of the Improvements will be determined as plans are finalized, construction bids are awarded, and projects are completed. Therefore, the City cannot guarantee that the Bonds will provide sufficient funds to allow completion of all needed Improvements.

The estimated cost for these improvements is \$19,150,000. The interest rates on the bonds would be capped at a maximum of 12% annually, but the prevailing market rates could be less. The bonds would be secured by ad valorem taxes levied on taxable real property in the City. The City estimates that the taxes would be levied for a period of approximately 36 years, at an average rate of \$0.01482 per \$100 (or \$14.82 per \$100,000) of the assessed valuation of all property to be taxed. The actual rate will vary somewhat over the duration of the taxation period, and the best estimate of the highest tax rate to be levied is \$0.02587 per \$100 (or \$25.87 per \$100,000) of the assessed valuation of all property to be taxed. Proceeds of the bonds will be held in a separate account solely for financing the Improvements. The City's Administrative Services Director shall file a report with the City Council at least annually showing the amount of bond proceeds collected and expended, and the status of Improvements. In the event that the ballot proposition is passed, the City Council shall establish and appoint members to an oversight committee, which shall have responsibility for reviewing and reporting on the expenditure of the proceeds of the bonds.

The above statement is an impartial analysis of Measure H. If you desire a copy of the Measure, please call the elections official's office at (707) 968-2742 and a copy will be mailed at no cost to you.

By: Ethan Walsh, City Attorney for the City of St. Helena