BOLINAS COMMUNITY PUBLIC UTILITY DISTRICT

BCPUD BOX 390 270 ELM ROAD BOLINAS CALIFORNIA 94924 415 868 1224

MEMORANDUM

TO:	Board of Directors
FROM:	Georgia Woods, General Manager
RE:	***Item 16.*** *Update on Bolinas Highlands PRD Special Tax Petition*
DATE:	October 21, 2026

Purpose

To provide the Board with an update regarding the proposed Bolinas Highlands Permanent Road Division (PRD) Special Tax Election and staff's correspondence with the Marin County Board of Supervisors.

Update

On October 16, 2026, staff transmitted a letter to the Marin County Board of Supervisors regarding the proposed special tax election for the Bolinas Highlands Permanent Road Division. The letter advises the County that BCPUD owns two undeveloped parcels within the PRD and, following consultation with legal counsel, believes those parcels are exempt from any special tax, assessment, or similar charge that may be imposed to fund PRD road improvements.

The District's position is not intended as support for or opposition to the proposed special tax. Rather, staff believed it was important to notify the County of the District's potential exemption prior to any action regarding the proposed election, as that determination could affect both the number of parcels subject to the tax and the petition requirements associated with the proposed election.

A copy of the letter is attached for the Board's information.

Recommended Board Action

Receive update. No action requested.

October 16, 2026

Delivered Via Email

Board of Supervisors

County of Marin

3501 Civic Center Drive

San Rafael CA 94903

Email: BOS@MarinCounty.gov

Distinguished Members of the Board,

I am writing in regard to the upcoming deliberations concerning a special election to determine whether a special tax should be imposed upon certain parcels within the Bolinas Highlands Permanent Road Division (PRD), as described on the agenda for the Board's upcoming meeting on October 20, 2026. Bolinas Community Public Utilities District (the District) owns two small adjoining undeveloped parcels within the boundaries of the PRD, designated with Assessor's Parcel Numbers 193-092-08 and 193-092-09.

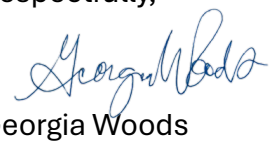
Following consultation with legal counsel, the District believes that it is exempt from any tax, assessment, or other charge that the County would impose to fund road improvements in the PRD. Under California law, private road divisions raise revenue for road projects either through "special taxes," or through parcel charges that are classified as "assessments." (Sts. & Hy. Code, § 1162.6(a).) Irrespective of whether the funds levied for road improvements are characterized as a "special tax" or an assessment, the parcels owned by the District are not subject to any charge that the County would impose on parcels in the PRD. As a public agency, the District's property is exempt from taxation under Article XIII, section 3(b), of the California Constitution. In addition, with respect to assessments, the District benefits from an implied exemption to any assessment that the Legislature has not expressly authorized. (*Inglewood v. County of Los Angeles* (1929) 207 Cal. 697, 704, 707; *Regents of the University of California v. City of Los Angeles* (1979) 100

Cal.App.3d 547, 549; 67 Ops. Cal. Atty. Gen 13, 14 (1984).) Because the statutes governing private road divisions do not expressly authorize the County to impose an assessment on parcels owned by public agencies, the District's parcels are exempt from any assessment imposed on property owners within the PRD.

The District has also reviewed its records and finds no evidence that it has ever been subject to taxes or assessments imposed on properties in the Bolinas Highlands PRD for previous road improvement projects.

Although the District takes no position either in support of or in opposition to the petition for a special tax on properties within the Bolinas Highlands PRD, its conclusion that it is exempt from taxes or assessments imposed on PRD properties could affect both the costs assumed by other property owners and the number of signatures that the County would require to authorize an election on the proposed tax or assessment. For this reason, I am informing you of the District's position in advance of any action that the Board would take calling for the special tax election.

Respectfully,



Georgia Woods

General Manager

Bolinas Community Public Utility District

Cc: Hugh Davis, Senior Civil Engineer, Marin County Public Works

Kristina Harrigan

Outlook

Re: Board of Supervisors Agenda Item (Oct. 20): BCPUD Position on PRD Tax Applicability

From Kristina Harrigan <kristina.harrigan56@gmail.com>
Date Mon 10/19/2026 4:36 PM
To Georgia Woods <gwoods@bcpud.org>
Cc BOS@marincounty.gov <BOS@marincounty.gov>; Hugh Davis <Hugh.Davis@marincounty.gov>

Thank you very much for your long, thoughtful and thorough response. I hope I did not create too much wasted time with my question.

Kristina

Sent from my iPhone

> On Oct 19, 2026, at 4:34 PM, Georgia Woods <gwoods@bcpud.org> wrote:
>
> Hi Kristina,
>
> Thank you for your email. District counsel is aware that Article XIII D, section 4 of the California Constitution governs assessments, and has given the BCPUD Board more detailed guidance than appears in our letter to the Board of Supervisors. Because the action now before the Board of Supervisors concerns a special tax, the District's position rests primarily on the constitutional exemption of local-government property from taxation, and we did not include extensive detail in the letter on the District's position regarding assessments.
>
> The distinction between a special tax and an assessment matters. Financing the PRD improvements through an assessment would be a more expensive and time-consuming process: an assessment must be supported by an engineer's report that identifies the special benefit to each parcel (the geotechnical report in the petition package addresses repair design, not benefit, and would not meet that requirement) and approved through a weighted ballot of property owners. Given the urgency of the road repairs, it's understandable that the petition, and the County's resolution, proceed instead by a voter-approved special tax under the Permanent Road Division Law, approved by two-thirds of registered voters in the Division. Because the measure proceeds as a special tax, the Article XIII D provision you cited does not apply.
>
> The District’s broader reasoning was discussed at the Board’s September 29 special meeting; if you haven’t already, I’d encourage you to watch the recording [Special Meeting September 29]. In brief: BCPUD holds these parcels to serve water customers on the Little Mesa. Proposition 218 requires the District’s water rates to reflect the cost of serving each customer, so any tax or assessment on these parcels would most likely have to be recovered from Little Mesa water customers, who are largely the same property owners paying for the road work. It is not clear the District could spread that cost across its water customers elsewhere in Bolinas, and it would have no way to reach parcels without water service. That kind of circular charge is exactly why public property is exempt in the first place, and the same problem would arise whether the charge is a special tax or an assessment.

Finally, I want to reiterate that BCPUD recognizes the urgency of the road repairs and is in no way seeking to delay or obstruct the petition process. The District takes no position on the measure itself, and we agree that the exemption question can be resolved separately with the County without delaying the Board's action on Tuesday or the March election. Our letter was simply meant to make the County aware of the District's position ahead of Tuesday's meeting.

Thank you,

Georgia

From: Georgia Woods <gwoods@bcpud.org>
Sent: Saturday, October 17, 2026 6:58 PM
To: Kristina Harrigan <kristina.harrigan56@gmail.com>
Cc: BOS@MarinCounty.gov <BOS@marincounty.gov>; Hugh Davis <hugh.davis@marincounty.gov>
Subject: Re: Board of Supervisors Agenda Item (Oct. 20): BCPUD Position on PRD Tax Applicability

Hi Kristina,

Thank you for your email. I've passed it along to District Counsel, and we will get back to you.

Thank you,

-Georgia

Georgia Woods
General Manager, BCPUD

From: Kristina Harrigan <kristina.harrigan56@gmail.com>
Sent: Saturday, October 17, 2026 1:07 PM
To: Georgia Woods <gwoods@bcpud.org>
Cc: BOS@MarinCounty.gov <BOS@marincounty.gov>; Hugh Davis <hugh.davis@marincounty.gov>
Subject: Re: Board of Supervisors Agenda Item (Oct. 20): BCPUD Position on PRD Tax Applicability

Good Morning Georgia,

Thank you for sending me the BCPUD's letter to the Board of Supervisors.

I read the two cases and the Constitutional provision you mention. I wonder whether and how your lawyer's analysis would be affected by the change in the Constitution brought about in 1996, after the two cases in your letter were decided. I attach the Constitutional language below.

Please let me know if you'd like to discuss this further.

Kind regards,

Kristina

California Constitution
Article XIII D - Assessment and Property-Related Fee Reform
Section 4.

Universal Citation: CA Constitution art XIII D § 4
SEC. 4.

Procedures and Requirements for All Assessments. (a) An agency which proposes to levy an assessment shall identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed. The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the property related service being provided. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and an agency shall separate the general benefits from the special benefits conferred on a parcel. Parcels within a district that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit.

(b) All assessments shall be supported by a detailed engineer's report prepared by a registered professional engineer certified by the State of California.

(c) The amount of the proposed assessment for each identified parcel shall be calculated and the record owner of each parcel shall be given written notice by mail of the proposed assessment, the total amount thereof chargeable to the entire district, the amount chargeable to the owner's particular parcel, the duration of the payments, the reason for the assessment and the basis upon which the amount of the proposed assessment was calculated, together with the date, time, and location of a public hearing on the proposed assessment. Each notice shall also include, in a conspicuous place thereon, a summary of the procedures applicable to the completion, return, and tabulation of the ballots required pursuant to subdivision (d), including a disclosure statement that the existence of a majority protest, as defined in subdivision (e), will result in the assessment not being imposed.

(d) Each notice mailed to owners of identified parcels within the district pursuant to subdivision (c) shall contain a ballot which includes the agency's address for receipt of the ballot once completed by any owner receiving the notice whereby the owner may indicate his or her name, reasonable identification of the parcel, and his or her support or opposition to the proposed assessment.

(e) The agency shall conduct a public hearing upon the proposed assessment not less than 45 days after mailing the notice of the proposed assessment to record owners of each identified parcel. At the public hearing, the agency shall consider all protests against the proposed assessment and tabulate the ballots. The agency shall not impose an assessment if there is a majority protest. A majority protest exists if, upon the conclusion of the hearing, ballots submitted in opposition to the assessment exceed the ballots submitted in favor of the assessment. In tabulating the ballots, the ballots shall be weighted according to the proportional financial obligation of the affected property.

(f) In any legal action contesting the validity of any assessment, the burden shall be on the agency to demonstrate that the property or properties in question receive a special benefit over and above the benefits conferred on the public at large and that the amount of any contested assessment is proportional to, and no greater than, the benefits conferred on the property or properties in question.

(g) Because only special benefits are assessable, electors residing within the district who do not own property within the district shall not be deemed under this Constitution to have been deprived of the right to vote for any assessment. If a court determines that the Constitution of the United States or other federal law requires otherwise, the assessment shall not be imposed unless approved by a two-thirds vote of the electorate in the district in addition to being approved by the property owners as required by subdivision (e).

(Sec. 4 added Nov. 5, 1996, by Prop. 218. Initiative measure.)