

ENGINEER'S REPORT

for

**NORTHWEST SAN RAMON GEOLOGIC HAZARD ABATEMENT DISTRICT
THE PRESERVE DEVELOPMENT
SAN RAMON, CALIFORNIA**

**November 3, 2017
Revised May 18, 2020**

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ENGINEER'S REPORT

NORTHWEST SAN RAMON
GEOLOGIC HAZARD ABATEMENT DISTRICT – THE PRESERVE
(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. ASSESSMENT LIMIT - BUDGET PROJECTION
- VIII. DEVELOPER RESPONSIBILITIES

The undersigned respectfully submits the enclosed Engineer's Report.

Date: November 3, 2017
Revised May 18, 2020

By: ENGEO Incorporated

Paul C. Guerin

Paul C. Guerin



I HEREBY CERTIFY that the enclosed Engineer's Report was approved and confirmed by the GHAD Board.

Christina Franco
Clerk of the Board
Northwest San Ramon GHAD
San Ramon, California

ENGINEER'S REPORT

for

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

I. INTRODUCTION

The San Ramon City Council formed the Northwest San Ramon Geologic Hazard Abatement District (“GHAD” or “District”) with the approval of Resolution 2017-108 on October 10, 2017, 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 Preserve development’s Northwest San Ramon GHAD Plan of Control (“Plan of Control”) describes the GHAD’s responsibilities to permanently monitor and maintain GHAD improvements. The Plan of Control was adopted by the Northwest San Ramon GHAD Board of Directors in 2017. This Engineer’s Report describes the establishment of an assessment level to fund GHAD activities necessary or incidental to geologic hazard mitigation, abatement and control.

The developer of Neighborhood 5 within The Preserve development, Claremont Homes, has revised the number and type of planned residential units as compared to the initial Engineer’s Report. To accurately assess the planned residential units in Neighborhood 5, this revision to the initial Engineer’s Report has been prepared.

III. GEOLOGIC HAZARD ABATEMENT DISTRICT BOUNDARIES

The boundaries for the GHAD are shown in the legal description (Exhibit A) and plat (Exhibit B). The GHAD boundaries have not been revised from the initial Engineer’s Report.

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. In addition to the new proposed unit types for Neighborhood 5, there are minor grading and improvement revisions proposed. These revisions do not significantly affect the current service levels of the GHAD.

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)
 - Trails
 - Fencing
 - Concrete-lined drainage ditches and drainage swales
 - Open space storm drain system improvements including downstream (off-site) 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	0.40	122
Total Units		600

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. ASSESSMENT - BUDGET

The purpose of this Engineer's Report is to establish the assessment level and the apportionment of the assessment within the GHAD as required under Proposition 218. The annual budget in each subsequent fiscal year will apprise the GHAD Board of Directors of the estimated budget for the upcoming year.

Based on the estimated expenses for on-going operations, and allowing for larger (approximately \$1,000,000 in 2017/18 dollars) geologic events at 20-year intervals, a budget was prepared for the purpose of estimating initial assessment levels (Exhibit C).

In the original Engineer's Report dated November 3, 2017, the recommended annual assessment limit was \$1,428 per residential unit in Fiscal Year 2017/2018 dollars. Due to the revision in residential unit designations in Neighborhood 5 of The Preserve development, the Engineer recommends an annual assessment limit of \$1,531.53 per residential unit in Fiscal Year 2019/2020 dollars. The Engineer also recommends an annual assessment limit of \$0.10725 per square foot of habitable non-residential space in 2019/2020 dollars. The proposed revised assessment limits will be adjusted annually to reflect the percentage change in the San Francisco-Oakland-Hayward Consumer Price Index (CPI) for All Urban Consumers. The assessment limit is 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.

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

While the assumptions and estimated expenses listed in Exhibit C were used to determine the assessment levels for the GHAD, they do not represent the actual budget for any one year of the GHAD's operation, since assessment of the individual parcels will be based on the issuance of building permits, which will occur over a number of years. In addition, the Engineer anticipates that the projected expense amounts will be reached over time and that these amounts will be inflation-adjusted in the year that the expenses occur.

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

Legal Description for Subdivision 9342

AUGUST 1, 2017
JOB NO.: 1378-091

EXHIBIT A
DESCRIPTION
NORTHWEST SAN RAMON GEOLOGIC HAZARD ABATEMENT DISTRICT
(GHAD)
FARIA PRESERVE, LLC
SAN RAMON, CALIFORNIA

REAL PROPERTY, SITUATE IN THE INCORPORATED TERRITORY OF THE CITY OF SAN RAMON, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEING ALL OF PARCEL ONE, AS SAID PARCEL ONE IS DESCRIBED IN THAT CERTAIN LOT LINE ADJUSTMENT RECORDED APRIL 19, 2017, IN DOCUMENT NO. 2017-0068043-00 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF CONTRA COSTA COUNTY;

EXCEPTING THEREFROM, THE FOLLOWING DESCRIBED PARCELS OF LAND:

ALL THAT PROPERTY GRANTED TO THE EAST BAY MUNICIPAL UTILITY DISTRICT RECORDED MARCH 23, 2017, IN DOCUMENT NO. 2017-0055614 AND DOCUMENT NO. 2017-0055616 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF CONTRA COSTA COUNTY

CONTAINING 285.70 ACRES OF LAND, MORE OR LESS.

ATTACHED HERETO IS A PLAT TO ACCOMPANY LEGAL DESCRIPTION AND BY THIS REFERENCE MADE A PART HEREOF.

END OF DESCRIPTION



Mark H. Wehber 8/1/17

MARK H. WEHBER, P.L.S.
L.S. NO. 7960

EXHIBIT B

Plat to Accompany Legal Description for Subdivision 9342



SCALE: 1"=800'

COUNTY OF CONTRA COSTA

TOWN OF DANVILLE

CITY OF SAN RAMON

NOT A PART

RANCHO SAN RAMON

NORTHWEST SAN RAMON
GEOLOGIC HAZARD
ABATEMENT DISTRICT (GHAD)
AREA: 285.70 AC ±

CITY OF SAN RAMON

BOLLINGER CANYON ROAD

DEERWOOD ROAD

NOT A PART

CROW CANYON ROAD



EXHIBIT B

PLAT TO ACCOMPANY LEGAL DESCRIPTION

NORTHWEST SAN RAMON GEOLOGIC HAZARD ABATEMENT DISTRICT (GHAD)

& FARIA PRESERVE, LLC

CITY OF SAN RAMON, CONTRA COSTA COUNTY, CALIFORNIA

AUGUST 1, 2017

SHEET 1 OF 1

Carlson, Barbee & Gibson, Inc.

CIVIL ENGINEERS • SURVEYORS • PLANNERS

2633 CAMINO RAMON, SUITE 350

SAN RAMON, CALIFORNIA, (925) 866-0322

EXHIBIT C

Northwest San Ramon GHAD Budget – The Preserve

6465.008.000
November 3, 2017
Revised May 18, 2020

EXHIBIT C

**Northwest San Ramon Geologic Hazard Abatement District
Faria Preserve Development**

Budget

ASSUMPTIONS

Total Number of Residential Units (Actual)	600
Total Number of Residential Units (Equivalent)	363
Annual Assessment per Unit (FY 2019/2020 Dollars)	\$1,531.53
Approximate Total Habitable Non-Residential Building Area (square feet)	10,000
Annual Assessment - Nonresidential (square feet)	\$0.10725
Annual Adjustment in Assessment (estimated)	3.0%
Inflation (estimated)	3.0%
Investment Earnings (estimated)	4.5%
Frequency of Large-Scale Repair (years)	20
Cost of Large-Scale Repair (current \$)	\$1,072,500

ESTIMATED ANNUAL EXPENSES IN FY 2019/20 DOLLARS

Administration and Management	\$ 25,740
Additional GHAD Staff, Memberships, Assessment Roll, and Budget	\$ 17,987
Site Monitoring Program	\$ 16,088
Sediment/Debris Removal – Drainage Improvements	\$ 8,741
Water Quality/Detention/Bioretenion Basins	\$ 40,433
Subdrain Outlets	\$ 965
Vegetation Control/Fencing/Trails– Open Space	\$ 41,292
Slope and Creek Bank Stabilization (including minor landsliding)	\$ 32,175
Water Quality/Detention Basin Replacement	\$ 2,145
Open Space Storm Drain Replacement	\$ 19,098
Bioretention Cell Replacement	\$ 45,506
Retaining Wall/Fence Replacement/Trails	\$ 67,337
Concrete Ditch Replacement	\$ 7,865
Major Repair (Annualized)	\$ 53,625
Miscellaneous & Contingency (7%)	<u>\$ 22,776</u>
Total	<u>\$ 401,773</u>