

ENGINEER'S REPORT

for

**NORTHWEST SAN RAMON
GEOLOGIC HAZARD ABATEMENT
DISTRICT**

**THE PRESERVE DEVELOPMENT
SAN RAMON, CALIFORNIA**

FISCAL YEAR 2021/22

TABLE OF CONTENTS

	<u>Page</u>
CERTIFICATION OF FILING	1
I. INTRODUCTION	3
II. BACKGROUND	3
III. GEOLOGIC HAZARD ABATEMENT DISTRICT BOUNDARIES	3
IV. SERVICE LEVELS	3
V. DESCRIPTION OF THE IMPROVEMENTS MAINTAINED BY THE GHAD	4
VI. ASSESSMENT METHOD	4
VII. BUDGET and ASSESSMENT	5
VIII. PROPERTY OWNER OR DEVELOPER RESPONSIBILITIES	7

EXHIBIT A – Assessment Diagram

EXHIBIT B – Plat

EXHIBIT C – Northwest San Ramon GHAD Budget FY 2021/22

ENGINEER'S REPORT

NORTHWEST SAN RAMON GEOLOGIC HAZARD ABATEMENT DISTRICT THE PRESERVE DEVELOPMENT

(Pursuant to the Public Resources Code of the State of California, Section 26500 et seq.)

CERTIFICATION OF FILING

The Northwest San Ramon Geologic Hazard Abatement District ("GHAD") was formed to provide monitoring and maintenance of improvements related to geologic hazard management and other responsibilities as a landowner, within The Preserve Development in the Northwest San Ramon GHAD and levy and collect assessments in order to perform its activities.

The GHAD responsibilities, which are the subject of this report and the Plan of Control, are defined as any activity necessary or incidental to the prevention, mitigation, abatement, or control of a geologic hazard, construction, maintenance, repair, or operation of improvement; or the issuance and servicing of bonds issued to finance any of the foregoing (Section 26505).

This report consists of eight parts, as follows:

- I. INTRODUCTION
- II. BACKGROUND
- III. GEOLOGIC HAZARD ABATEMENT DISTRICT DIAGRAM
- IV. SERVICE LEVELS
- V. DESCRIPTION OF GHAD-MAINTAINED IMPROVEMENTS
- VI. ASSESSMENT METHOD
- VII. BUDGET AND ASSESSMENT
- VIII. DEVELOPER RESPONSIBILITIES

The undersigned respectfully submits the enclosed Engineer's Report as directed by the Northwest San Ramon Geologic Hazard Abatement District Board of Directors.



Date: April 27, 2021 By: RL Bartlett
Robin Bartlett, P.E., G.E.,
District Engineer

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Diagram thereto attached was filed with me on the _____ day of April 2021.

Christina Franco, District Clerk
Northwest San Ramon Geologic Hazard Abatement District
Contra Costa County, California

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached was approved and confirmed by the NWSR GHAD Board of Directors, the City Council of the City of San Ramon, California, on the _____ day of May 2021.

Christina Franco, District Clerk
Northwest San Ramon Geologic Hazard Abatement District
Contra Costa County, California

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached was filed with the County Auditor of the County of Contra Costa on the _____ day of August 2021.

Christina Franco, District Clerk
Northwest San Ramon Geologic Hazard Abatement District
Contra Costa County, California

ENGINEER'S REPORT

for

NORTHWEST SAN RAMON GEOLOGIC HAZARD ABATEMENT DISTRICT THE PRESERVE DEVELOPMENT SAN RAMON, CALIFORNIA for the ANNUAL ASSESSMENT LIMIT

I. INTRODUCTION

The San Ramon City Council formed the Northwest San Ramon Geologic Hazard Abatement District ("GHAD" or "District") on October 10, 2017 (Resolution No. 2017-108), under the authority of the California Public Resources Code, Division 17, Section 26500 et seq. Members of the San Ramon City Council act as the Board of Directors of the GHAD.

II. BACKGROUND

The developer of The Preserve development ("Project") submitted the Northwest San Ramon GHAD Plan of Control – Faria Preserve Development ("Plan of Control") that describes the GHAD's responsibilities to permanently monitor and maintain GHAD improvements within the GHAD. This Engineer's Report describes the assessment to fund GHAD activities necessary or incidental to geologic hazard mitigation, abatement and control.

III. GEOLOGIC HAZARD ABATEMENT DISTRICT BOUNDARIES

The boundaries for the GHAD are shown on the attached Assessment Diagram (Exhibit A) and plat (Exhibit B).

IV. SERVICE LEVELS

The GHAD's activities are those that are necessary or incidental to the prevention, mitigation, abatement, or control of geologic hazards including construction, maintenance, repair, or operation of any improvement; and the issuance and servicing of bonds issued to finance any of the foregoing.

The GHAD provides for the administration and review of facilities within the budgeted limits, and described in the Plan of Control and including the following services:

1. Oversight of GHAD operations, including reporting to the GHAD Board of Directors.
2. Setting the annual levying of assessments on the property tax rolls.
3. Engagement of technical professionals to perform the monitoring duties as described in the Plan of Control.

4. Performance of GHAD maintenance activities in accordance with the Plan of Control. These maintenance activities include:
 - Slopes
 - Detention Basin
 - Bioretention cells, vegetated bio-swales, and associated improvements
 - Debris benches
 - Maintenance roads (excluding those servicing EBMUD water tank sites)
 - San Ramon Valley Fire Protection District trails
 - Fencing
 - Concrete-lined drainage ditches and drainage swales
 - Open Space storm drain system improvements including downstream (offsite) pipeline
 - Publicly owned retaining walls
 - Subdrains and subdrain outlets
 - Fuel management
5. Preparation of annual GHAD budgets and other documents and reports for consideration by the GHAD Board of Directors.

V. DESCRIPTION OF THE IMPROVEMENTS MAINTAINED BY THE GHAD

The GHAD-maintained improvements are described in the Plan of Control. In general, these improvements include water quality facilities; drainage systems, including earthen and concrete-lined ditches in developed areas and open space; open-space storm drain inlets and outlets; subdrains and their outlets; retaining walls; and access roadways.

VI. ASSESSMENT METHOD

The improvements and GHAD responsibilities described in Section V are distributed within the limits of the GHAD or easements dedicated to and accepted by the GHAD. The improvements described in this document will confer the following special benefits to the assessed parcels:

1. Protection from slope instability
2. Protection from erosion due to uncontrolled surface water
3. Protection of water quality
4. Protection from wild land fires associated with unmanaged vegetation

The improvements and responsibilities listed in Section V provide specific benefits to the properties within the GHAD and the improvements are constructed for the benefit of those assessed and not the general public. The subject parcels are only being assessed for the reasonable costs of the proportional specific benefits conferred on the parcels. As a result, the GHAD assessment is distributed among all owners of parcels, which are buildable with habitable space. Habitable square footage is space *“used or intended for supporting or sheltering any use or occupancy, which is expected to have a human occupancy rate of more than 2,000 person-hours per year”* (Adapted from California Code of Regulations, Title 14, Division 2, Section 3601).

The Engineer hereby finds that residential properties within the GHAD receive substantially equal special benefit based on the average lot size for each detached residential product type and on the average lot size divided by the number units for the attached residential product types:

Product Type	Assessment Ratio	Number of Units
Single Family, detached Neighborhood 1	1.0	121
Single Family, detached Neighborhood 2	0.7	72
Cluster, Neighborhood 3	0.6	63
Townhomes, Neighborhood 4	0.5	104
Flats, Neighborhood 4	0.45	78
Single Family, detached Neighborhood 5	0.45	40
Condominiums, Neighborhood 5	0.4	122
Total Units		600

*Plans for Neighborhood 6 have not been finalized and may be subject to change.

The non-residential properties within the GHAD also receive substantially equal special benefit based on the habitable space.

A financial analysis was performed to provide a framework for an operating budget for the on-going abatement, mitigation, prevention and control of geologic hazards within the GHAD. In preparation of the budget, several factors were considered including:

- Site geology
- Remedial grading
- Proximity of geologic hazards to proposed residences
- Improvements or structures
- Site access considerations
- Elements requiring routine maintenance, including:
 1. Surface drainage facilities
 2. Graded slopes
 3. Retaining walls
 4. Detention and sedimentation basin facilities
 5. Fire breaks

VII. BUDGET AND ASSESSMENT

Budget

During this continuing initial phase of development in the NWSR GHAD area, the developer is responsible for all GHAD monitoring and maintenance activities. Expenditures by the GHAD for preparing the reports and levying the assessment are anticipated to be minor.

Pursuant to the schedule set forth in the Funding and Acceptance of Responsibility by the District (Exhibit D with the Plan of Control), the GHAD reserve at the time of transfer will be a

minimum of \$1,000,000. Additionally, a minimum of 320 equivalent residence units will be subject to the levy of the assessment at the time of transfer. Funds collected and remaining from the levy of assessments during the period that the developer is responsible for performing monitoring and maintenance activities shall be applied to meet the required GHAD reserve amount. In addition, receivables from the Contra Costa County Tax Collector will be included to meet the reserve amount.

Assessment

The purpose of this Engineer's Report is to establish the FY 2021/22 assessment level and the apportionment of the assessment within the GHAD as required under Proposition 218.

Based on the estimated expenses for on-going operations, and allowing for larger (approximately \$1,000,000) geologic events at 20-year intervals, an initial budget was prepared for the purpose of estimating initial assessment levels (Exhibit C). This initial budget will serve as the basis of assessment until full transfer of responsibility and the establishment of an appropriate reserve.

The initial Engineer's Report and subsequent GHAD Board action established an annual assessment limit of \$1,428 per residential unit and an annual assessment limit of \$0.10 per square foot of habitable non-residential space in FY 2017/18 dollars. The proposed initial assessment limits will be adjusted annually to reflect the percentage change in the San Francisco-Oakland-San Jose Consumer Price Index (CPI) for All Urban Consumers. The assessment limit will be adjusted annually using an initial date of June 2017 for the CPI for both the residential and non-residential assessment limit. Each subsequent annual adjustment will be calculated using the 12-month period from June to June. The residential and non-residential assessments are to be levied beginning in the first assessment cycle following the issuance of a building permit for the assessed parcel. The assessment limit for FY 2020/21 was \$1,531.61 per residential unit and \$0.10725 per square foot of habitable non-residential property.

The applicable inflation from June 2019 to June 2020 is 1.7%; therefore, the assessment limit can be adjusted to \$1,557.65 per residential unit and \$0.10908 per square feet of habitable non-residential property. Based on an assumed assessment of 295 equivalent residential units and no non-residential building construction it is estimated that the total assessment will be \$459,506.

VIII. PROPERTY OWNER OR DEVELOPER RESPONSIBILITIES

The property owner or developer of the Project is responsible for managing and maintaining The Preserve portion of the GHAD until the GHAD accepts responsibility for the GHAD Improvements as set forth in the Plan of Control. In addition, the property owner or developer is responsible for funding any necessary GHAD functions or business undertaken for the GHAD that the GHAD Officers or Board of Directors determine are necessary before the GHAD accepts the GHAD Improvements. If the property owner or developer fails to fund all or a portion of these costs, these costs shall be covered by the funds generated by and for the GHAD (i.e., through the assessment) and the developer shall be required to reimburse the GHAD for such costs before the GHAD can accept monitoring and maintenance responsibilities for the GHAD Improvements.

The GHAD may utilize funds generated by or for the GHAD to conduct any necessary GHAD functions or business for the GHAD before the GHAD accepts the GHAD improvements. Such functions and business can include periodic reporting to the GHAD Board of Directors and work performed by GHAD Officers to verify the maintenance is implemented in accordance with the Plan of Control and GHAD Law. Such an undertaking does not render the GHAD liable or responsible for the GHAD improvements during this period of time. The GHAD only becomes responsible for maintenance once the GHAD improvements are accepted by the GHAD in accordance with the requirements set forth in the Plan of Control.

EXHIBIT A

Assessment Diagram

(Legal Description for Subdivision 9342)

EXHIBIT B

Plat

EXHIBIT C

Northwest San Ramon GHAD Budget

FY 2021/22

EXHIBIT C
Northwest San Ramon Geologic Hazard Abatement District
The Preserve Development

ASSUMPTIONS

Total Number of Residential Units (Actual)	600
Total Number of Residential Units (Equivalent)	363
Annual Assessment per Unit (FY 2020/21 Dollars)	\$1,557.65
Approximate Total Habitable Non-Residential Building Area (square feet)	10,000
Annual Assessment - Nonresidential (square feet)	\$0.10908
Annual Adjustment in Assessment (estimated)	1.7%
Inflation (estimated)	%
Investment Earnings (estimated)	2.4%
Frequency of Large-Scale Repair (years)	20
Cost of Large-Scale Repair (current \$)	\$1,091,000

ESTIMATED ANNUAL EXPENSES IN FY 2020/21 DOLLARS

Administration and Management	\$26,178
Additional GHAD Staff, Memberships, Assessment Roll, and Budget	\$18,293
Site Monitoring Program	\$16,361
Sediment/Debris Removal – Drainage Improvements	\$8,890
Water Quality/Detention/Bioretenion Basins	\$41,120
Subdrain Outlets	\$981
Vegetation Control/Fencing/Trails– Open Space	\$41,991
Slope and Creek Bank Stabilization (including minor landsliding)	\$32,722
Water Quality/Detention Basin Replacement	\$2,181
Open Space Storm Drain Replacement	\$19,423
Bioretention Cell Replacement	\$46,280
Retaining Wall/Fence Replacement/Trails	\$68,482
Concrete Ditch Replacement	\$7,999
Major Repair (Annualized)	\$54,537
Misc. & Contingency (7%)	<u>\$23,163</u>
Total	<u>\$408,603</u>