

**CITY MANAGER'S REPORT
FEBRUARY 11, 2019, CITY COUNCIL REGULAR MEETING**

ITEM: **PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER ADOPTION OF THE CENTRAL LATHROP SPECIFIC PLAN CAPITAL FACILITIES FEES STUDY UPDATE AND THE FEES RECOMMENDED THEREIN**

RECOMMENDATION: **Council to Consider the Following:**

- 1. Hold a Public Hearing; and**
- 2. Adopt A Resolution Adopting the Central Lathrop Specific Plan Capital Facilities Fees Study Update and the Fees Recommended Therein**

SUMMARY:

Capital Facilities Fees (CFF) are necessary to provide a source of revenue by which new development within the City will contribute a fair and proportionate share of the cost of providing infrastructure and community facilities. As new development occurs throughout the City, it is critical that fees in the CFF program be regularly updated to ensure that CFF rates keep up with the rising costs of infrastructure, facilities, and land. The City retained Goodwin Consulting Group (GCG) to update the City's CFF program for the CLSP area. GCG prepared the Central Lathrop Specific Plan Capital Facilities Fees Study Update that recommends adjusting existing fees for inflation and updating project costs and fees for the West/Central Lathrop Regional Transportation CFF and the Sewer/Recycled Water System CFF including establishing a new In-Lieu Community Parks Dedication Fee for the CLSP area.

Staff requests that City Council hold a public hearing, consider all information and public testimony and, if determined to be appropriate, adopt a resolution approving the Capital Facilities Fees Study Update and the fees recommended therein.

BACKGROUND:

The City of Lathrop has prepared numerous planning documents and is constructing and/or acquiring various infrastructure improvements to accommodate the service needs of both existing and anticipated residents and businesses. A variety of financing vehicles have been utilized to pay for needed infrastructure and community amenities. One of the primary financing vehicles is CFFs.

The City of Lathrop originally established CFFs for transportation, culture and leisure, and municipal service facilities in November 1990. The fees were subsequently updated and expanded to other types of services/facilities on several occasions, including the establishment of a regional transportation impact fee for the West Lathrop Specific Plan area in 1997.

CITY MANAGER'S REPORT
FEBRUARY 11, 2019, CITY COUNCIL REGULAR MEETING
CAPITAL FACILITIES FEES UPDATE FOR CENTRAL LATHROP SPECIFIC PLAN

Page 2

On September 2, 2003, the City Council adopted the 2003 Capital Facilities Program. This fee program was established to include new development for the area west of I-5, mainly Mossdale Village and River Islands. This is to ensure that new development is responsible for paying its fair and proportionate share of the cost of providing the public facilities and infrastructure.

On August 16, 2005, the City Council adopted the 2005 Capital Facilities Fees Program. Since 2005, the City has inflated these fees annually based on Engineering News Record (ENR) 20-City Construction Cost Index ("ENR 20-City CCI").

On May 14, 2018, the City Council Adopted the 2018 Capital Facilities Fees Study Update. The fee study adjusted existing fees for inflation and updated project cost for the West/Central Lathrop Regional Transportation CFF, Surface Water Supply CFF and the Water System CFF and established a new Sewer/Recycled Water System CFF for the CLSP area.

In October 2018, the City contracted with GCG to update the City's CFF program for the CLSP area. GCG prepared the Central Lathrop Specific Plan Capital Facilities Fees Study Update (Fee Study), included as Attachment "B", adjusting existing fees for inflation, updating project costs and establishing a new fee for the CLSP area. The State of California Mitigation Fee Act (also known as "AB 1600," Government Code sections 66000, et seq.), identifies the required findings which must be made by the City in any action establishing, increasing, or imposing a development impact fee as a condition of approval of a development project, as described in the Fee Study. Many of the CFFs in the City's fee program were already updated by staff for 2019 based on ENR 20-City CCI. Also, the City is restricted by development agreements, with certain developments, which limit the annual increase of their CFFs to only the rate of inflation. As a result, the following fees presented in the Fee Study are either new or an update of an existing CFF:

- CLSP In-Lieu Community Parks Dedication CFF (new)
- West/Central Lathrop Regional Transportation CFF for CLSP (updated)
- Sewer/Recycled Water System CFF for CLSP (updated)

In-Lieu Community Parks Dedication Fee

The Development Agreement ("DA") for Saybrook CLSP, LLC (Saybrook) states that the City shall establish an in-lieu fee to fund the acquisition of community park land in CLSP. This fee will be paid by any developer in the CLSP area that cannot dedicate their fair share of community park land. Fee revenue from this CFF will also be used to reimburse any developer that over-dedicates their fair-share of community park land. The DA states that the CLSP area will include 70 gross acres of community parks, including 47.3 acres of community-serving recreation and sports complex parks and 22.7 acres of enhanced linear parks. The total acreage was later reduced to 63.2 acres as a result of land use reassignment by the City Council on July 9, 2018.

CITY MANAGER'S REPORT Page 3
FEBRUARY 11, 2019, CITY COUNCIL REGULAR MEETING
CAPITAL FACILITIES FEES UPDATE FOR CENTRAL LATHROP SPECIFIC PLAN

The community and linear park land had an estimated value in the DA of \$175,000 per acre in 2016. This cost was inflated by the ENR index and has a value of \$185,890 in 2019 dollars.

The total value of the 57.44 acres of community park land is \$10.7 million. The Generation Center land has an estimated value of \$268,870 per acre in 2019 dollars and a total value of \$1.5 million. The 63.2 acres of community park land have a total value of \$12.2 million.

Saybrook, through the acquisition of the project area, dedicated 21.7 acres of community park land and 16.4 acres of linear parks. Subsequently, Saybrook dedicated 5.76 acres of park land for the City's Generation Center. In total, Saybrook has dedicated a total of 43.86 acres of community park land. Based on the estimated number of residential units planned to be constructed on Saybrook controlled land, Saybrook was only required to dedicate 22.1 acres of community park land, of which Saybrook would receive an In-Lieu Fee credit of \$4,275,703. As a result of Saybrook over-dedicating 21.75 acres of park land, Saybrook is due \$4,521,397 in reimbursement that will be paid from other developers that do not dedicate community park land and instead pay their In-Lieu Fee obligation. The table below identifies the proposed In-Lieu Community Parks Dedication CFF for CLSP.

In-Lieu Community Parks Dedication CFF

<u>Land Use</u>	<u>Fee</u>
<u>Residential</u>	
Single Family	\$2,413 per Unit
Multi-Family	\$1,724 per Unit

West/Central Lathrop Regional Transportation CFF

The West/Central Lathrop Regional Transportation (WCLRT) CFF was created in 2003 to supplement funding for transportation facilities needed for the West Lathrop Specific Plan Area. The capital improvement plan for the West/Central Lathrop Regional Transportation CFF includes 28 improvement projects. In conjunction with updating this CFF, City staff reviewed the transportation facilities and their costs and inflated them based on the ENR 20-City CCI for 2018. City staff found that after inflating the costs, all project costs were consistent with current estimated costs to construct these facilities with the exception of the Louise/I-5 interchange. The Louise/I-5 interchange project was estimated to cost \$11,564,000 in 2005 and \$16.9 million in 2018 when inflated by the ENR 20-City CCI. However, based on a City staff estimate, the cost to construct this facility was \$39,200,000 in 2018. In order to be able to fund this facility in the future, City staff determined that the interchange cost needed to be updated in the CFF program to the \$39.2 million cost. This Fee Study includes updated CFF facilities costs for the West/Central Lathrop Regional

CITY MANAGER'S REPORT Page 4
FEBRUARY 11, 2019, CITY COUNCIL REGULAR MEETING
CAPITAL FACILITIES FEES UPDATE FOR CENTRAL LATHROP SPECIFIC PLAN

Transportation CFF for the CLSP area. The total cost of the transportation facilities in the WCLRT CFF program, inflated by ENR 20-City CCI for 2019, is \$289.6 million. In addition, the cost allocation and CFF calculation are updated to be based on the City's and the developer's current development expectations for the CLSP area. As a result, this Fee Study includes an increase to the rates for the WCLRT CFF for CLSP. The table below shows the proposed West/Central Lathrop Regional Transportation CFF for CLSP.

West/Central Lathrop Regional Transportation CFF

Land Use	Proposed Fee	Current Fee	Difference
<u>Residential- Per Unit</u>			
Single Family	\$3,658	\$3,510	\$148
Multi-Family	\$2,245	\$2,158	\$87
<u>Non-Residential- Per 1,000 SF</u>			
Service/Office Commercial	\$3,405	\$3,267	\$138
Retail Commercial	\$4,661	\$4,473	\$188

Sewer/Recycled Water System CFF

In June 2018, the City Council adopted the original Sewer/Recycled Water System CFF for CLSP. The original Sewer/Recycled Water System CFF was based on facilities that included a portion of a pump station, force mains, sewer pipelines, and recycled water pipelines; specifically items 1 – 3 shown in the table below. This Fee Study includes additional pump station costs and additional sewer work (items 4 and 5 in the table below) that were incurred by Saybrook and approved by the City. The total cost of these facilities in 2019 dollars is \$16.4 million.

Sewer/Recycled Water Capital Facilities For CLSP

No.	Improvement	Project Cost (2017 \$)	Project Cost (2019 \$)
1	Portion of Pump Station and Force Mains ¹	\$5,302,500	\$5,633,000
2	Sanitary Sewer Mains	\$2,849,175	\$3,027,000
3	Recycled Water Mains	\$3,095,280	\$3,288,000
4	Additional Pump Station Costs ²	-	-\$792,000
5	Estimated Additional Sewer Work	-	\$3,663,000
Total		\$11,246,955	\$16,403,000

1. Includes 1/4 of the total pump station cost.

2. Includes 1/4 of the additional costs incurred since 2014.

In order for the City to reimburse the developer for oversizing these facilities, the sewer/recycled water CFF specific to the CLSP development area must be updated to include the additional facilities costs. The table below shows the proposed Sewer/Recycled Water System CFF for CLSP.

Sewer/Recycled Water System CFF

Land Use	Proposed Fee	Current Fee	Difference
<u>Residential- Per Unit</u>			
Single Family	\$2,661	\$1,970	\$691
Multi-Family	\$2,262	\$1,367	\$895
<u>Non-Residential- Per 1,000 SF</u>			
Commercial	\$601	\$363	\$238
Industrial	\$361	\$218	\$143

Outstanding City Water Financial Obligations Reimbursement Fee

In addition to the three fees discussed above, the Fee Study includes the outstanding City Water Financial Obligations Reimbursement Fee. The City will levy this fee on Saybrook's first 601 residential lots pursuant to the Development Agreement with Saybrook relating to CLSP. This fee will reimburse the City for water bond debt (\$962,868) and outstanding South San Joaquin Irrigation District (SSJID) operations and maintenance costs (\$2,959,973). The total obligation of \$3,922,841 shall be paid proportionately by Saybrook at the sale of each lot at a rate of \$6,527.19 per lot for the first 601 lots.

Fee Adjustments

The Capital Facilities Fees may be adjusted in future years to reflect revised facility standards, receipt of funding from alternative sources (i.e., state or federal grants), revised costs, or changes in land uses, densities, or development plans. In addition to such adjustments, each year the CFF will be adjusted by the change in the ENR 20-City CCI over the prior calendar year.

REASON FOR RECOMMENDATION:

The purpose of the CFF Program is to provide a source of revenue by which new development within the City will contribute a fair and proportionate share of the cost of providing infrastructure and community facilities. The CFF Program also limits the impact that new development will have on existing residents and businesses with respect to infrastructure, community facilities, and the provision of services.

CITY MANAGER'S REPORT
FEBRUARY 11, 2019, CITY COUNCIL REGULAR MEETING
CAPITAL FACILITIES FEES UPDATE FOR CENTRAL LATHROP SPECIFIC PLAN

Page 6

As new development occurs throughout the City, it is critical that fees in the CFF program be regularly updated to ensure that CFF rates keep up with the rising costs of infrastructure, facilities, and land.

FISCAL IMPACT:

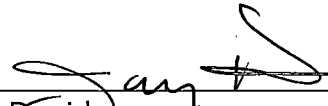
The CFF update for CLSP is being funded by Saybrook. The approval of this item has no fiscal impact to the City.

ATTACHMENTS:

- A. Resolution Adopting the Central Lathrop Specific Plan Capital Facilities Fees Study Update and the Fees Recommended Therein
- B. Central Lathrop Specific Plan Capital Facilities Fees Study Update by Goodwin Consulting Group, dated January 23, 2019

CITY MANAGER'S REPORT
FEBRUARY 11, 2019, CITY COUNCIL REGULAR MEETING
CAPITAL FACILITIES FEES UPDATE FOR CENTRAL LATHROP SPECIFIC PLAN

APPROVALS:



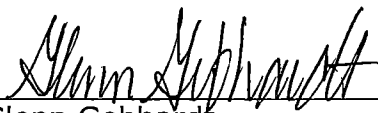
Jay Davidson
Principal Engineer

1/30/19
Date



Michael King
Assistant Public Works Director

1-31-19
Date



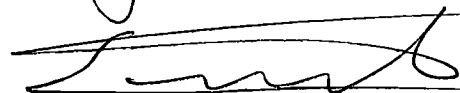
Glenn Gebhardt
City Engineer

2/4/19
Date



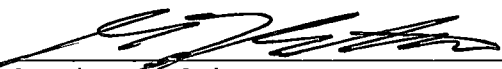
Cari James
Finance Director

2/4/19
Date



Salvador Navarrete
City Attorney

2-4-19
Date



Stephen J. Salvatore
City Manager

2-5-19
Date

RESOLUTION NO. 19-

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP
ADOPTING THE CENTRAL LATHROP SPECIFIC PLAN CAPITAL FACILITIES
FEES STUDY UPDATE AND THE FEES RECOMMENDED THEREIN**

WHEREAS, the City of Lathrop originally established Capital Facilities Fees (CFFs) for transportation, culture and leisure, and municipal services facilities in November 1990; and

WHEREAS, the CFFs are to provide a source of revenue by which new development within the City will contribute a fair and proportionate share of the cost of providing infrastructure and community facilities; and

WHEREAS, on September 2, 2003, the City Council adopted the 2003 Capital Facilities Program; and

WHEREAS, on August 16, 2005, the City Council adopted the 2005 Capital Facilities Fees Program which is currently implemented in the City of Lathrop; and

WHEREAS, on March 12, 2018, the City Council adopted an ordinance to add Chapter 3.25: South Lathrop Specific Plan Capital Facility Fees to the Municipal Code; and

WHEREAS, on May 14, 2018, the City Council Adopted the 2018 Capital Facilities Fees Study Update. The fee study adjusted existing fees for inflation and updated project cost for the West/Central Lathrop Regional Transportation CFF, Surface Water Supply CFF and the Water System CFF and established a new Sewer/Recycled Water System CFF for the CLSP area; and

WHEREAS, as new development occurs throughout the City it is critical that fees in the CFF program be regularly updated to ensure that CFF rates keep up with the rising costs of infrastructure, facilities, and land; and

WHEREAS, in October 2018, the City contracted with Goodwin Consulting Group ("GCG") to update the City's CFF program for the CLSP area; and

WHEREAS, GCG prepared the Central Lathrop Specific Plan Capital Facilities Fees Study Update ("Fee Study") dated January 23, 2019, that adjusts existing fees for inflation and updates project costs and fees for the West/Central Lathrop Regional Transportation CFF and the Sewer/Recycled Water System CFF including establishing a new In-Lieu Community Parks Dedication Fee for the CLSP area; and

WHEREAS, in addition, the Fee Study includes the outstanding City Water Financial Obligations Reimbursement Fee that will reimburse the City for water bond debt and outstanding South San Joaquin Irrigation District (SSJID) operations and maintenance costs; and

WHEREAS, the State of California Mitigation Fee Act (also known as "AB 1600," Government Code sections 66000, et seq.), identifies the required findings which must be made by the City in any action establishing, increasing, or imposing a development impact fee as a condition of approval of a development project, as described in the Fee Study; and

WHEREAS, the Fee Study is based upon the analysis, input and active participation of City staff, GCG, and various reports and studies as described in the Fee Study; and

WHEREAS, notice of public hearing of this Resolution was published as required by the Mitigation Fee Act, California Government Code sections 66000 et seq;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Lathrop does hereby adopt the Central Lathrop Specific Plan Capital Facilities Fees Study Update, dated January 23, 2019 attached as Attachment "B" to the City Council Staff Report of February 11, 2019 and incorporated herein by this reference and Council hereby adopts the fees recommended therein and adds the fees to the Capital Facility Fee Program based on findings required by the State of California Mitigation Fee Act (also known as "AB 1600," Government Code sections 66000, et seq.) specifically Council hereby makes all of the following findings:

1. The purpose of the CFFs is to provide funding for the infrastructure and facilities identified in this Nexus Study. Pursuant to the Lathrop Municipal Code Section 3.20.040 collected fees may be used for no other purpose.
2. The geographic area in which the fees will be imposed is CLSP study area, that abuts the northern boundary of Mossdale Village, as illustrated in Attachment "B" boundary map to the City Council Staff Report of February 11, 2019 and incorporated herein by this reference.
3. The estimated fair and proportionate share of the cost of CLSP's contribution to providing infrastructure and community facilities within the City are contained in this Capital Facilities Nexus Study.
4. There is a reasonable relationship between the type of development projects on which the fee is imposed and the uses of the fees. The CFF revenue collected from the CLSP area will fund the facilities included in this Nexus Study. These facilities will serve development in the CLSP area and the estimated fees are a fair-share cost allocation based on the impact that future development will have on these facilities and improvements.

5. There is a reasonable relationship between the amount of each CFF and the cost of the public facility, or portion thereof, is established in this Nexus Study through the use of cost allocation factors to estimate the demand for a facility or, the impact that a land use will have on a facility. For example, the cost allocation for the Sewer/Recycled Water Fee is based on the gallons per day of wastewater generated for each specific land use. The wastewater generation rates, which differ between land use categories, measure each land use's impact on sewer facilities and infrastructure. As a result, each land use category or development type is allocated its fair share of the cost based on its impact, as identified by its cost allocation factor.

By assigning the demand for infrastructure and facilities based on the cost allocation factors for each land use and quantifying that demand in the calculation of the CFFs, a reasonable relationship is established between the amount of the fee and the cost of the facilities attributable to the different types of development in the City.

PASSED AND ADOPTED by the City Council of the City of Lathrop this 11th day of February 2019, by the following vote:

AYES:

NOES:

ABSENT:

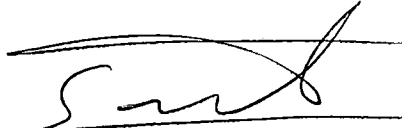
ABSTAIN:

Sonny Dhaliwal, Mayor

ATTEST:

APPROVED AS TO FORM:

Teresa Vargas, City Clerk

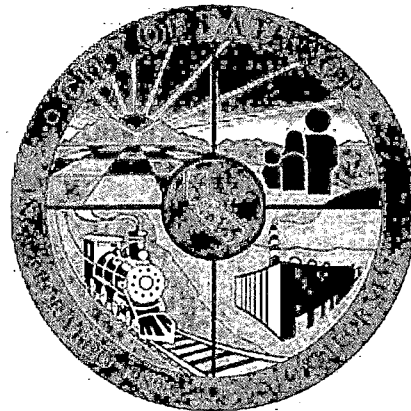


Salvador Navarrete, City Attorney

GCG

GOODWIN CONSULTING GROUP

**CITY OF LATHROP
CENTRAL LATHROP SPECIFIC PLAN (CLSP)
CAPITAL FACILITIES FEES STUDY
UPDATE**



January 23, 2019

**CITY OF LATHROP
CLSP CAPITAL FACILITIES FEES STUDY UPDATE**

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
Executive Summary	i
1. Introduction	1
2. CLSP Land Uses	3
3. Fee Methodology	5
4. In-Lieu Community Parks Dedication Capital Facilities Fee	7
5. West/Central Lathrop Regional Transportation Capital Facilities Fee Update	12
6. Sewer System Capital Facilities Fee Update	18
7. Surface Water Supply Fee Credit Allocation for Saybrook	21
8. CIP Update for the Culture and Leisure Facilities	24
9. Nexus Findings	26
10. Fee Program Administration	28

Maps

Exhibit 1 – CLSP Site Location.....	4
-------------------------------------	---

Appendix

Appendix – Sewer System Capital Facilities Costs

EXECUTIVE SUMMARY

PURPOSE OF THE CFF UPDATE

The City of Lathrop (“City”) retained Goodwin Consulting Group to assist it in updating the City’s Capital Facilities Fee (“CFF”) program for the Central Lathrop Specific Plan Area (“CLSP”). As new development occurs throughout the City it is critical that fees in the CFF program be updated regularly to ensure that CFF rates keep up with the rising costs of infrastructure, facilities, and land.

Many of the Capital Facilities Fees in the City’s fee program have been updated for 2019 by the City based on the Engineering News Record (“ENR”) 20-City Construction Cost Index (“ENR 20-City CCI”). These CFFs are presented in this *City of Lathrop Central Lathrop Specific Plan (CLSP) Capital Facilities Fees Study Update* (“Fee Study”) to summarize all the fees in the CFF program. The City is restricted by development agreements to limit the annual increase of their CFFs to the rate of inflation only, as determined by the change in the ENR 20-City CCI. As a result, the following fees presented in this Fee Study are either new or an update of an existing CFF:

- CLSP In-Lieu Community Parks Dedication CFF (new)
- West/Central Lathrop Regional Transportation CFF for CLSP (updated)
- Sewer/Recycled Water System CFF for CLSP (updated)

OUTSTANDING CITY WATER FINANCIAL OBLIGATIONS REIMBURSEMENT FEE

In addition to the three fees listed above, Table ES-1 Fee Summary includes the Outstanding City Water Financial Obligations Reimbursement Fee. The City will levy this fee on Saybrook, LLC’s first 601 residential lots pursuant to Subdivision (b)(4)(iii) of Section 7.05.2.2 of the Assignment and Amendment of Development Agreement By and Between the City of Lathrop, Saybrook, LLC Relating to the Central Lathrop Specific Plan (the “DA”). This fee will reimburse the City for water bond debt through June 2016 in the amount of \$962,868 and the outstanding SJJID operations and maintenance costs through December 2016 in the amount of \$2,959,973.

IN-LIEU COMMUNITY PARKS DEDICATION FEE

The DA states that the City shall establish an in-lieu fee to fund the acquisition of community park land in CLSP. This fee will be paid by any developer in CLSP that cannot dedicate their

fair share of community park land. Fee revenue from this CFF will also be used to reimburse any developer that over-dedicates their fair-share of community park land.

The DA states that the CLSP will include 70 gross acres of community parks, including 47.3 acres of community-serving recreation and sports complex parks and 22.7 acres of enhanced linear parks. The total acreage was later reduced to 63.2 acres as a result of land use reassignment by the City Council on July 9, 2018. The community and linear park land had an estimated value in the DA of \$175,000 per acre in 2016. This cost was inflated by the ENR index and has a value of \$185,890 in 2019 dollars. The total value of the 57.44 acres of community park land is \$10.7 million. The Generation Center land has an estimated value of \$268,870 per acre in 2019 dollars and a total value of \$1.5 million. The 63.2 acres of community park land have a total value of \$12.2 million.

WEST/CENTRAL LATHROP REGIONAL TRANSPORTATION CFF

The West/Central Lathrop Regional Transportation CFF was created in 2003 to supplement funding for transportation facilities needed for the West Lathrop Specific Plan Area. The capital improvement plan for the West/Central Lathrop Regional Transportation CFF includes 28 improvement projects. In conjunction with updating this CFF, City staff reviewed the transportation facilities and their costs and inflated them to 2018 dollars based on the ENR 20-City CCI. City staff found that after inflating the costs to 2018 dollars, all project costs were consistent with current estimated costs to construct these facilities with the exception of the Louise/I-5 interchange. The Louise/I-5 interchange project was estimated to cost \$11,564,000 in 2005 and \$16.9 million in 2018 when inflated by the ENR 20-City CCI. However based on a City staff estimate, the cost to construct this facility was \$39,200,000 in 2018. In order to be able to fund this facility in the future, City staff determined that the interchange cost needed to be updated in the CFF program to the \$39.2 million cost. This Fee Study includes updated CFF facilities costs for the West/Central Lathrop Regional Transportation CFF for the CLSP area. The total cost of the transportation facilities in the WCLRT CFF program, inflated by the ENR CCI to 2019 dollars, is \$289.6 million. In addition, the cost allocation and CFF calculation are updated to be based on the City's and the developer's current development expectations for CLSP area.

SEWER/RECYCLED WATER SYSTEM FACILITIES

Saybrook CLSP, LLC ("Saybrook"), the primary developer of the CLSP area, has constructed sewer and recycled water backbone facilities that will serve the CLSP area. The updated facilities include additional costs for a pump station, force mains, sewer pipelines, and recycled water pipelines. The total cost of these facilities in 2019 dollars is \$16.4 million. In order for the

City to reimburse the developer for oversizing these facilities, the sewer/recycled water CFF specific to the CLSP development area must be updated to include the additional facilities costs.

FEE SCHEDULE

Table ES-1 summarizes the fees in the CFF program and includes the proposed CFFs that have been created or updated in this Fee Study. The CFF fee schedule includes eight separate development areas with each having a different fee schedule. The City inflated all CFF fees in January 2019 based on the Engineering News Record 20-City Construction Cost Index value of 11,186 for December 2018. Prior to this increase, the CFF fees were based on the December 2017 20-City CCI value of 10,873. Based on the increased value of the ENR 20-City CCI since December 2017, the City increased the fees in its CFF program by 2.87% in 2019. The City also levies a 3.0% administration fee to the cumulative total of all its CFFs to pay for the administrative duties associated with the CFF program. This 3.0% administration fee would be added on top of the City CFFs presented in Table ES-1.

Table ES-1 - Fee Summary

		Service Area ¹							
Fee		East	Cross-	No. Harlan	South	Mossdale	Mossdale	Central	Stewart
Component	Unit	Lathrop	roads	Improv. Dist.	Lathrop	Village	Landings	Lathrop	Tract
					Specific Pl.	(no DA)	(with DA) ²		
Culture and Leisure CFF ³									
Park Sub-Component									
Single Family Residential	DU	\$5,685		\$5,685		\$5,685	\$5,683	\$6,247	Project Developer
Multi-Family Residential	DU	\$4,060		\$4,060		\$4,060	\$4,059	\$4,463	
Facility Sub-Component									
Single Family Residential	DU	\$3,483		\$3,483		\$3,483	\$2,282	\$3,483	\$3,483
Multi-Family Residential	DU	\$2,487		\$2,487		\$2,487	\$1,629	\$2,487	\$2,487
Total Culture and Leisure CFF									
Single Family Residential	DU	\$9,168		\$9,168		\$9,168	\$7,965	\$9,730	\$3,483
Multi-Family Residential	DU	\$6,548		\$6,547		\$6,547	\$5,688	\$6,950	\$2,487
Municipal Service Facilities CFF ⁴									
Single Family Residential	DU	\$3,902		\$3,902		\$3,902	\$3,833	\$3,902	\$3,902
Multi-Family Residential	DU	\$2,787		\$2,787		\$2,787	\$2,738	\$2,787	\$2,787
Service/Retail	1,000 sf	\$2,543	\$2,543	\$2,543	\$2,543	\$2,543	\$2,488	\$2,543	\$2,543
Other Non-Residential	1,000 sf	\$1,539	\$1,539	\$1,539	\$1,539	\$1,539	\$1,506	\$1,539	\$1,539
Surface Water Supply CFF ⁵									
	5/8" meter	\$2,635	\$2,635	\$2,635	\$2,635	\$4,261	Funded through Mossdale CFD	\$5,768	Funded through River Islands CFD
	1" Fire Svc.	\$2,635		\$2,635	\$2,635	\$4,261		\$5,768	
	3/4" meter	\$3,953	\$3,953	\$3,953	\$3,953	\$6,392		\$8,652	
	1" meter	\$6,588	\$6,588	\$6,588	\$6,588	\$10,653		\$14,420	
	1 1/2" meter	\$13,177	\$13,177	\$13,177	\$13,177	\$21,305		\$28,840	
	2" meter	\$21,083	\$21,083	\$21,083	\$21,083	\$34,088		\$46,144	
	3" meter	\$39,531	\$39,531	\$39,531	\$39,531	\$63,915		\$86,520	
	4" meter	\$65,885	\$65,885	\$65,885	\$65,885	\$106,525		\$144,200	
	6" meter	\$131,770	\$131,770	\$131,770	\$131,770	\$213,050		\$288,400	
	8" meter	\$210,832	\$210,832	\$210,832	\$210,832	\$340,880		\$461,440	
	10" meter	\$382,132	\$382,132	\$382,132	\$382,132	\$617,845	\$836,360		
Water System - Buy-In CFF ⁶									
	5/8" meter	\$1,266		\$1,190					
	1" Fire Svc.	\$1,266		\$1,190					
	3/4" meter	\$1,900		\$1,785					
	1" meter	\$3,167		\$2,975					
	1 1/2" meter	\$6,332		\$5,952					
	2" meter	\$10,131		\$9,522					
	3" meter	\$18,998		\$17,854					
	4" meter	\$31,662		\$29,757					
	6" meter	\$63,324		\$59,512					
	8" meter	\$101,318		\$95,219					
	10" meter	\$183,639		\$172,585					
Water System - Reimbursement CFF									
	5/8" meter		\$1,432						
	1" Fire Svc.								
	3/4" meter		\$2,148						
	1" meter		\$3,580						
	1 1/2" meter		\$7,159						
	2" meter		\$11,455						
	3" meter		\$21,478						
	4" meter		\$35,797						
	6" meter		\$71,594						
	8" meter		\$114,550						
	10" meter		\$207,623						

TABLE ES-1 - Fee Summary (Continued)

		Service Area ¹							
Fee		East	Cross-	No. Harlan	South	Mossdale	Mossdale	Central	Stewart
Component	Unit	Lathrop	roads	Improv. Dist.	Lathrop	Village	Landings	Lathrop	Tract
					Specific Pl.	(no DA)	(with DA) ²		
Water System - West/Central Lathrop Well Improvement CFF ⁷									
	5/8" meter					\$778	\$778	\$778	\$778
	1" Fire Svc.					\$778	\$778	\$778	\$778
	3/4" meter					\$1,167	\$1,167	\$1,167	\$1,167
	1" meter					\$1,946	\$1,946	\$1,946	\$1,946
	1 1/2" meter					\$3,890	\$3,890	\$3,890	\$3,890
	2" meter					\$6,224	\$6,224	\$6,224	\$6,224
	3" meter					\$11,671	\$11,671	\$11,671	\$11,671
	4" meter					\$19,453	\$19,453	\$19,453	\$19,453
	6" meter					\$38,905	\$38,905	\$38,905	\$38,905
	8" meter					\$62,249	\$62,249	\$62,249	\$62,249
	10" meter					\$112,826	\$112,826	\$112,826	\$112,826
Water System - Water Storage CFF ⁸									
	5/8" meter						\$921		
	1" Fire Svc.						\$921		
	3/4" meter						\$1,382		
	1" meter						\$2,303		
	1 1/2" meter						\$4,604		
	2" meter						\$7,368		
	3" meter						\$13,814		
	4" meter						\$23,025		
	6" meter						\$46,048		
	8" meter						\$73,677		
	10" meter						\$133,539		
	Office Commercial	1,000 sf				\$989			
	Limited Industrial	1,000 sf				\$468			
	Warehouse	1,000 sf				\$134			
Sewer/Recycled Water System CFF ^{9 10}									
	5/8" meter	\$5,697		\$5,697		\$1,114	\$1,114		
	1" Fire Svc.	\$5,697		\$5,697		\$1,114	\$1,114		
	3/4" meter	\$8,545		\$8,545		\$1,670	\$1,670		
	1" meter	\$14,242		\$14,242		\$2,784	\$2,784		
	1 1/2" meter	\$28,485		\$28,485		\$5,566	\$5,566		
	2" meter	\$45,576		\$45,576		\$8,906	\$8,906		
	3" meter	\$85,455		\$85,455		\$16,699	\$16,699		
	4" meter	\$142,425		\$142,425		\$27,831	\$27,831		
	6" meter	\$284,850		\$284,850		\$55,662	\$55,662		
	8" meter	\$455,759		\$455,759		\$89,058	\$89,058		
	10" meter	\$826,064		\$826,064		\$161,419	\$161,419		
	Single Family Residential	DU						\$2,661	
	Multi-Family Residential	DU						\$2,262	
	Commercial	1,000 sf						\$601	
	Industrial	1,000 sf						\$381	
	(Manteca WQCF)	ISU	\$8,710	\$8,710					
	All New Development	gpd		\$42.12					
Recycled Water Outfall CFF ¹¹									
	5/8" meter					\$47	\$47	\$47	\$47
	1" Fire Svc.					\$47	\$47	\$47	\$47
	3/4" meter					\$71	\$71	\$71	\$71
	1" meter					\$118	\$118	\$118	\$118
	1 1/2" meter					\$234	\$234	\$234	\$234
	2" meter					\$374	\$374	\$374	\$374
	3" meter					\$702	\$702	\$702	\$702
	4" meter					\$1,171	\$1,171	\$1,171	\$1,171
	6" meter					\$2,341	\$2,341	\$2,341	\$2,341
	8" meter					\$3,745	\$3,745	\$3,745	\$3,745
	10" meter					\$6,788	\$6,788	\$6,788	\$6,788

Table ES-1 - Fee Summary (Continued)

		Service Area ¹							
Fee		East	Cross-	No. Harlan	South	Mossdale	Mossdale	Central	Stewart
Component	Unit	Lathrop	roads	Improv. Dist.	Lathrop	Village	Landings	Lathrop	Tract
					Specific Pl.	(no DA)	(with DA) ²		
Storm Drainage CFF ^{12 13}									
Low Density Residential	DU	\$919		\$919		\$351	\$351		
Medium Density Residential	DU					\$241	\$241		
High Density Residential	DU					\$188	\$188		
Service Commercial	Acre	\$6,321		\$6,321		\$4,353	\$4,353		
Freeway Commercial	Acre	\$11,343		\$11,343					
Waterfront Resort Commercial	Acre								
Neighborhood Commercial	Acre	\$2,808		\$2,808					
Limited Industrial - Zone #5	Acre	\$8,823		\$8,823					
Limited Industrial - Other Zones	Acre	\$4,918		\$4,918					
General Industrial	Acre	\$5,971		\$5,971					
Transit Station (if on Lathrop Road)	Acre	\$5,619		\$5,619					
Fire Station (if on Yosemite Avenue)	Acre	\$6,321		\$6,321					
Area of Benefit #6	Acre	\$2,451							
Crossroads - Onsite	Acre		\$13,099						
Crossroads - Offsite	Acre		\$7,469						
Office Commercial	1,000 sf					\$390			
Limited Industrial	1,000 sf					\$133			
Warehouse	1,000 sf					\$133			
Local Transportation CFF ¹⁴									
Single Family Residential	DU	\$3,661		\$3,661					
Multi-Family Residential	DU	\$2,692		\$2,692					
Office Commercial	1,000 sf	\$4,999		\$4,999	\$16,057				
Retail Commercial	1,000 sf	\$4,999		\$4,999	\$16,057				
Industrial	1,000 sf	\$1,472	\$1,099	\$1,472	\$4,639				
Warehouse	1,000 sf	\$1,472		\$1,472	\$479				
Commercial	Acre		\$30,263						
WLSP Regional Transportation Impact Fee (RTIF) ¹⁵									
Single Family Residential	DU					\$353	\$353	\$353	\$353
Multi-Family Residential	DU					\$413	\$413	\$413	\$413
Service/Office Commercial	1,000 sf					\$547	\$547	\$547	\$547
Retail Commercial	1,000 sf					\$1,973	\$1,973	\$1,973	\$1,973
WLSP Reimbursement Fee									
	Acre					\$2,612	\$2,612		
West/Central Lathrop Transportation CFF ¹⁶									
Single Family Residential	DU					\$3,573	\$2,699	\$3,658	\$4,113
Multi-Family Residential	DU					\$2,204	\$1,659	\$2,245	\$2,525
Service/Office Commercial	1,000 sf					\$5,126	\$3,878	\$3,405	\$3,774
Retail Commercial	1,000 sf					\$5,660	\$4,279	\$4,661	\$6,835
Offsite Roadway Improvements CFF									
Single Family Residential	DU							\$150	
Multi-Family Residential	DU							\$92	
Service/Office Commercial	1,000 sf							\$140	
Retail Commercial	1,000 sf							\$191	
CLSP In-Lieu Community Parks Dedication CFF									
Single Family Residential	DU							\$2,413	
Multi-Family Residential	DU							\$1,724	
San Joaquin County RTIF CFF									
Single Family Residential	DU	\$3,406		\$3,406		\$3,406	\$3,406	\$3,406	\$3,406
Multi-Family Residential	DU	\$2,044		\$2,044		\$2,044	\$2,044	\$2,044	\$2,044
Office Commercial	1,000 sf	\$1,710		\$1,710	\$1,710	\$1,710	\$1,710	\$1,710	\$1,710
Retail Commercial	1,000 sf	\$1,360		\$1,360	\$1,360	\$1,360	\$1,360	\$1,360	\$1,360
Industrial	1,000 sf	\$1,030		\$1,030	\$1,030	\$1,030	\$1,030	\$1,030	\$1,030
Warehouse	1,000 sf	\$430		\$430	\$430	\$430	\$430	\$430	\$430

Table ES-1 - Fee Summary (Continued)

Fee Component	Unit	Service Area ¹							
		East	Cross-	No. Harlan	South	Mossdale	Mossdale	Central	Stewart
		Lathrop	roads	Improv. Dist.	Lathrop	Village	Landings	Lathrop	Tract
					(no DA)	(with DA) ²			
County Facilities CFF ¹⁷									
Single Family Residential	DU	\$2,487		\$2,487		\$2,487			
Multi-Family Residential	DU	\$1,846		\$1,846		\$1,846			
Service/Office Commercial	1,000 sf	\$620		\$620	\$620	\$620			
Retail Commercial	1,000 sf	\$410		\$410	\$410	\$410			
Industrial	1,000 sf	\$110		\$110	\$110	\$110			
Warehouse	1,000 sf	\$110		\$110	\$110	\$110			
Environmental Mitigation CFF ¹⁸									
Low Density Residential	DU					\$205	\$205		
Medium Density Residential	DU					\$116	\$116		
High Density Residential	DU					\$42	\$42		
Commercial	Acre					\$981	\$981		
AG Mitigation CFF									
	Acre				\$2,796	\$2,796		\$4,194	\$3,076
Economic Development Fee (Measure D)									
Residential Development	DU								\$5,000
Mossdale Tract Regional Levee Impact Fee ¹⁹									
Single Family Residential	Acre	\$18,148	\$18,148	\$18,148	\$18,148	\$18,148	\$18,148	\$18,148	\$18,148
Multi-Family Residential	Acre	\$16,525	\$16,525	\$16,525	\$16,525	\$16,525	\$16,525	\$16,525	\$16,525
Commercial	Acre	\$17,187	\$17,187	\$17,187	\$17,187	\$17,187	\$17,187	\$17,187	\$17,187
Industrial	Acre	\$14,300	\$14,300	\$14,300	\$14,300	\$14,300	\$14,300	\$14,300	\$14,300
Outstanding City Water Financial Obligations Reimbursement ²⁰									
Residential Development	Lot							\$6,527	

- 1 Each service area listed is separate and distinct from the others. Crossroads and North Harlan ID are within East Lathrop but in limited instances CFFs differ.
- 2 "Mossdale Landings" include Mossdale Landing, Mossdale Landing East, and Mossdale Landing South and are in Mossdale Village. Development agreements in these areas place limits on increasing the CFF rates.
- 3 Includes neighborhood, community, linear parks, library, youth center, and senior center. This fee has been divided into two components so that fee payments, waivers, credits, and reimbursements for parks and facilities can be administered separately. This CFF reflects a recent adjustment by the City for inflation only.
- 4 Includes police, animal control, city hall, corporation yard, performing arts center, and wireless network facilities. Applies to the entire City. Wireless network costs are excluded from the Mossdale Landings developments CFF calculation. This CFF reflects a recent adjustment by the City for inflation only.
- 5 Surface Water Supply CFF for infill areas (East Lathrop) assumes customers will also pay SCSWSP facilities charge in monthly water bills. Surface Water Supply CFF for growth areas (Central Lathrop and parts of Mossdale Village that are outside the CFD) reflects the full cost of the surface water supply project. See the surface water section of this report for details and possible exclusions.
- 6 The Water System CFF for East Lathrop is a buy-in fee reflecting the value of existing water system assets. North Harlan fee reflects credit for North Harlan ID costs.
- 7 West/Central Lathrop Water System CFF is for well improvements and reflects the cost of future arsenic treatment and a share of standby well capacity. This Water System CFF reflects a recent adjustment by the City for inflation only.
- 8 The Mossdale Landings Water System CFF is for a water storage tank; this CFF was adjusted by the City recently for inflation only. The Water System CFF for SLSP is for water storage facility improvements only; the SLSP Water System CFF was determined in a separate CFF fee study adopted in 2018.
- 9 East Lathrop sewer collection system CFF is a buy-in fee reflecting value of existing sewer system assets. Existing ISU charge for Manteca WQCF treatment capacity is retained. All Sewer System CFFs, except for CLSP, were adjusted by the City for inflation only.
- 10 Mossdale Village Sewer System CFF reflects sewer collection and recycled water distribution costs within Mossdale Village. It is in addition to the recycled water outfall CFF.
- 11 Recycled water CFF applies to West/Central Lathrop and SLSP and is based on the estimated cost of a recycled water outfall to San Joaquin River. This fee was recently adjusted by the City for inflation only.
- 12 All Storm Drainage CFFs were recently adjusted by the City for inflation only.
- 13 Mossdale Village Storm Drainage CFF reflects the cost of a storm drainage outfall.
- 14 Local transportation CFF for East Lathrop was recently adjusted by the City for inflation only.
- 15 West Lathrop Specific Plan Regional Transportation Impact Fee was originally adopted in 1997. This CFF was recently adjusted by the City for inflation only.
- 16 West/Central Lathrop Transportation CFF reflects transportation project analysis and is net of estimated WLSP RTIF revenues. The CFFs for the Mossdale Village, CLSP, and the Stewart Tract reflect the updated cost for the Louise Avenue interchange. Due to the limitation for increasing Mossdale Landings CFFs, the Mossdale Landing CFF was adjusted by the City recently for inflation only.
- 17 County Facilities CFF was updated by San Joaquin County, effective July 1, 2018.
- 18 Environmental mitigation CFFs for Mossdale Village and Mossdale Landings include land and fencing costs for brush rabbit habitat.
- 19 The Mossdale Tract Regional Levee Impact Fee became effective on 01/8/19 and terminates the Lathrop Interim Levee Fee.
- 20 Pursuant to subdivision (b)(4)(iii) of Section 7.05.2.2 of the Assignment and Amendment of Development Agreement By and Between the City of Lathrop and Saybrook, LLC (the "DA"), Saybrook shall reimburse the City for it's the Ongoing City Water Financial Obligation, as defined in the DA. The total \$3,922,841 obligation shall be paid proportionately by Saybrook at the sale of each lot at a rate of \$6,527.19 per lot for the first 601 lots.

FEE ADJUSTMENTS

The Capital Facilities Fees may be adjusted in future years to reflect revised facility standards, receipt of funding from alternative sources (i.e., state or federal grants), revised costs, or changes in land uses, densities, or development plans. In addition to such adjustments, each year the CFF will be adjusted by the change in the ENR 20-City Construction Cost Index over the prior calendar year. This Fee Study adjusted facilities costs in this report based on the ENR 20-City CCI value for December 2018, which is 11,186. For inflating facilities costs that are in the City's 2005 CFF Fee Study, this Fee Study applied the ENR 20-City CCI values of 6,695 (July 2003) for costs that were established in 2003 and the ENR 20-City CCI value of 7,422 (July 2005) for costs that were established in 2005.

1. INTRODUCTION

BACKGROUND

The City of Lathrop is located in the Sacramento central valley, approximately 58 miles south of Sacramento and 80 miles east of San Francisco. When the City incorporated in 1989, its population was approximately 6,500; as of January 2018, the California Department of Finance estimates the City's population is 24,268.

In 1990 the City adopted its original Capital Facilities Fees program to fund growth in the City. In 1994 the City updated the CFF and included additional fees in the program. In subsequent years the City added other fees to the CFF program. For example, in 1997 it added the West Lathrop Specific Plan Regional Transportation Impact Fee, which was developed in coordination with the San Joaquin Council of Governments and area developers. In 2003 a comprehensive effort was undertaken to update the CFF program to include new planning areas in the western part of the City and establish new fees for these areas. In 2005 the CFF program was again updated to include additional facilities and updated fee calculations. In subsequent years additional minor changes to the fee program were made. For example an agriculture fee was added in 2005. Also in 2005, the City adopted San Joaquin County's Regional Transportation Impact Fee. In 2007, the City added an offsite roadway improvement fee for the Central Lathrop Specific Plan ("CLSP") development. In April 2017 the City adopted the Interim Levee Impact Fee to fund the design and construction of the levee system improvements for Reclamation District 17. In February 2018 the City adopted CFFs for the South Lathrop Specific Plan area. Lastly in June 2018, the City adopted updates to several existing CFFs and created the CLSP Sewer System CFF.

FEES CALCULATED IN THIS CFF STUDY UPDATE

Most of the City's Capital Facilities Fees shown in Table ES-1 were updated by the City based on the increase in ENR 20-City CCI from December 2017 to December 2018. The ENR 20-City CCI increased by 2.87%, from 10,873 to 11,186 over this period and the City applied this rate increase to its CFF program. The City is restricted through development agreements with certain developments that limit the annual increase of their CFFs to the rate of inflation, as determined by the ENR 20-City CCI. The following fees are either new or are updated in this Fee Study:

- CLSP In-Lieu Community Parks Dedication Fee (new)
- West/Central Lathrop Regional Transportation CFF for the CLSP area is updated
- Sewer/Recycled Water System CFF for the CLSP area is updated

MITIGATION FEE ACT (AB 1600)

The Mitigation Fee Act, commonly known as Assembly Bill (AB) 1600, was enacted by the State of California in 1987 and created Section 66000 et. seq. of the Government Code. AB 1600 requires that all public agencies satisfy the following requirements when establishing, increasing, or imposing a fee as a condition of approval for a development project:

1. Identify the purpose of the fee
2. Identify the use to which the fee will be put
3. Determine how there is a reasonable relationship between:
 - A. The fee's use and the type of development project on which the fee is imposed
 - B. The need for the public facility and the type of development project on which the fee is imposed
 - C. The amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed

The purpose of this Fee Study is to demonstrate that the fees calculated herein comply with the Mitigation Fee Act. The assumptions, methodologies, facility standards, costs, and cost allocation factors that were used to establish the nexus between the fees and the development on which the fees will be levied are summarized in subsequent chapters of this report.

ORGANIZATION OF REPORT

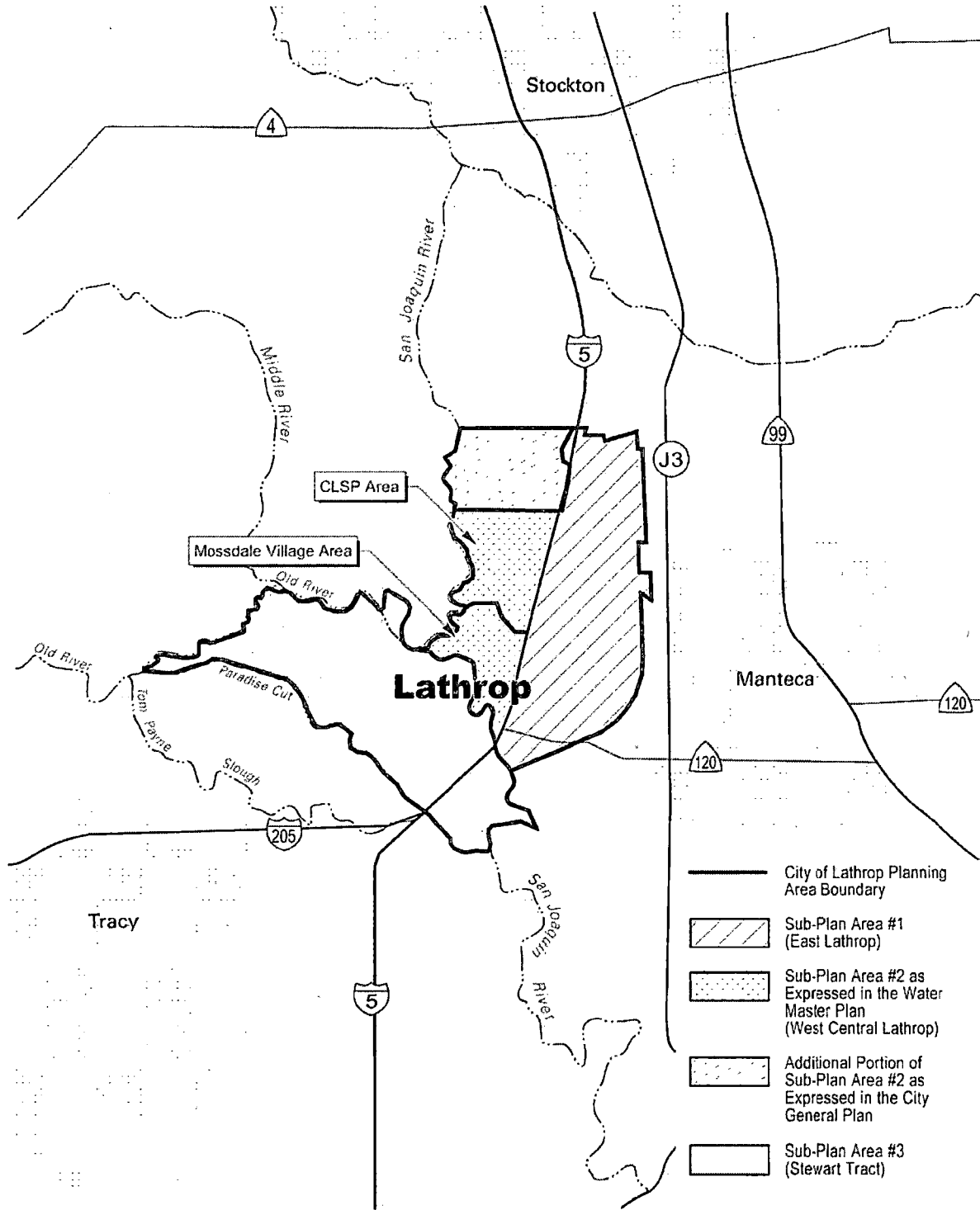
The remainder of this report has been organized into the following chapters:

- | | |
|--------------|---|
| Chapter 2 | Provides a brief summary of the land uses planned for CLSP |
| Chapter 3 | Provides an explanation of the fee methodology used to calculate the fees in the this Fee Study |
| Chapters 4-6 | Provide details of the fee calculations for the in-lieu community parks dedication fee, transportation fee, and the sewer/recycled water CFFs |
| Chapter 7 | Provides details of the surface water supply fee credit calculation |
| Chapter 8 | Presents changes to the capital improvement plan for facilities in the Culture and Leisure Facilities Fee |
| Chapter 9 | Discusses the nexus findings for the CFFs |
| Chapter 10 | Addresses implementation of the updates to the fee program, future fee adjustments, and administrative duties required by the fee law |

2. Land Uses in CLSP

CLSP abuts the northern boundary of Mossdale Village and includes 1,521 acres that are currently planned for 5,144 residential units and approximately 4.7 million square feet of commercial space. The 5,144 units include 4,870 single family residential (“SFR”) units and 274 multifamily residential (“MFR”) units. Saybrook CLSP, LLC (Saybrook) is the primary developer in CLSP. Saybrook estimates that their project will include a total of 1,850 residential units, including 1,576 SFR and 274 MFR units.

Exhibit 1 – Map of Central Lathrop Specific Plan



3. FEE METHODOLOGY

When impact fees are calculated, an analysis must be presented in enough detail to demonstrate that a logical and thorough consideration was applied in the process of determining how the fees relate to the impacts from new development. Various findings pursuant to the impact fee statute must be made to ensure that a reasonable relationship exists between the fee amount and the impact caused by development on which the fee will be levied. Following is a discussion of the method used in this Fee Study to allocate facilities costs to development and determine the fees in the fee program.

FEE METHODOLOGY

The plan-based fee methodology is used in this Fee Study. This methodology is used for facilities that must be designed based on future demand projections within a geographic location. Typically, a formal plan such as a specific plan, facilities needs assessment, or master plan identifies and supports the level of facilities required to serve the plan area. This plan would typically consider the existing facilities already in place and determine what additional facilities would be necessary to accommodate new development. For example, the need for transportation-related improvements depends specifically on the projected number of trips that must be accommodated on specific roadways. An analysis of existing facilities, geographic constraints, and current levels of service must be completed in order to identify the future facility needs. This information is analyzed in conjunction with a projection of the amount and location of future development in the plan area to determine the adequacy of existing facilities and the demand for new improvements that will be required. Depending on the level of existing facilities, the plan-based fee methodology may allocate planned facilities costs to either future development only or to future and existing development. The steps to calculate a fee under the plan-based fee methodology include the following:

- Step 1** Identify existing facilities and estimate future demand for facilities at build out of the plan area
- Step 2** Determine facilities needed to serve anticipated growth in the plan area
- Step 3** Estimate the gross cost of facilities needed to serve the future development in the plan area

- Step 4** Subtract the gross cost of any facilities included in the facilities plan that will cure an existing deficiency in service or will serve other development areas
- Step 5** Subtract revenues available from alternative funding sources, if any, to identify a net facilities cost that will be allocated to future development.
- Step 6** Select cost allocation factors (e.g., trips generated, gallons per day) that will be used to allocate facility costs on a proportional impact basis; apply cost allocation factors to each of the land use categories based on their relative service demand or impact on each type of facility
- Step 7** Estimate the total impact from future development by multiplying the total number of units/acres/square feet for each respective land use by its cost allocation factor. Sum the total cost allocation factors for each land use category
- Step 8** Determine the percentage distribution of the cost allocation factors for each land use category by dividing the total of the cost allocation factors for each land use category by the total of all cost allocation factors for all land use categories
- Step 9** Multiply the percent distribution for each land use category, as determined in Step 8, by the total facilities cost to determine the portion of the facility cost that is allocated to each land use category
- Step 10** Divide the facilities cost that is allocated to each land use category, as determined in Step 9, by the number of units or per 1,000 square feet of building space, to determine the facilities fees

4. *IN-LIEU COMMUNITY PARKS DEDICATION CFF*

Section 7.06.2.6 of the Assignment and Amendment of Development Agreement By and Between the City of Lathrop, Saybrook, LLC Relating to the Central Lathrop Specific Plan (the “DA”) states that the City shall establish an in-lieu fee to fund the acquisition of community park land in CLSP. All development in CLSP will be required to either dedicate community park land or be subject to the In-Lieu Community Parks Dedication Fee (the “In-Lieu Fee”). This section of the report identifies the land, costs, and the CFF rates required to fund community park land acquisition in CLSP.

BACKGROUND

The DA states that the CLSP will include 70 gross acres of community parks, including 47.3 acres of community-serving recreation and sports complex parks and 22.7 acres of enhanced linear parks. Section 7.06.2 of the DA states that the original developer, Richland, and subsequently Saybrook, through the acquisition of the project area, dedicated 21.7 acres of community park land and 16.4 acres of linear parks. Subsequently, Saybrook dedicated 5.76 acres of park land for the City’s Generation Center. In total, Saybrook has dedicated a total of 43.86 acres of community park land.

On July 9, 2018, the City Council reassigned 12.56 acres of land that were planned for community park development to residential land. Additionally, the 5.76 acres of the City’s Generation Center was reassigned to community park land. As a result of these land reassignments, community park land planned for CLSP was reduced from 70 to 63.2 acres. Table 4-1 below illustrates this reduction of community park acreage.

Table 4-1 - Revised Community Park Land in CLSP

Item	Acres
Planned Community and Linear Parks Acreage in CLSP	70.00
Less: CLSP Parkland Reassigned to Residential Land	-12.56
Plus: Generation Center Land Reassigned to Community Park	5.76
Net Community and Linear Parks Acreage in CLSP	63.20

FACILITIES AND COSTS

Table 4-2 below shows the land costs for the community park land as identified in the DA. The community and linear park land had an estimated value in the DA of \$175,000 per acre in 2016. This cost was inflated by the ENR index and has a value of \$185,890 in 2019 dollars. The total value of the 57.44 acres of community park land is \$10.7 million. The Generation Center land has an estimated value of \$268,870 per acre in 2019 dollars and a total value of \$1.5 million. The 63.2 acres of community park land have a total value of \$12.2 million.

Table 4-2 – Community Park Land Costs

<u>Land Cost Calculation</u>			
Item	Acres	Cost Per Acre (2019 \$)	Total Land Cost
Community and Linear Parks Land	57.44	\$185,890 ¹	\$10,677,522
Generations Center Land	5.76	\$268,870 ²	\$1,547,638
Total	63.20		\$12,225,160

¹. Equals \$175,000 per gross acre plus an inflation adjustment of 6.23% since from December 2016.

². Equals \$6 per gross square foot, or \$261,360 per acre, plus an inflation adjustment of 2.87% since December 2017.

IN-LIEU FEE CALCULATION

Table 4-3 on the following page shows the In-Lieu Fee calculation. Residential development’s impact on community parks is based the average persons per household (PPH) per single family (SFR) and multifamily unit (MFR). The CFF Fee Program assumes that single family units have, on average, 2.8 PPH and multifamily units have 2.0 PPH. Converting this to equivalent dwelling units and assuming a single family unit equals 1.0 EDUs, the EDU factor for a multifamily unit is calculated to be 0.71 EDU ($2.0/2.8 = 0.71$ EDU).

Applying these EDU factors to the 5,144 SFR and MFR units in CLSP produces a total 5,066 EDUs. Dividing the total cost of \$12.2 million by the 5,066 EDUs produces a cost per EDU of \$2,413. The In-Lieu Fees are then calculated by multiplying the \$2,413 cost per EDU by the EDU factor for the SFR and MFR units. For a SFR unit, the In-Lieu Fee is \$2,413 and for a MFR unit it is \$1,724, as shown in Table 4-3.

Table 4-3 – In-Lieu Community Parks Dedication Fee

<u>EDU Calculation</u>				
	<u>Units</u>	<u>EDU/Unit</u>	<u>Total EDUs</u>	
SFR	4,870	1.00	4,870	
MFR	274	0.71	196	
Total	5,144		5,066	
 <u>Cost Per EDU</u>				
Total Cost of Park Land				\$12,225,160
Number of EDUs for CLSP				5,066
Land Cost Per EDU				\$2,413
 <u>In-Lieu Fee Calculation</u>				
	<u>Persons</u>	<u>Equivalent</u>	<u>Cost Per</u>	<u>In-Lieu</u>
<u>Land Use</u>	<u>per Household</u>	<u>Dwelling Unit</u>	<u>EDU</u>	<u>Community Parks</u>
				<u>Dedication Fee</u>
Single Family	2.8	1.00	\$2,413	\$2,413
Multi-Family	2.0	0.71	\$2,413	\$1,724

SAYBROOK CREDITS AND REIMBURSEMENT

Table 4-4 on the following page shows the calculation of Saybrook’s credits and reimbursement resulting from its dedication of 43.86 acres of community park land. The first step in this calculation is to determine the dedication requirement per EDU. The total estimate EDUs based on 4,870 SFR units and 274 MFR units is 5,066. Dividing the total EDUs into the 63.20 acres of community park land required in CLSP equals a park land dedication requirement of 0.0125 acres of community park land per EDU.

Saybrook’s estimated planned residential development in CLSP totals 1,850 residential units, which includes 1,576 SFR units and 274 MFR units. Multiplying Saybrook’s residential units by their EDU factors equals 1,772 EDUs. Saybrook’s park dedication requirement of 22.10 acres is determined by multiplying the 1,772 EDUs by the 0.0125 acre dedication requirement. But Saybrook has dedicated 43.86 acres of community park land so it has over-dedicated its fair share by 21.75 acres and should be reimbursed for these acres.

Based on its dedication of 43.86 park acres, Saybrook should receive In-Lieu Fee credits for its 1,576 SFR units and 274 MFR units; the total credit is calculated in table 4-4 and equals \$4,275,703. Also, because Saybrook over-dedicated 21.75 acres of park land, it is due \$4,521,397 in reimbursement that will be paid from other developers that do not dedicate community park land and instead pay their In-Lieu Fee obligation. It should be noted that if

Saybrook's actual residential development totals differ from the numbers used in Table 4-4, the calculation need to be updated and the credits and reimbursement will change.

Table 4-4 – Saybrook In-Lieu Fee Credits and Reimbursement

Item			
CLSP Community Parks Acreage	a		63.20
Estimated EDUs in CLSP	b		5,066
Community Park Acres Per EDU	c = a/b		0.0125
	<u>EDU/Unit</u>		
Estimated Saybrook SFR Units in CLSP	1.00		1,576
Estimated Saybrook MFR Units in CLSP	0.71		<u>274</u>
Total Saybrook Units			1,850
Total Saybrook EDUs	d=(1,576*1.0 + 274*0.71)		1,772
Saybrook Community Park Dedication Requirement (acres)	e = c x d		22.10
Saybrook Community Park Land Dedications (acres) ¹	f		<u>43.86</u>
Excess Park Land Dedication (acres)	g = f - e		21.75
<hr/>			
<u>Saybrook Fee Credit Calculation</u>	<u>Units</u>	<u>Fee</u>	<u>Fee Credits</u>
Saybrook Fee Credits - SFR	<u>1,576</u>	<u>\$2,413</u>	<u>\$3,803,383</u>
Saybrook Fee Credits - MFR	<u>274</u>	<u>\$1,724</u>	<u>\$472,320</u>
Total - Saybrook Fee Credits	1,850		\$4,275,703
<hr/>			
<u>Saybrook Excess Land Dedication Reimbursement</u>	<u>Acres</u>	<u>Cost/Acre</u>	<u>Reimbursement</u>
Generation Center Land	5.76	\$268,870	\$1,547,638
Remaining Excess Park Land	<u>16.00</u>	<u>\$185,890</u>	<u>\$2,973,759</u>
Total Reimbursement For Excess Park Land Dedication	21.75		\$4,521,397

¹. Per Development Agreement Section 7.06.2, Richland conveyed 21.7 community park acres and 16.4 linear park acres; in addition, Saybrook conveyed 5.76 community park acres for the generation center, all totaling 43.86 acres.

IN-LIEU FEES

Table 4-5 Shows the In-Lieu Fees. Developers will be required to dedicate their fair share of community park land or pay the In-Lieu Fee. The In-Lieu Fee should be updated if the total expected residential units, or the residential mix of SFR and MFR units, or if Saybrook’s residential development differs from the residential development included in this In-Lieu Fee calculation, as this will change the In-Lieu Fee rates and credit/reimbursement amounts.

In addition, the DA states in section 7.06.2.6 that the In-Lieu Fee shall be paid for all units within each subdivision before issuance of the first building permit for construction of a single family unit in each such subdivision.

Table 4-5 – In-Lieu Community Parks Dedication CFF

<u>Land Use</u>	<u>Fee</u>
<u>Residential</u>	
Single Family	\$2,413 per Unit
Multi-Family	\$1,724 per Unit

5. WEST/CENTRAL LATHROP REGIONAL TRANSPORTATION CFF UPDATE

This section of the report identifies the facilities, costs, and the updated CFF rates required to fund the transportation facilities in the West/Central Lathrop Regional Transportation CFF program.

BACKGROUND

The West/Central Lathrop Regional Transportation (WCLRT) CFF was created in 2003 to supplement the existing WLSP Regional Transportation Impact Fee (RTIF). The RTIF was created in 1997 to mitigate the transportation impacts from developments in the West Lathrop Specific Plan area (WLSP). The WLSP area includes the Mossdale Village, CLSP, and River Islands developments. The WCLRT CFF provides a revenue source for funding transportation facilities that include specific transportation projects serving development areas west of the I-5 highway.

FACILITIES AND COSTS

Table 5-1 on the following page identifies the transportation facilities in the WCLRT CFF program and shows their costs in 2005 dollars and also in 2019 dollars - inflated based on the ENR 20-City CCI as of December 2018. City staff reviewed the inflated costs to determine if they were sufficient to fund the cost of constructing the projects in current dollars. Staff identified the Louise/I-5 interchange, whose inflated cost was significantly lower than the project's current estimated construction cost. For example, the Louise/I-5 interchange project was estimated to cost \$11,564,000 in 2005; its ENR CCI-inflated 2018 cost was \$16.9 million. However based on the City's estimate in 2018, the cost to construct this facility was \$39,200,000. In order to be able to fund this facility in the future, City staff determined that the cost of this interchange had to be updated in the Fee Program. As a result, the \$39.2 million cost was incorporated into the calculation of the proposed WCLRT CFF. Table 5-1 on the following page shows the total cost of the transportation facilities in the WCLRT CFF program, inflated by the ENR CCI to 2019 dollars, is \$289.6 million.

Table 5-1 - Transportation Facilities and Costs

No.	Route	Project Limits	Description	Project Cost (2005 \$)	Project Cost (2019 \$)
1	Arbor Avenue	Between Macathur Drive and Paradise Avenue	Widen roadway to 4 lanes with left turn at all intersections and driveways	\$9,138,000	\$13,772,000
2	Golden Valley Parkway	Between Paradise Avenue and Paradise Cut	Construct a 4-lane roadway with left turn lanes at all intersections and driveways includes Paradise Cut bridge	\$30,203,000	\$45,518,000
3	Golden Valley Parkway	Between Paradise cut and San Joaquin River	Construct a 4-lane divided arterial. Includes San Joaquin River Bridge.	\$20,745,000	\$31,264,000
4	Golden Valley Parkway	Between San Joaquin River and River Edge Avenue	Construct a 4-lane divided arterial.	\$2,754,000	\$4,150,000
5	Golden Valley Parkway	Between River Edge Avenue and River Island Parkway.	Construct a 6-lane divided arterial.	\$5,627,000	\$8,480,000
6	Golden Valley Parkway	Between River Island Parkway and Lathrop Road	Construct a 6-lane divided arterial.	\$6,046,000	\$9,112,000
7	Golden Valley Parkway	Btw. Lathrop Road and Central Lathrop Specific Plan north border	Construct a 4/6 divided arterial.	\$4,740,000	\$7,144,000
8	Golden Valley Parkway / Manthey Road	Between Central Lathrop Specific Plan north border and Roth Road.	Construct a improved 2-lane arterial.	\$1,430,000	\$2,155,000
9	Roth Road Interchange Improvements	Roth Road Interchange	Signalize and improve ramp intersections, include 4 lanes in interchange area.	\$752,000	\$1,133,000
10	Lathrop Road Interchange Improvements	Lathrop Road Interchange	Signalize and improve ramp intersections, include 8 lanes in interchange area.	\$25,370,000	\$38,234,000
11	Lathrop Road	Between Golden Valley Parkway and I-5	Construct a 6-lane divided arterial.	\$958,000	\$1,444,000
12	Louise Avenue Interchange Improvements	Louise Avenue Interchange	Construct 8 lanes in interchange area, expand ramps, upgrade signals as required.	\$11,564,000	\$40,327,000
13	River Island Parkway	Between Golden Valley Parkway and I-5	Construct a 6-lane divided arterial.	\$758,000	\$1,142,000
14	River Island Parkway	Between Golden Valley Parkway and McKee Avenue	Construct a 6-lane divided arterial.	\$1,517,000	\$2,286,000
15	River Island Parkway	Between McKee Avenue and San Joaquin River	Construct a 4-lane divided arterial. Includes San Joaquin River Bridge.	\$9,958,000	\$15,007,000
A	River Island Parkway	Between San Joaquin River and Broad Street	Construct a 4-lane divided arterial.	\$1,590,000	\$2,396,000
B	Broad Street	Between River Island Parkway and South River Island Parkway	Construct a 4-lane divided arterial.	\$2,435,000	\$3,670,000
C	S. River Island Parkway	Between Broad Street and Golden Valley Parkway.	Construct a 4-lane divided arterial.	\$2,357,000	\$3,552,000
D	Broad Street	Between River South Island Parkway and Golden Valley Parkway.	Construct a 4-lane divided arterial.	\$1,831,000	\$2,759,000
16	Paradise Avenue Interchange Improvements	Paradise Avenue Interchange	Construct new diagonal ramps, signalize ramp intersections, add left turn lanes on all approaches to new signalized intersections, maintain 2-lane overpass.	\$20,800,000	\$31,347,000
17	Paradise Avenue	Between I-205 and Golden Valley Parkway	Widen roadway to 4 lanes with left turn at all intersections and driveways	\$985,000	\$1,484,000
19	Macarthur Drive Interchange Improvements	Macarthur Drive Interchange	Construct interchange improvements	\$11,032,000	\$16,626,000
20	Macarthur Drive	Between I-205 and Arbor Avenue	Widen Roadway to 4 lanes.	\$1,369,000	\$2,063,000
21	Arbor Avenue and Macarthur Drive	Traffic Signal	Construct new traffic signals.	\$472,000	\$711,000
22	Golden Valley Parkway and Paradise Avenue	Traffic Signal	Construct new traffic signals.	\$472,000	\$711,000
23	Golden Valley Parkway and River Island Parkway	Traffic Signal	Construct new traffic signals.	\$472,000	\$711,000
24	Golden Valley Parkway and Lathrop Road	Traffic Signal	Construct new traffic signals.	\$472,000	\$711,000
25	River Island Parkway and Broad Street	Traffic Signal	Construct new traffic signals.	\$277,000	\$417,000
26	S. River Island Parkway and Broad Street	Traffic Signal	Construct new traffic signals.	\$277,000	\$417,000
27	Golden Valley Parkway and Broad Street	Traffic Signal	Construct new traffic signals.	\$277,000	\$417,000
28	Golden Valley Parkway and S. River Island Parkway	Traffic Signal	Construct new traffic signals.	\$277,000	\$417,000
Total				\$176,955,000	\$289,577,000

Table 5-2 on the following page shows the updated total cost of the transportation facilities in the WCLSP CFF program is \$289.6 million. An estimated \$99.0 million in fee revenue is expected to be collected through the WLSP RTIF program for seven transportation projects that are in both of these transportation fee programs. This amount will be used to reduce the total cost of the transportation projects to be funded through WCLSP CFF and would leave a net cost of \$190.6 million to be allocated to developments in the City through the WCLSP CFF program.

The cost allocation percentages shown in Table 5-2 are based on a traffic model analysis conducted by TJKM in 2003 and were applied in the WCLSP CFF calculation in the 2005 Fee Study. Costs are allocated based on trip generation from the following five zones:

1. Area A = Central Lathrop Specific Plan area
2. Area B = Mossdale Village
3. Area C = River Islands
4. Area D = East Lathrop
5. Area E = Areas outside the City

Based on the trip generation allocation, the CLSP area is allocated approximately \$35.9 million of the transportation project costs, or about 19% of the total \$190.6 million cost; Mossdale Village is allocated \$20.8 million, or about 11% of the total cost; and River Islands is allocated \$61.6 million, or about 32% of the total cost. The remaining 38% of the cost, approximately \$72.3 million, is allocated to East Lathrop and areas outside of the City and therefore this portion of the total cost cannot be collected and will need to be funded through other sources.

Table 5-2 - Transportation Facilities Cost Allocation

No.	Project Cost (2019 \$)	Less: '97 RTIF (2019 \$)	Net Project Cost (2019 \$)	Contribution to Projects by Area ¹						Net Project Cost by Area			
				A	B	C	D	E	Total	A	B	C	Total
1	\$13,772,000	\$0	\$13,772,000	11.1%	7.1%	48.5%	2.0%	31.3%	100%	\$1,530,222	\$973,777	\$6,677,333	\$9,181,332
2	\$45,518,000	(\$28,484,000)	\$17,034,000	14.0%	2.0%	45.0%	18.0%	21.0%	100%	\$2,384,760	\$340,680	\$7,665,299	\$10,390,739
3	\$31,264,000	(\$19,564,000)	\$11,700,000	19.1%	17.3%	48.2%	4.5%	10.9%	100%	\$2,233,637	\$2,020,908	\$5,637,273	\$9,891,818
4	\$4,150,000	(\$2,597,000)	\$1,553,000	13.1%	21.2%	59.1%	5.8%	0.7%	100%	\$204,044	\$328,737	\$918,197	\$1,450,977
5	\$8,480,000	(\$5,307,000)	\$3,173,000	19.4%	19.4%	50.7%	9.0%	1.5%	100%	\$615,657	\$615,657	\$1,610,179	\$2,841,493
6	\$9,112,000	(\$5,702,000)	\$3,410,000	49.1%	20.9%	20.2%	7.4%	2.5%	100%	\$1,673,619	\$711,288	\$690,368	\$3,075,275
7	\$7,144,000	\$0	\$7,144,000	69.9%	8.1%	7.4%	14.0%	0.7%	100%	\$4,990,293	\$577,823	\$525,293	\$6,093,409
8	\$2,155,000	\$0	\$2,155,000	68.9%	0.9%	1.9%	25.5%	2.8%	100%	\$1,484,103	\$20,329	\$40,661	\$1,545,093
9	\$1,133,000	\$0	\$1,133,000	16.6%	4.1%	5.5%	23.0%	50.9%	100%	\$188,304	\$46,794	\$61,749	\$296,846
10	\$38,234,000	(\$5,962,000)	\$32,272,000	30.9%	5.3%	6.8%	32.9%	24.1%	100%	\$9,975,275	\$1,694,281	\$2,194,495	\$13,864,051
11	\$1,444,000	\$0	\$1,444,000	59.9%	4.4%	5.8%	27.7%	2.2%	100%	\$864,291	\$63,241	\$84,322	\$1,011,854
12	\$40,327,000	\$0	\$40,327,000	6.2%	16.7%	25.6%	18.7%	32.7%	100%	\$2,516,406	\$6,746,706	\$10,311,615	\$19,574,727
13	\$1,142,000	\$0	\$1,142,000	9.8%	27.0%	40.2%	18.0%	4.9%	100%	\$112,327	\$308,902	\$458,673	\$879,902
14	\$2,286,000	\$0	\$2,286,000	17.9%	17.9%	47.1%	11.4%	5.7%	100%	\$408,215	\$408,215	\$1,077,685	\$1,894,115
15	\$15,007,000	\$0	\$15,007,000	18.4%	12.9%	55.8%	7.5%	5.4%	100%	\$2,756,387	\$1,939,680	\$8,371,252	\$13,067,319
A	\$2,396,000	\$0	\$2,396,000	18.9%	12.8%	55.4%	7.4%	5.4%	100%	\$453,323	\$307,646	\$1,327,624	\$2,088,593
B	\$3,670,000	\$0	\$3,670,000	12.4%	15.7%	59.5%	4.1%	8.3%	100%	\$455,080	\$576,190	\$2,184,018	\$3,215,288
C	\$3,552,000	\$0	\$3,552,000	3.0%	34.8%	59.8%	1.8%	0.6%	100%	\$108,293	\$1,234,536	\$2,122,536	\$3,465,366
D	\$2,759,000	\$0	\$2,759,000	10.9%	9.1%	63.6%	3.6%	12.7%	100%	\$301,007	\$251,069	\$1,755,551	\$2,307,627
16	\$31,347,000	(\$31,347,000)	\$0	5.7%	6.1%	47.9%	2.6%	37.7%	100%	\$0	\$0	\$0	\$0
17	\$1,484,000	\$0	\$1,484,000	7.0%	7.0%	62.0%	1.0%	23.0%	100%	\$103,880	\$103,880	\$920,080	\$1,127,840
19	\$16,626,000	\$0	\$16,626,000	8.5%	4.4%	24.2%	2.9%	60.1%	100%	\$1,414,872	\$724,893	\$4,021,830	\$6,161,595
20	\$2,063,000	\$0	\$2,063,000	10.0%	7.0%	43.0%	2.0%	38.0%	100%	\$206,300	\$144,410	\$887,090	\$1,237,800
21	\$711,000	\$0	\$711,000	9.5%	6.4%	40.8%	2.1%	41.3%	100%	\$67,616	\$45,149	\$290,159	\$402,923
22	\$711,000	\$0	\$711,000	9.4%	8.2%	61.1%	1.4%	19.9%	100%	\$66,905	\$58,231	\$434,066	\$559,202
23	\$711,000	\$0	\$711,000	24.0%	26.7%	33.1%	12.3%	4.0%	100%	\$170,640	\$189,482	\$235,270	\$595,392
24	\$711,000	\$0	\$711,000	62.5%	8.7%	8.8%	18.3%	1.6%	100%	\$444,660	\$62,071	\$62,639	\$569,369
25	\$417,000	\$0	\$417,000	17.1%	12.4%	61.1%	6.4%	3.0%	100%	\$71,432	\$51,750	\$254,620	\$377,802
26	\$417,000	\$0	\$417,000	8.8%	14.7%	64.4%	3.2%	8.9%	100%	\$36,488	\$61,424	\$268,631	\$366,543
27	\$417,000	\$0	\$417,000	8.7%	15.0%	64.6%	5.7%	6.2%	100%	\$36,112	\$62,425	\$269,174	\$367,711
28	\$417,000	\$0	\$417,000	7.2%	22.3%	63.3%	6.2%	1.0%	100%	\$30,066	\$92,866	\$264,044	\$386,976
Total	\$289,577,000	(\$98,963,000)	\$190,614,000							\$35,904,214	\$20,763,039	\$61,621,724	\$118,288,977

1. Area A = CLSP
Area B = Mossdale Village
Area C = Stewart Tract/River Islands
Area D = East Lathrop
Area E = Areas outside the City

COST ALLOCATION

The total \$35.9 million cost allocated to CLSP is further allocated to the development planned within CLSP. The planned development in CLSP has been updated in this Fee Study to reflect the most current estimate of residential and nonresidential development.

The cost allocation methodology used in this Fee Study is the same that was used in the 2005 Fee Study. Development estimate for CLSP is multiplied by the adjusted PM peak hour trip rates to determine total trip volume. PM Peak hour trips are adjusted by reducing the trip totals for Retail and Office development by 60% and 20%, respectively, to account for pass-by and diverted trips that are linked to other trips. Reducing these trip totals ensures that trip generation estimates on the roadways is not overestimated. Based on adjusted PM Peak Hour trip volume, an allocation of the total cost is calculated for each land use category in CLSP. The cost per unit was calculated by dividing the total units into the total allocated cost for each land use category. Table 5-3 shows the cost per unit or per 1,000 square feet for CLSP. The cost per unit or per 1,000 building square feet is also the WCLSP CFF rate for each land use category.

Table 5-3
CLSP - Cost Allocation

Land Use	Units / Bldg SF	Adjusted PM Peak Hour Trip Rate	Adjusted PM Peak Hour Trip Volume	Percent Allocation	Total Costs	Cost per Unit / Bldg SF
Area A - CLSP Cost	\$ 35,904,214					
<i>Dwelling</i>						
<i>Residential</i>	<i>Units</i>	<i>per Unit</i>				<i>per Unit</i>
Single Family	4,870	1.01	4,919	49.61%	\$17,813,847	\$3,658
Multi-Family	274	0.62	170	1.71%	\$615,644	\$2,245
Subtotal - Residential	5,144		5,089	51.33%	\$18,429,492	
<i>Non-Residential</i>						
	<i>Bldg SF</i>	<i>per 1,000 SF</i>				<i>Per 1,000 SF</i>
Service/Office Commercial	3,524,250	0.94	3,313	33.42%	\$11,999,135	\$3,405
Retail Commercial	1,174,750	1.29	1,512	15.25%	\$5,475,588	\$4,661
Subtotal - Non-Residential	4,699,000		4,825	48.67%	\$17,474,723	
Total			9,914	100.00%	\$35,904,214	

WEST/CENTRAL LATHROP REGIONAL TRANSPORTATION FEE

Table 5-4 shows the proposed WCLRT CFF for CLSP.

**Table 5-4
West/Central Lathrop Regional Transportation CFF**

Land Use	Central Lathrop
<u>Residential</u>	
Single Family	\$3,658 per Unit
Multi-Family	\$2,245 per Unit
<u>Non-Residential</u>	
Service/Office Commercial	\$3,405 per 1,000 sf
Retail Commercial	\$4,661 per 1,000 sf

6. SEWER/RECYCLED WATER CAPITAL FACILITIES FEE UPDATE

This section of the report identifies the updated sewer and recycled water facilities, costs, and CFF rates required to fund reimbursement costs for oversizing the sewer and recycled water facilities in the CLSP area.

FACILITIES AND COSTS

In June 2018, the City Council adopted the original Sewer/Recycled Water CFF. The original Sewer/Recycled Water CFF was based on facilities that included a pump station, force mains, sewer pipelines, and recycled water pipelines; specifically items 1 – 3 shown in Table 6-1 below. This Fee Study includes additional pump station costs and additional sewer work (items #4 and #5 in Table 6-1) that were incurred by Richland or Saybrook and approved by the City. The additional facilities increase the total cost to \$16.4 million. Tables 1 through 5 in the appendix of this report provide details of the sewer and recycled water backbone facilities and costs that have been constructed to serve the CLSP area. Facilities include a portion of a pump station, force mains, sewer pipelines, and recycled water pipelines. Table 6-1 shows the total cost of these facilities in 2019 dollars is \$16.4 million.

Table 6-1
Sewer/Recycled Water Capital Facilities for CLSP

No.	Improvement	Project Cost (2017 \$)	Project Cost (2019 \$)
1	Portion of Pump Station and Force Mains ¹	\$5,302,500	\$5,633,000
2	Sanitary Sewer Mains	\$2,849,175	\$3,027,000
3	Recycled Water Mains	\$3,095,280	\$3,288,000
4	Additional Pump Station Costs ²	-	\$792,000
5	Estimated Additional Sewer Work	-	\$3,663,000
Total		\$11,246,955	\$16,403,000

1. Includes 1/4 of the total pump station cost.

2. Includes 1/4 of the additional costs incurred since 2014.

COST ALLOCATION FACTORS

The allocation of the CLSP sewer and recycled water facilities is based on the wastewater flow factors provided by the City and summarized in Table 6-2 below. Wastewater flow is a reasonable method of allocating sewer facilities costs since it accurately measures the demand placed on the sewer system by various types of development.

Table 6-2
Sewer Cost Allocation Factors

Land Use	Wastewater Flow Factor
Low Density Residential	200 gpd/du
Medium Density Residential	170 gpd/du
High Density Residential	170 gpd/du
Commercial	590 gpd/ac
Industrial ¹	355 gpd/ac

1. Industrial development is not allowed in CLSP.

Sources: City of Lathrop

CLSP SEWER/RECYCLED WATER FACILITIES CFF CALCULATION

Table 6-3 on the following page summarizes the cost allocation of the sewer and recycled water facilities costs. The estimated development in CLSP includes 5,144 residential units and approximately 4.7 million square feet of commercial development. The residential development estimate varies from the CLSP EIR which shows nearly 6,800 units as potentially developing in the CLSP. However development densities in approved tentative maps for CLSP show residential development at lower densities than were originally contemplated. As a result, the costs allocation shown in Table 6-3 includes the lower density residential estimates. If these densities change in future years, the CFF should be updated to account for the revised development plans.

Table 6-3
Sewer/Recycled Water Cost Allocation

Land Use	Units / Bldg SF	Wastewater Flow Factor	Wastewater Flow Daily Volume	Percent Allocation	Cost Allocation	Cost per Unit / Bldg SF
Total Improvement Cost \$16,403,000						
		<i>Dwelling</i>	<i>GPD</i>			
<u>Residential</u>	<u>Units</u>	<u>per Unit</u>	<u>GPD</u>			<u>per Unit</u>
Single Family	4,870	200	974,000	79.0%	\$12,960,250	\$2,661
Multi-Family	274	170	46,580	3.8%	\$619,803	\$2,262
Subtotal - Residential	5,144		1,020,580	82.8%	\$13,580,053	
		<i>Building</i>	<i>GPD</i>			<i>Per</i>
<u>Non-Residential</u>	<u>Acres</u>	<u>Sq. Ft</u>	<u>per acre</u>			<u>1,000 SF</u>
Commercial	359.6	4,699,000	590	17.2%	\$2,822,947	\$601
Total			1,232,733	100.0%	\$16,403,000	

CLSP SEWER/RECYCLED WATER FACILITIES CFF

The sewer and recycled water facilities, or portions of facilities, identified in this chapter will serve the CLSP area and therefore the Sewer/Recycled Water CFF calculated here is to be charged only to development in the CLSP area. Table 6-4 summarizes the Sewer/Recycled Water CFFs. Since the sewer and recycled water facilities have been funded by Richland or Saybrook, CFF revenue will be used to reimburse the developer.

Table 6-4
Sewer/Recycled Water Capital Facilities Fees

<u>Land Use</u>	<u>Fee</u>
<u>Residential</u>	
Single Family	\$2,661 per Unit
Multi-Family	\$2,262 per Unit
<u>Non-Residential</u>	
Commercial	\$601 per 1,000 sf

7. SURFACE WATER SUPPLY FEE CREDIT ALLOCATION FOR SAYBROOK

In 1995 the City entered into a water supply development agreement with the South San Joaquin Irrigation District (SSJID) to purchase treated surface water through the South County Surface Water Supply Project (SCSWSP). The City's groundwater supplies were limited and surface water would be required to meet future demand from new development planned in the City. In 2005 the SCSWSP became operational and began supplying water to the City. SCSWSP facilities include water treatment plant improvements, pipelines, pump stations, and storage reservoir improvements. The City of Lathrop's share of the total \$148.3 million Phase 1 cost is estimated to be approximately \$43.7 million.

Phase 1 of the water project will supply the City with 7.15 million gallons per day (MGD) of treated water and Phase 2 would increase the total to 10.52 MGD. Of the Phase 1 total, 3.08 MGD was allocated to the River Islands development; 1.34 MGD was allocated to existing City ratepayers; 0.69 MGD was allocated to the Mossdale Village development; 1.91 MGD was allocated to CLSP; and 0.13 MGD was allocated to other future development areas. In 2013 the City sold 1.0 MGD of its surface water supply allocation to the City of Tracy and as a result, CLSP's Phase 1 surface water supply allocation was reduced to 0.91 MGD.

CLSP SURFACE WATER SUPPLY CFF CREDIT CALCULATION

The DA obligates Saybrook to fund a proportionate share of the annual debt service of water bonds used to purchase the 0.91 MGD surface water supply allocation for the Saybrook's development. In paying the annual debt service, Saybrook earns Surface Water Supply CFF credits annually in proportion to the present value of the debt service that has been paid by Saybrook. In total, Saybrook will earn fee credits for of 2,116 SFR units or equivalent dwelling units (see Table 7-1). This number is calculated by dividing the 910,000 gallons per day water allotment by the average water usage for a SFR unit or 1.0 EDU, which is 430 gallons per day ($910,000 / 430 = 2,116$).

Exhibit D6 in the DA shows that as of December 2016, Saybrook has earned a total of \$4,379,634 in Surface Water Supply credits. Based on the CLSP Surface Water Supply CFF of \$5,768 per EDU, Saybrook has earned a total of 759 Surface Water Supply credits. Based on the present value of the bond debt service over the remaining years through fiscal year 2031-32, which is the last year of water bond debt service, Saybrook will earn 90 or 91 Surface Water Supply credits annually until it reaches a cumulative total of 2,116. Table 7-2 shows the cumulative allocation calculation of Saybrook's Surface Water Supply CFF credits.

Table 7-1 Surface Water Supply CFF - CLSP

Fiscal Year	2003 and 2013 and 2017	CLSP Portion -	Debt Service	Total CLSP	Present	Surface Water Supply CFF for CLSP (\$/EDU) ⁶
	Bonds/Loan Debt Service for Water Users ¹	Water Supply Bonds and Loan Debt Service ²	Obligation Met with \$4M Prepay ³	Portion of Debt Service	Value of CLSP CLSP Portion of Debt Serv. ^{4,5}	
2006-07	\$1,098,173	\$489,871	(\$108,156)	\$381,715	\$455,569	
2007-08	\$1,180,023	\$526,383	(\$94,305)	\$432,077	\$493,171	
2008-09	\$1,298,023	\$579,020	(\$94,305)	\$484,714	\$525,665	
2009-10	\$1,294,973	\$577,659	(\$94,305)	\$483,354	\$508,566	
2010-11	\$1,295,403	\$577,851	(\$94,305)	\$483,546	\$501,101	
2011-12	\$1,294,803	\$577,583	(\$94,305)	\$483,278	\$498,035	
2012-13	\$1,293,143	\$576,843	(\$94,305)	\$482,538	\$495,226	
2013-14	\$1,098,868	\$566,688	\$0	\$566,688	\$579,486	
2014-15	\$1,102,803	\$573,528	\$0	\$573,528	\$585,047	
2015-16	\$750,215	\$389,340	\$0	\$389,340	\$396,256	
2016-17	\$750,215	\$398,520	\$0	\$398,520	\$404,426	
2017-18	\$947,461	\$480,449	\$0	\$480,449	\$484,893	
2018-19	\$947,461	\$480,449	\$0	\$480,449	\$480,449	\$5,768
2019-20	\$947,461	\$480,449	\$0	\$480,449	\$475,328	
2020-21	\$947,461	\$480,449	\$0	\$480,449	\$470,262	
2021-22	\$947,461	\$480,449	\$0	\$480,449	\$465,249	
2022-23	\$947,461	\$480,449	\$0	\$480,449	\$460,290	
2023-24	\$947,461	\$480,449	\$0	\$480,449	\$455,384	
2024-25	\$947,461	\$480,449	\$0	\$480,449	\$450,531	
2025-26	\$947,461	\$480,449	\$0	\$480,449	\$445,729	
2026-27	\$947,461	\$480,449	\$0	\$480,449	\$440,978	
2027-28	\$947,461	\$480,449	\$0	\$480,449	\$436,278	
2028-29	\$947,461	\$480,449	\$0	\$480,449	\$431,628	
2029-30	\$947,461	\$480,449	\$0	\$480,449	\$427,027	
2030-31	\$947,461	\$480,449	\$0	\$480,449	\$422,476	
2031-32	\$947,461	\$480,449	\$0	\$480,449	\$417,973	
Totals	\$26,668,553	\$13,040,017	(\$673,989)	\$12,366,029	\$12,207,022	
Phase I SCSWSP Capacity for CLSP ⁷						0.91 mgd
Present Value Cost of Surface Water Supply Capacity for CLSP						\$13.41 /gpd
Demand Met by Surface Water per EDU ⁸						430 gpd
Potential Development Served by this Capacity						2116 EDUs
Present Value Cost of Water Supply Capacity Per EDU						\$5,768 /EDU
Proposed CLSP Surface Water Supply CFF for Growth Areas FY 2017-18 ⁹						
	5/8" Meter	\$5,768	3" Meter	\$86,520		
	3/4" Meter	\$8,652	4" Meter	\$144,200		
	1" Meter	\$14,420	6" Meter	\$288,400		
	1 1/2" Meter	\$28,840	8" Meter	\$461,440		
	2" Meter	\$46,144	10" Meter	\$836,360		

Table 7-2 Surface Water Supply CFF Credits

Fiscal Year	Total CLSP Portion of Debt Service	Present Value of CLSP Portion of Debt Service	Annual Credits Earned (EDUs)	Cumulative Credits Earned (EDUs)
2006-07	\$381,715	\$455,569		
2007-08	\$432,077	\$493,171		
2008-09	\$484,714	\$525,665		
2009-10	\$483,354	\$508,566		
2010-11	\$483,546	\$501,101		
2011-12	\$483,278	\$498,035		
2012-13	\$482,538	\$495,226		
2013-14	\$566,688	\$579,486		
2014-15	\$573,528	\$585,047		
2015-16	\$389,340	\$396,256		
2016-17	\$398,520	\$404,426		759
2017-18	\$480,449	\$484,893	90	849
2018-19	\$480,449	\$480,449	90	939
2019-20	\$480,449	\$475,328	90	1,029
2020-21	\$480,449	\$470,262	90	1,119
2021-22	\$480,449	\$465,249	90	1,209
2022-23	\$480,449	\$460,290	90	1,299
2023-24	\$480,449	\$455,384	90	1,389
2024-25	\$480,449	\$450,531	90	1,479
2025-26	\$480,449	\$445,729	91	1,570
2026-27	\$480,449	\$440,978	91	1,661
2027-28	\$480,449	\$436,278	91	1,752
2028-29	\$480,449	\$431,628	91	1,843
2029-30	\$480,449	\$427,027	91	1,934
2030-31	\$480,449	\$422,476	91	2,025
2031-32	\$480,449	\$417,973	91	2,116
Totals	\$12,366,029	\$12,207,022		
		Total Credit Earned (Dec. 2016) ¹		\$4,379,000
		Present Value Cost of Water Supply Capacity Per EDU		\$5,768 /EDU
		Cumulative Credits Earned (Dec. 2016)		759 EDUs
		Total Present Value of CLSP Portion of Debt Service		\$12,207,022
		Less: Total Credit Earned (Dec. 2016)		(\$4,379,000)
		Total Remaining Present Value of CLSP Debt Service		\$7,828,022
		Total Remaining Credits		1,357 EDUs
		Remaining Years of Debt Service (as of Dec. 2016)		15 yrs.
		Average Credits Earned Per Year (After Dec. 2016)		90 EDUs

¹ Per Ex. D6 of the Assignment and Amendment of Development Agreement By and Between the City of Lathrop and Saybrook CLSP, LLC and Lathrop Land Acquisition dated December 6, 2016.

8. CIP UPDATE FOR THE CULTURE AND LEISURE FACILITIES

In 2014 the City completed construction of the Lathrop Generations Center. The Generation Center building includes a 4,200 square foot public library and a 5,300 square foot youth and teen center. Additionally, the 5.76 acre site on Spartan Way includes play equipment, a skate park, parkour course, outdoor stage, turf seating, landscaping and irrigation, and a parking lot. In 2012, the City received a \$5.0 million grant to help fund the facility. The 5.76 acre site itself will be purchased by the City from Saybrook at a cost of \$6.00 per square foot, for a total of approximately \$1.5 million.

While the CFF program includes a teen center and library facility space in the Culture and Leisure Facilities CFF, it does not include enough funding for the land associated with the teen center or library facilities to be able to provide funding to acquire the 5.76 acre site.

In order to use Culture and Leisure Facilities CFF revenue to reimburse Saybrook for the 5.76 acre site, the total square footage of the future library facilities was reduced by 1,600 square feet from 32,700 to 31,100 to allow for including the \$1.5 million in funding of the 5.76 acre park land. By simultaneously reducing the library facility space while including the 5.76 park acres in the CIP, the Culture and Leisure Fee rates did not increase. This change to the Culture and Leisure CIP was approved with the adoption of the City of Lathrop 2018 Capital Facilities Fee Study Update in June of 2018.

UPDATE OF THE CULTURE AND LEISURE FACILITIES CIP

With the creation of the In-Lieu Community Parks Dedication CFF in this Fee Study, the 5.76 acre site for the Generation Center is now included in the community park land that will be funded through the In-Lieu Community Parks Dedication CFF. As a result of this, the 5.76 acres of park land will no longer be funded through the Culture and Leisure Facilities CFF. Therefore, the library facility included in the Culture and Leisure Fee CIP can be restored to the original facility size of 32,700 square feet.

REMAINING LIBRARY AND YOUTH FACILITIES

With the construction of the Lathrop Generations Center, the total remaining library and youth center facilities needed by build out of the City are reduced; the CFF program assumes a buildout population of 65,400 for the City. Table 8-1 below summarizes the required facilities, the existing facilities that were constructed at the Generations Center, and the remaining facilities that need to be constructed in the future to serve the City's build out population.

For library facilities, 32,700 square feet of building space is required by build out of the City. With the construction of the 4,200 square foot library at the Generations Center, 28,500 square feet of library building space remains to be constructed in the future. For the youth center, 5,300 square feet of space are in the Generations Center, leaving 2,200 square feet of youth center building space remaining to be constructed.

Table 8-1

Remaining Library and Youth Center Facilities at Build Out

<u>Library Facilities</u>	<u>Building (sf)</u>
Requirements by Buildout	32,700
Existing Library Facilities ¹	<u>(4,200)</u>
Net Remaining Library Building Requirements	28,500
<u>Youth Center Facilities</u>	
Requirements by Buildout	7,500
Existing Youth Center Facilities ²	<u>(5,300)</u>
Net Remaining Youth Center Building Requirements	2,200

¹ Library space at the Generations Center.

² Youth center space at the Generations Center.

9. NEXUS FINDINGS

Development in the City will create a need for additional public facilities as well as expansion of existing facilities to serve future residents and employees. The CFF program will provide funding for public facilities in accordance with the policies and goals set forth by the City. As required pursuant to the Mitigation Fee Act, the CFFs calculated in this Fee Study meet the nexus requirements of the law, as outlined below.

NEXUS TEST

Purpose of the Fees

The purpose of the CFFs is to provide funding for the infrastructure and facilities identified in this Fee Study.

Use of Fee

- CFF revenue will be used to fund future development's fair share of the cost of infrastructure and facilities that have been identified by the City as necessary to serve new development in the City.

Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed.

New residential and non-residential development will generate additional demand for the infrastructure and facilities identified in this Fee Study. The facilities, infrastructure improvements, and capacity enhancements included in this Fee Study will ensure that the City will maintain the desired level of service standards that are identified for the facility categories included in this Fee Study.

Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.

CFF revenue collected will fund the facilities included in this Fee Study. These facilities will serve development in the City and the proposed fees in this Fee Study are a fair-share cost allocation based on the impact that future development will have on these facilities and improvements. Separate CFF accounts will be established to ensure that fee revenue is applied to the infrastructure and facilities for which it is collected.

Determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.

A reasonable relationship between the amount of each CFF and the cost of the public facility, or portion thereof, is established in this Fee Study through the use of cost allocation factors to estimate the demand for a facility or, the impact that a land use will have on a facility. For example, the cost allocation for the Sewer/Recycled Water Fee is based on the gallons per day of wastewater generated for each specific land use. The wastewater generation rates, which differ between land use categories, measure each land use's impact on sewer facilities and infrastructure. As a result, each land use category or development type is allocated its fair share of the cost based on its impact, as identified by its cost allocation factor.

By assigning the demand for infrastructure and facilities based on the cost allocation factors for each land use and quantifying that demand in the calculation of the CFFs, a reasonable relationship is established between the amount of the fee and the cost of the facilities attributable to the different types of development in the City.

10. FEE PROGRAM ADMINISTRATION

FEE IMPLEMENTATION

According to the California Government Code, prior to levying a new fee or increasing an existing fee, a public agency must hold at least one open and public meeting. At least 10 days prior to this meeting, the agency must make data on facility costs and funding sources available to the public. Notice of the time and place of the meeting, and a general explanation of the matter, are to be published in accordance with Section 6062a of the Government Code, which states that publication of notice shall be posted over a 10-day period in a newspaper regularly published once a week or more. Two publications, with at least five days intervening between the dates of the first and last publication, not counting such publication dates, are sufficient. The Fee Study and fees established herein will be adopted through a City ordinance and resolution. Once the fee program is adopted by the Lathrop City Council, it shall become effective no sooner than sixty days after the final legislative action.

FEE ADJUSTMENTS

The CFFs will be adjusted in future years to reflect revised facility standards, receipt of funding from alternative sources (i.e., state or federal grants), revised costs, or changes in land uses or development plans. In addition to such adjustments, each year the CFF Fees will be adjusted by the change in the Engineering News Record 20-City CCI over the prior calendar year. This Fee Study adjusted costs in this report based on the ENR 20-City CCI value of 11,186 for December 2018. For inflating facilities costs that are in the City's 2005 CFF Fee Study, this Fee Study applied ENR 20-City CCI values of 6,695 (July 2003) for costs that were established in 2003 and an ENR 20-City CCI value of 7,422 (July 2005) for costs established in 2005.

ANNUAL ADMINISTRATIVE DUTIES

The Government Code requires a public agency to report, every year and every fifth year, certain financial information regarding their impact fees. Within 180 days after the last day of each fiscal year the public agency must make the following information available for the past fiscal year:

- (a) A brief description of the type of fee in the account or fund
- (b) The amount of fee revenue
- (c) The beginning and ending balance of the account or fund

- (d) The amount of fee revenue collected and interest earned
- (e) An identification of each public improvement on which fees were expended and the amount of expenditures on each improvement, including the total percentage of the cost of public improvement that was funded with fees
- (f) An identification of an approximate date by which time construction on the improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement
- (g) A description of each interfund transfer or loan made from the account or fund, when it will be repaid and at what interest rate
- (h) The amount of any refunds made once it is determined that sufficient monies have been collected to fund all projects

The public agency must make this information available for public review and must also present it at the next regularly scheduled public meeting not less than 15 days after this information is made available to the public.

FIFTH-YEAR ADMINISTRATIVE DUTIES

For the fifth year following the first deposit into the fee account and every five years thereafter, the public agency must make the following findings with respect to any remaining funds in the fee accounts:

- (a) Identify the purpose to which the fee is to be put
- (b) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged
- (c) Identify all sources and amounts of funding anticipated to complete financing incomplete improvements
- (d) Designate the approximate dates on which funding is expected to be deposited into the appropriate accounts or funds

As with the annual report, the five-year report must be made public within 180 days after the end of the public agency's fiscal year and must be reviewed at the next regularly scheduled public meeting. The public agency must make these findings; otherwise the law states that the City must refund the fee revenue to the then current owners of the development project.

APPENDIX A

Sewer System Capital Facilities Costs

**Table 1
PUMP STATION AND FORCE MAINS**

ITEM	UNIT	UNIT COST	CFF AREA		REMARKS
			QTY	ITEM SUB-TOTAL	
A. Sewer System Work					
Pump Station Construction Work	LS	\$1,750,000	1	\$1,750,000	1/4 of the total pump station cost
14"SSFM	LF	\$65.00	11900	\$773,500	
18"SSFM	LF	\$85.00	11900	\$1,011,500	
CONSTRUCTION SUBTOTAL				\$3,535,000	
F. Right of Way Acquisition	SF	\$2.00		\$0	
G. Contingences		30%		\$1,060,500	
H. Design / Plan Check / Bonding / Staking / Inspection		20%		\$707,000	
TOTAL				\$5,302,500	

Table 2
OVERSIZED SEWER MAINS

All Sanitary Sewer Gravity Lines larger than 12"

ITEM	UNIT	UNIT COST	CFF AREA		REMARKS
			QTY	ITEM SUB-TOTAL	
A. Sewer System Work - Constructed by Saybrook					
24" Sanitary Sewer	LF	\$105.00	4000	\$420,000	
18" Sanitary Sewer	LF	\$90.00	1850	\$166,500	
14" Sanitary Sewer	LF	\$75.00	1200	\$90,000	
Dewatering	LF	\$75.00	7050	\$528,750	
CONSTRUCTION SUBTOTAL				\$1,899,450	
F. Right of Way Acquisition	SF	\$2.00		\$0	
G. Contingences		30%		\$569,835	
H. Design / Plan Check / Bonding / Staking / Inspection		20%		\$379,890	
TOTAL				\$2,849,175	

Table 3**RECYLCED WATER MAINS**

All Sanitary Sewer Gravity Lines larger than 12"

ITEM	UNIT	UNIT COST	CFF AREA		REMARKS
			QTY	ITEM SUB-TOTAL	
A. Recycled Water System Work - Constructed by Saybrook					
24" Recycled Water	LF	\$95.00	3400	\$323,000	
20" Recycled Water	LF	\$80.00	6350	\$508,000	
10" Recycled Water	LF	\$40.00	3300	\$132,000	
6" Recycled Water	LF	\$24.00	5100	\$122,400	
CONSTRUCTION SUBTOTAL				\$2,063,520	
F. Right of Way Acquisition	SF	\$2.00		\$0	
G. Contingences		30%		\$619,056	
H. Design / Plan Check / Bonding / Staking / Inspection		20%		\$412,704	
TOTAL				\$3,095,280	

Table 4
Additional Pump Station Costs

2006 Richland Contract to Auburn	\$10,479,300
Change orders to Auburn Contract	\$800,253
Total Amount Paid to Auburn by 2006 Richland Contract	\$11,279,553
2014 Saybrook Contract to Auburn	\$138,176
Total Amount paid prior to 2017 Auburn Contract Completion	\$11,417,729
2017 - Saybrook Contact to Auburn	\$270,000
Change Orders to Auburn Contract	\$2,834,548
Total Amount Paid to Auburn by 2017 Saybrook Contract	\$3,104,548
Sale of Equipment to Crow Holdings (City ordered Removal)	(\$254,625)
Amount Paid to TESCO by SFA	\$91,950
Amount Paid to GENERAC by SFA	\$23,214
Amount Paid to SHAPE by SFA	\$28,965
Amount Paid to CRUMP by SFA	\$120,971
Amount Paid to Rain for Rent by SFA	\$14,931
Amount Paid to ARNAUDO by SFA	\$39,000
Total Paid outside of Auburn Contract by SFA	\$64,407
Total Cost of CLSP SS & SD Pump Station Completion	\$14,586,684
Total Additional Cost Beyond 2006 Contract (2019 \$)	\$3,168,955
1/4 of Additional Cost added to DA Pump Station Cost (rounded)	\$792,000

Sources: City of Lathrop; Saybrook, LLC

Table 5
Additional Sanitary Sewer Facilities

Item	Quantity	Cost	
		Per LF / Unit	Amount (2019 \$)
18" C905 SSFM including backfill	6,665	\$90	\$599,850
14" C905 SSFM including backfill	6,665	\$75	\$499,880
Bore & Jack includes 28" steel casing for 18" SSFM under I-5	310	\$1,500	\$465,000
Bore & Jack includes 24" steel casing for 14" SSFM under I-5	310	\$1,400	\$434,000
18" Gate valve (bore locations, at manifold and every 2,000')	6	\$6,000	\$36,000
14" Gate valve (bore locations, at manifold and every 2,000')	6	\$4,000	\$24,000
Bore & Jack includes 28" steel casing for 18" SSFM UPR Spur Line	200	\$1,500	\$300,000
Bore & Jack includes 24" steel casing for 14" SSFM UPR Spur Line	200	\$1,400	\$280,000
Connect to existing SSFM stubs in Manthey Road	2	\$5,000	\$10,000
Manifold to combine 14" / 18" into single 20"	1	\$10,000	\$10,000
Connect 20" SSFM at Nestle Way	1	\$5,000	\$5,000
Subtotal			\$2,663,730
Contingencies (10%)			\$266,373
Total Construction Cost			\$2,930,103
Engineering, Design, Inspection, Fees, etc. (25% of total const. cost)			\$732,526
Total Construction and Soft Costs (2019 \$) (rounded)			\$3,663,000

Sources: City of Lathrop; Saybrook, LLC