

City of Tracy



Northeast Industrial Area – Phase I Finance and Implementation Plan

April 15, 2008

Resolution Number 2008-065

Prepared by:



RESOLUTION 2008-065

ADOPTING THE UPDATED DEVELOPMENT IMPACT FEES FOR THE NORTHEAST INDUSTRIAL (NEI) PHASE I DEVELOPMENT AREA, ADOPTING THE APRIL 2008 UPDATE TO THE NORTHEAST INDUSTRIAL AREA, PHASE I FINANCE AND IMPLEMENTATION PLAN ("2008 FIP UPDATE") AND AUTHORIZING ANNUAL ENGINEERING NEWS RECORD (ENR) ADJUSTMENTS TO THE ADOPTED FEES

WHEREAS, The NEI Phase I Finance and Implementation Plan (FIP) was approved by City Council on December 7, 1999, per Resolution 99-462, and

WHEREAS, Subsequent updates of either all or part of the fees occurred in 2000, 2001, 2002, 2003, and 2004, and

WHEREAS, The last update of all the fees and the FIP was adopted on February 21, 2006, by Resolution 2006-069, and

WHEREAS, Following is a summary of the proposed updated development impact fees as well as the currently adopted fees in place:

Facility Categories	Current Fees	Proposed Fees
Public Buildings and Services		
General Gov't & Public Safety Facilities	\$3,070	\$3,559
Subtotal	\$3,070	\$3,559
Roadways		
Roadway Improvements	\$45,364	\$80,494
CFD 89-1	\$382	\$382
RSP	\$1,484	\$1,484
Subtotal	\$47,230	\$82,360
Wastewater		
Conveyance Upgrades	\$4,519	\$7,675
WWTP	\$28,617	\$29,370
CFD 89-1	\$1,405	\$1,405
Subtotal	\$34,541	\$38,450
Water		
Distribution Upgrades	\$3,350	\$5,228
Subtotal	\$3,350	\$5,228
Storm Drainage		
Upgrade	\$11,730	\$40,297
CFD 89-1	\$176	\$176
Subtotal	\$11,906	\$40,473
Total	\$100,098	\$170,070

WHEREAS, Staff is also requesting that City Council authorize staff to update the adopted fees with standard Engineering News Record (ENR) adjustments on an annual basis, and

WHEREAS, Pursuant to Section 13.04.070(a) of the Tracy Municipal Code, staff will report all such updates to the City Council at a regular meeting, and

WHEREAS, There is no impact to the General Fund. Development impact fees for the NEI Phase I area are paid by the developers;

NOW, THEREFORE, BE IT RESOLVED That City Council approves the updated impact fees, the "2008 Update to the Northeast Industrial Area, Phase I Finance & Implementation Plan", and authorizes annual Engineering New Record adjustments to the adopted fees.


The foregoing Resolution 2008-065 was adopted by the City of Tracy City Council on the 15th day of April 2008, by the following vote:

AYES: COUNCIL MEMBERS: ABERCROMBIE, SUNDBERG, TOLBERT, TUCKER, IVES
NOES: COUNCIL MEMBERS: NONE
ABSENT: COUNCIL MEMBERS: NONE
ABSTAIN: COUNCIL MEMBERS: NONE



MAYOR

ATTEST:



CITY CLERK

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City of Tracy
Northeast Industrial Area – Phase I
Finance and Implementation Plan

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I. Introduction

I. INTRODUCTION

A. Purpose of Report

The purpose of this report is to update the Northeast Industrial Area (NEI) - Phase I Finance and Implementation Plan (FIP). The “Northeast Industrial Area – Phase I Finance and Implementation Plan” dated December, 1999, prepared by David Taussig & Associates, Inc. and Harris & Associates Inc. was approved by City Council on December 7, 1999, Resolution No. 99-462. The fees and the FIP were updated several times over the years. The most recent document, the February 2006 FIP, was approved by Resolution 2006-069, and updated the fees for sewer, storm, road frontage and public facilities.

The 2008 FIP update documents changes to the following fees:

- General Government
- Traffic Safety
- Streets & Highways
- Wastewater
- Water
- Drainage

The detail and methodology used to calculate the impact fees incorporate the nexus principles of Government Code Section 66000, et seq, and can be found in the technical reports on which this report is based.

This FIP does not include non-program public facilities. The sub-divider designing and constructing the facilities will finance non-program public facilities. Sub-dividers may be entitled to reimbursement in accordance with State and local law, for oversized non-program public facilities.

This report only accounts for funding of items directly related to impacts on the City of Tracy. There are other fees that a developer may pay that are not addressed in this document such as school fees, habitat conservation, farmland preservation, air quality control and regional transportation fees.

B. Description of Northeast Industrial Area – Phase I

The program facilities summarized in this report represent NEI Phase I requirements only, and assumes that any infrastructure requirements related to the other areas of the City are, or will be, mitigated using sources of funding other than those identified in this FIP.

NEI Phase I represents the first phase of the larger Northeast Industrial Project, which is an irregularly-shaped area in the northeast part of Tracy consisting of approximately 870 acres. It is bounded to the south by the Southern Pacific Railroad tracks, to the east by the City limit, to the north by Interstate 205 and Pescadero Avenue, and to the west by the Industrial Area Specific Plan zone that contains MacArthur Drive. Figure 1 in Appendix A identifies the NEI area on a map.

NEI Phase I is expected to absorb 274 acres of light industrial development. At the time of this FIP update 135 acres have been developed and 139 acres will still be paying fees, it is assumed that 10 of those remaining acres will pull permits before these new fees go into effect. The development is assumed to develop at a rate of 30 acres a year through build-out of Phase I.

As of the November 2004 update the second phase of NEI development had been identified and an additional 257 acres of light industrial land will now be able to develop. This report does not cover any infrastructure costs that will be part of Phase II. The costs associated with Phase II are the subject of a separate finance plan.

C. Changes in this Update

The major changes that occur in this update are outlined below. They primarily relate to forecasting the way Storm Drainage construction costs out five years, the increase in land costs and the use of completed project cost.

1) Land Costs:

The price of land was increased based on recent land prices and anticipated costs associated with land purchase to \$150,000 per acre for easements and \$350,000 per acre for right-of-way purchase.

2) Project Costs:

Costs were adjusted by recent bids as they were available or by the ENR CCI. Completed projects were updated using final costs.

3) Storm Drainage:

Current costs for Storm Drainage improvements were updated and then increased at a rate of 4.5% per year for five years. This was done to estimate construction costs at the time the facilities are anticipated to be constructed.

D. Finance and Implementation Summary

A variety of specific capital improvement projects are outlined in the FIP and involve a combination of fee-funded and debt-financed facilities. Approximately 85% of the water and 5% of the wastewater facility obligations will be debt financed. The remaining 15% of water and 95% of wastewater facilities will be fee-funded. All other facilities, including roadways, storm drainage facilities, and public buildings and services, will be fee-funded. This financing strategy has been implemented to provide more flexibility to increase fees in the event that additional funding is needed for debt-financed facilities because estimated costs have increased or other conditions have changed that require increased funding. Table A in this chapter shows the total facility costs for NEI and illustrates how the funding for capital improvements is divided between fees and debt. Approximately \$35,472,503 or 83%, of the facility costs and reimbursement obligations totaling \$42,667,503, are funded with fees.

The maximum annual special tax was set at \$3,010 per developed light industrial acre; and is prescribed to escalate at 2% per year. This special tax will be sufficient to support debt service on a series of bonds issued to pay for the design and construction of water and wastewater obligations. Vacant land would be subject to a maximum special tax of \$3,210 per adjusted net acre, also set to escalate at 2% per year.

Table B in this chapter demonstrates the breakdown of fees, including the total impact fee per light industrial acre, which will be \$170,070.

This FIP does not account for fees such as habitat mitigation, school fees or any other fees collected on behalf of other public agencies or for regional purposes.

Table A
City of Tracy - Northeast Industrial Area Phase I
Public Facilities Cost and Funding Matrix

Capital Improvements*	2008 FIP		Total Cost/ Funding
	Impact Fees	Debt Financing	
<u>Public Building and Services</u>			
General Gov't & Public Safety Facilities	\$848,578		\$ 848,578
Subtotal	\$848,578	\$0	\$ 848,578
<u>Roadways</u>			
Roadway Widening and Upgrades	\$16,144,232		\$ 16,144,232
CFD 89-1 Reimbursement	\$104,786		\$ 104,786
RSP Reimbursement	\$406,496		\$ 406,496
Subtotal	\$16,655,514	\$0	\$ 16,655,514
<u>Wastewater</u>			
Conveyance Upgrades	\$407,435		\$ 407,435
CFD 89-1 Reimbursement	\$384,970		\$ 384,970
WWTP	\$8,047,452		\$ 8,047,452
Sewer Lines	\$966,868	\$567,000	\$ 1,533,868
Subtotal	\$9,806,725	\$567,000	\$ 10,373,725
<u>Water</u>			
SSJID Improvements Outside City	\$7,843		\$ 7,843
2.2 MG Storage Reservoir and Pump Station	\$139,599	\$2,793,864	\$ 2,933,463
Water lines	\$249,633	\$2,749,407	\$ 2,999,040
1.7 MGD Production Well	\$818,414	\$ 1,084,729	\$ 1,903,143
Subtotal	\$1,215,489	\$6,628,000	\$ 7,843,489
<u>Storm Drainage</u>			
Upgrade	\$6,897,998		\$ 6,897,998
CFD 89-1	\$48,200		\$ 48,200
Subtotal	\$6,946,198	\$0	\$ 6,946,198
Total	\$35,472,503	\$7,195,000	\$42,667,503
Percent of Total	83%	17%	100%

*Does not include funding for habitat mitigation.

Table B
City of Tracy - Northeast Industrial Area Phase I
Fees Per Acre

Facility Categories	Fee per Light Industrial Acre
Public Buildings and Services	
General Gov't & Public Safety Facilities	\$3,559
Subtotal	\$3,559
Roadways	
Roadway Improvements	\$80,494
CFD 89-1	\$382
RSP	\$1,484
Subtotal	\$82,360
Wastewater	
Conveyance Upgrades	\$8,428
WWTP	\$28,617
CFD 89-1	\$1,405
Subtotal	\$38,450
Water	
Distribution Upgrades	\$5,228
Subtotal	\$5,228
Storm Drainage	
Upgrade	\$40,297
CFD 89-1	\$176
Subtotal	\$40,473
Total	\$170,070

***II. Northeast Industrial
Area Phase I
Finance Plan***

II. NORTHEAST INDUSTRIAL AREA PHASE I FINANCE PLAN

A. Overview

The NEI Phase I development project consists of approximately 274 acres of light industrial land use. For the NEI Phase I project to develop successfully according to standards prescribed in the City's adopted General Plan (the Urban Management Plan (UMP)), an assortment of backbone infrastructure (i.e. water, wastewater, roadway and storm drainage capital facilities) and public buildings, including equipment, must be constructed

The goal of the NEI Phase I FIP is to structure a financing package that allows program infrastructure to be funded when needed in a way that can be financially supported by NEI Phase I landowners.

Since the inception of the Phase I FIP, there have been several updates as well as updates to other reports that affect NEI. Their history is detailed below:

- “Northeast Industrial Area - Phase I Finance and Implementation Plan”, dated December, 1999, adopted by City Council on December 7, 1999, Resolution No. 99-462 defines the NEI Phase I Finance Plan.
- The December 2000 FIP Update, Resolution number 2000-485, made changes to the impact fees for Group 72 Traffic Safety, Group 73: Streets & Highways, Group 74 Wastewater Improvements, and Group 76: Drainage Improvements.
- City Council adopted new NEI “Water Fees” based on the CIP Water Projects reconciliation report in June, 2001 by resolution No 2001-181.
- City Council adopted new NEI “Wastewater Fees” based on the Wastewater treatment plant costs adjustments on November 19, 2002 by Resolution No. 02-470.
- On January 21, 2003, by City Council Resolution No. 2003-036 adopted fee updates for “Traffic Fees”, “Storm Drainage Fee” and “General Government and Public Facilities Fees”.
- The 2006 FIP update, adopted by City Council under Resolution No. 2006-069, documented all fee changes since the November, 2004 update and changes in the allocation of impact fees to CIP projects and updated project descriptions for all fee programs.
- The 2008 FIP update documents changes in the storm drainage, water, wastewater, roadway and public building categories. The impact fees are listed in Table B in the previous chapter. This report assumes that 135 acres of NEI Phase

I have developed and another 10 acres will develop before the new fees take effect.

B. Markups including Design, Construction Management, Contingency, and Program Implementation Costs

Markups are used by most public agencies to cover the costs of design, construction management (including inspection), general contingency, and program implementation. Markups are applied to the estimated construction cost of a facility. A survey was conducted of various public agencies in Northern California, including Caltrans, to compare markups used on new City of Tracy projects with industry standards. The survey included various agencies that had experienced or are currently experiencing significant development. It also included a review of markups used for other development projects well under way in the City of Tracy, including the Residential Specific Plan, Plan C, and the I-205 Specific Plan. Based on the survey and analysis, all of the NEI Phase I technical studies prepared for roadways, storm drainage, water, wastewater, and public buildings used the following methodology for markups:

Design	10%
Construction Management	10%
Contingency	15%
Program Implementation	5%

Costs related to the NEI Phase I technical studies and other analyses being funded directly by NEI Phase I participants are not included in this analysis.

The costs associated with program implementation and ongoing administration of the NEI Phase I fee program are also included in the cost estimates for each technical study. These costs will involve setting up and administering reimbursement agreements, updating and reconciling costs, periodically revising the fee structure, and other related efforts. Recovering NEI Phase I's share of UMP planning and engineering costs and funding future implementation and administration costs related to NEI Phase I development is accomplished by applying a program implementation markup to all of the construction cost estimates. This markup has already been incorporated into the technical reports and implementing resolutions. In Chapter 3 of this report these costs have been separated out from each project and placed in a general Program Management CIP category (Group 7952) for the NEI Phase I area.

Note that these planning and implementation costs relate to the program costs identified in this report. Additional planning and implementation costs related to the design and construction of facilities that are not included among the program costs, but will be required for certain NEI area projects to develop, will be incurred. These additional costs will be borne by the applicable NEI area projects.

C. Northeast Industrial Area Phase I Impact Fees

A summary of the backbone infrastructure and public facilities, and the attendant costs, is provided in Table 1 of Appendix A and discussed in detail in the Implementation Chapter (Chapter 3) of this report. The identified facilities are necessary as a result of development in NEI Phase I. The financing matrix presented in Table A in the previous chapter illustrates the financing strategy for NEI Phase I. Of the over \$42.6 million of total costs, impact fees will provide funding for approximately \$35.5 million in capital improvements, and an estimated \$7.1 million will be debt financed. This breaks down roughly into 83% fee-funded and 17% debt-financed facilities.

Table B in the previous chapter summarizes the updated impact fees by facility category. Development impact fees were adopted with the original NEI FIP based on technical reports outlining the required facilities and estimated costs. The technical reports that provide the basis for the fees are consistent with the procedural and substantive requirements of Government Code Section 66000, et seq, also known as AB 1600. At this time the fees are being updated based on new unit costs and ENR adjustments. There are no changes in the methodology. The general government and public safety facilities, traffic safety facilities, streets and highways, wastewater, water, and storm drainage impact fees in Table B total \$170,070 per gross light industrial acre. These fees will be subject to an annual review and may be adjusted periodically to reflect changes in cost estimates due to inflation and other factors. This is an increase over the previous per acre fee of \$100,098.

If an NEI Phase I parcel is subdivided into separate sub-parcels with separate Assessor Parcel Numbers (APN's), the "at-permit" fees will be due, in full, upon issuance of the first building permit for each sub-parcel or will be paid subject to conditions of an approved Deferred Improvement Agreement. If the parcel is not subdivided, then the calculation of the "at-permit" fee will be based on the "gross" acres associated with the applicant's Preliminary & Final Development Plan (PDP/FDP) as a percentage of the parcel's total "gross" acres. Should the applicant wish to phase the development within the PDP/FDP, the "at-permit" fees will be calculated based on the developed and improved area of the first phase as a percentage of the total "gross" area in the approved PDP/FDP and will be due at the issuance of the first building permit. The remaining phases will have Deferred Improvement Agreements (DIA) for each phase, which will identify the remaining "at-permit" fees to be paid.

D. Estimated Absorption

While an absorption schedule will simply be an estimate of unpredictable future events, it is a critical assumption that drives the entire financing strategy. The absorption schedule affects the timing of fee revenues, phasing of facilities, and every other component of an analysis that accounts for timing issues. Facilities funded with fee revenues will be constructed only as fee revenues become available; therefore, if absorption is slower than predicted, the collection of fee revenues will also be slower while the need for fee-funded

facilities will generally be delayed as well since there will be fewer acres to serve. On the other hand, the facilities funded with debt financing must be constructed on schedule whether absorption occurs as predicted or not. A conservative absorption schedule must be used in the debt financing analysis to estimate the dollar amount of vacant land taxes (i.e., special taxes on undeveloped property) during an economic downturn.

The absorption schedule presented in Table A-2 of Appendix A reflects input from NEI Phase I landowners, the City of Tracy, and current absorption within NEI Phase I. The absorption schedule represents a conservative scenario resulting in an five-year build-out. During the first four years of development, light industrial acreage is expected to absorb at an average of 30 gross acres per year, with 9.42 gross acres absorbed in final year. Note that the absorption scenario reflects building permits issued rather than buildings constructed or occupied.

E. Northeast Industrial Area Phase I Fee Revenues

Based on the assumed absorption schedule contained in Table A-2 of Appendix A, annual fee revenues are projected by improvement projects. As noted above, Table B of the previous chapter presents a consolidation of the impact fees per light industrial acre. Fee revenues will be used to fund all general government and public safety facilities, traffic safety facilities, roadways, as well as storm drainage facilities. NEI Phase I development will pay for 95% of its water costs and 15% of its wastewater costs via fees; the remainder of facilities in these two categories will be debt-financed.

F. Northeast Industrial Area Phase I Debt Financing

Certain facilities in NEI Phase I will be required up-front, prior to the collection of sufficient fee revenues available to fund those facilities. After a period of discussion and input from landowners and the City, a Mello-Roos Community Facilities District emerged as the recommended mechanism for debt financing of up-front facilities. The Mello-Roos Community Facilities Act [Section 53311 et. seq. of the Government Code] was enacted by the California State Legislature in 1982 to provide an alternate means of financing public infrastructure and services subsequent to the passage of Proposition 13 in 1978. The Act complies with Proposition 13 and Proposition 218, and permits cities, counties, and special districts to create defined areas within their jurisdiction and, by a two-thirds vote within the defined area, impose special taxes to pay for the public improvements and services needed to serve that area.

City of Tracy Community Facilities District 1999-01 funds water and wastewater improvements required to serve the NEI Phase I project area (“CFD-Funded Facilities”). The following were the assumptions related to the formation of the CFD:

1. Approximately \$7.1 million in public facilities will be debt financed through the CFD. A bond issue of approximately \$9.7 million is needed to generate \$7.1 million of new bond proceeds to construct infrastructure.

2. An ability to prepay the annual special tax obligation will be provided in the Rate and Method of Apportionment (RMA) of Special Tax for the CFD, which is included with other CFD formation documents. The prepayment formula is complex and a prepayment amount must be calculated at the time a prepayment request is made.
3. The maximum special tax rate was \$3,010 per developed or \$3,210 undeveloped light industrial acre per year, and will escalate 2% each year.

There is no guarantee that the CFD will be able to sell bonds in an amount sufficient to fully fund all of the CFD-Funded Facilities. The total bond amount is limited by the maximum special tax rates, the appraised value of the CFD, and economic/financial conditions at the time of the bond sale. The bond authorization and maximum special tax rates are based, in part, on facility cost estimates for CFD-Funded Facilities. The project costs have increased since the bond issue, so the CFD is only able to fund a portion of the total CFD-Funded Facilities costs. The fees NEI Phase I landowners will pay at permit have increased to ensure that sufficient funding exists to finance all CFD-Funded Facilities when those facilities are needed.

***III. Northeast
Industrial Area Phase I
Implementation Plan***

III. NORTHEAST INDUSTRIAL PHASE I IMPLEMENTATION PLAN

A. Overview

The NEI Phase I Implementation Plan relates the collection of impact fees and bond proceeds from the NEI Phase I Finance Plan with the NEI Phase I infrastructure improvements that need to be constructed. It is a plan that organizes the NEI Phase I infrastructure improvements into capital improvement projects, prioritizes the projects, and forecasts cash flow requirements to design and construct improvements. Cash flow is directly related to absorption rates and, therefore, the fees collected limit capital improvement projects that require funds collected from impact fees. Bond issuances and capital improvement projects funded by bond proceeds are not affected by absorption since the infrastructure covered under this funding is needed prior to any development beginning.

The NEI Phase I Implementation Plan will be subject to updates by the City as needed to reflect current and projected absorption rates, revised capital improvement project priorities, and available funding. NEI Phase I is responsible for funding all of the projects discussed in this report. The updates completed by the City will help insure that the City continues to collect the money needed from development to fund the infrastructure triggered by Phase I.

B. NEI Phase I Capital Improvement Program (CIP)

The City of Tracy adopts an annual Capital Improvement Program and Capital Budget for each fiscal year. The Capital Improvement Program is the City's comprehensive multi-year plan for the development of the City's capital facilities and improvements. NEI Phase I has the obligation to mitigate its impacts by providing new or expanded facilities. NEI Phase I's program improvements, as described in this document as various CIP projects, have been added to the City's Capital Improvement Program. Funding for the CIP projects will come from NEI Phase I development, as described in the NEI Phase I Finance Plan section of this document.

The format for the City's Capital Improvement Program involves functional grouping of the CIP projects. All CIP projects of similar types are listed in the same category and, in many cases, are funded from a variety of sources. The CIP functional groups that apply to NEI Phase I program projects include the following:

- Group 71: General Government & Public Safety Facilities
- Group 72: Traffic Safety
- Group 73: Streets & Highways
- Group 74: Wastewater Improvements
- Group 75: Water Improvements
- Group 76: Drainage Improvements
- Group 79: Project Management

Table A-1 in Appendix A, Capital Improvement Program (CIP) Projects, presents the CIP projects and their anticipated construction dates. This document assumes an absorption rate of 30 acres per year until build-out and is shown in Table A-2 of the Appendix. Build-out of NEI Phase I is assumed to occur in fiscal year 12/13.

C. Land Acquisition and Mapping Process

Rights of way and easements for roadways, wastewater, water and storm drainage facilities will be dedicated by the properties within NEI Phase I, without cost to the City, at the time of approval of maps. The costs for these lands are based on the original land values without future escalations or updates and will be paid to the land owners at the close out of the NEI Phase I Finance Program.

NORTHEAST INDUSTRIAL AREA – PHASE I
Finance and Implementation Plan
Fee Update
April, 2008

Group 71: General Government and Public Facilities

Fee Update

NEI Phase I development impact fee for “General Government & Public Safety Facilities” has an obligation of \$848,578 . The “General Government & Public Safety Facilities” fee is \$3,559.

Table 1 Group 71: General Government & Public Safety Facilities

Project Description	Project Costs	CIP Budget Estimated Costs	Project Management
Law Enforcement - Equipment	\$ 2,854	\$ 2,711	\$ 143
Law Enforcement - Vehicles	\$ 18,599	\$ 17,669	\$ 930
Law Enforcement - Facilities	\$ 64,246	\$ 61,034	\$ 3,212
Fire Protection - Fire Stations	\$ 277,851	\$ 263,958	\$ 13,893
Fire Protection - Vehicles	\$ 61,074	\$ 58,020	\$ 3,054
General Facilities - City Hall Expansion	\$ 358,458	\$ 340,535	\$ 17,923
Public Works Facilities	\$ 65,496	\$ 62,221	\$ 3,275
Group Total	\$ 848,578	\$ 806,149	\$ 42,429

Background

NEI Phase I’s obligation to pay a development impact fee for “General Government & Public Safety Facilities” was originally based on a report called “Northeast Industrial Area Public Buildings Impact Fee Justification Study” prepared by the City of Tracy dated November 1999. NEI’s **“Public Building Fee”** was adopted by **Resolution No. 99-456** by the City Council on December 7, 1999.

Public Facilities for NEI Phase I are divided into the following four (4) categories:

1. Law Enforcement Facilities
2. Fire Protection Facilities
3. General Government Facilities
4. Public Works Facilities

NEI Phase I's "Public Building Fees" originally provided approximately \$452,908 at the build out of NEI Phase 1 developments. The fee was \$1,655 dollars per acre.

The fee was updated by City Council on January 21, 2003 by Resolution No. 2003-036. The increase to the Northeast Industrial Area Phase I Public Building obligation was \$130,706. The increase was associated with an increase in the construction cost estimate for the City Hall Expansion Project (\$90,788 - Resolution 2002-140), and with construction cost index adjustments for the Public Works Maintenance, Fire, and Police Facilities (\$39,918). The increase raised the NEI Phase I obligation for Public Buildings from \$452,908 to \$583,614. The 2003 FIP Update assumed that there would be 242 acres of undeveloped land in NEI Phase I, increasing the per acre fee to \$2,195.

There was no increase in obligation for Public Buildings at the time of the 2004 FIP update and the Public Buildings Impact Fee remained at \$2,195 per light industrial acre.

The 2006 FIP report, assumed there were 157 remaining acres of undeveloped land within NEI Phase I. There was increase in obligation for Public Buildings at this time and the Public Buildings Impact Fee increased to \$3,070 per light industrial acre. In February, 2005 the Public Buildings Fee was updated, though not adopted by Council, and the total obligation for NEI Phase I was \$694,590. This amount was updated by the San Francisco ENR, which was 8229.1 in February, 2005 and 8435.2 in November, 2005, and represents an increase of 2.5%, to yield \$711,984.

Current

In this FIP report, it is assumed there will be 129 remaining acres of undeveloped land within NEI Phase I. There is an increase in obligation for Public Buildings at this time and the Public Buildings Impact Fee is \$3,559 per light industrial acre. The Public Buildings Fee was updated by using completed project costs, updated cost estimates or ENR the total obligation for NEI Phase I is \$848,578 .

The following is a brief description of NEI Phase I CIP projects related to the four categories listed above:

1. Law Enforcement Facilities:

7122 Equipment for Additional Officers: Acquisition of all necessary equipment to outfit an additional police officer required through NEI Phase I build-out. The equipment includes uniforms, helmets, firearms, communications devices, leathers (belt, gloves, boots, etc.) and all assorted identification patches.

NEI Total Obligation:	\$2,854
CIP Costs – Group 71	\$2,711
Program Management – Group 79	\$143

7122 Vehicles for Additional Officers: Acquisition of additional marked and unmarked police vehicles necessary through build-out of NEI Phase I for the additional officers required to maintain the same levels of service offered currently.

NEI Total Obligation:	\$18,599
CIP Costs – Group 71	\$17,669
Program Management	\$930
- Group 79	

71XX Facilities for Additional Officers: Acquisition of additional facilities for the additional officers required to maintain the same levels of service offered currently.

NEI Total Obligation:	\$64,246
CIP Costs – Group 71	\$61,034
Program Management	\$3,212
- Group 79	

2. Fire Facilities:

71PP-037 (FD-10) Fire Station (NEI & Chrisman Road Area): Acquisition of land, design, and construction of a 9,000 square foot fire station in the NEI/Chrisman Road area. The facility would be a 4 X 2 configuration, i.e. two vehicles deep, four vehicles wide with four doors in the front and the back. The facility would consist of a 6,000 square feet eight feet tall apparatus room and about 2,000 square feet of living quarters for up to 10 fire-fighters and an officer. The remaining 1,000 square feet would serve as a training room.

NEI Phase I's cost share:	\$277,851
CIP Costs – Group 71	\$263,958
Program Management	\$13,893
- Group 79	

71PP-037 (FD-11) Fire Truck (NEI & Chrisman Road Area): Acquire a Fire truck, fire pumper type or similar type.

NEI Phase I's cost share:	\$61,074
CIP Costs – Group 71	\$58,020
Program Management	\$3,054
- Group 79	

3. General Government Facilities:

7118 City Hall Expansion: Design and construct an approximate 34,800 square feet expansion of City Hall Facilities. The 34,800 square feet would be design and constructed to incorporate the existing 8,780 square feet City Hall. Plans would include a 6,000 square feet council chambers suitable for other public functions. This expansion,

in conjunction with the remodel of the existing City Hall, would provide adequate space for City Administration, Community Development, Fire Administration and Public Works.

NEI Phase I's cost share:	\$358,458
CIP Costs – Group 71	\$340,535
Program Management - Group 79	\$17,923

4. Public Works Facilities:

7154 Expansion of Existing Public Works Maintenance Facility: Construct miscellaneous improvements to allow the existing corporation yard to continue to meet the increasing maintenance demands of the expanding infrastructure. Improvements would include additional supply storage areas, additional training and locker facilities, and covered fleet maintenance parking spaces. The remainder of the costs will be funded by other benefiting properties.

NEI Phase I's cost share:	\$65,496
CIP Costs – Group 71	\$62,221
Program Management - Group 79	\$3,275

NORTHEAST INDUSTRIAL AREA – PHASE I
Finance and Implementation Plan
Fee Update
April, 2008

Group 72: Traffic Safety
Group 73: Streets and Highways

Fee Update

The Northeast Industrial Area (NEI) Phase I “Traffic Obligation” is \$16,655,514. The fee per light industrial acre is \$82,360.

Table 2 Groups 72 & 73: Traffic Safety & Streets and Highways

Project Description	Project Costs	CIP Budget Estimated Costs	Project Management
Groups 72 & 73: Traffic Safety & Streets and Highways			
MacArthur Drive @ Old MacArthur Drive Intersection	\$ -	\$ -	\$ -
Traffic Signal at Grant Line Road & Paradise Avenue	\$ 360,000	\$ 342,000	\$ 18,000
Traffic Signals - various locations	\$ -	\$ -	\$ -
Widen MacArthur Drive between I-205 and Pescadero	\$ -	\$ -	\$ -
Widen Grant Line Road between East of MacArthur and the East City Limits	\$15,784,232	\$ 14,995,020	\$ 789,212
Reimbursement to CFD 89-1	\$ 104,786	\$ 99,547	\$ 5,239
Reimbursement to RSP	\$ 406,496	\$ 386,171	\$ 20,325
Group Total	\$ 16,655,514	\$ 15,822,738	\$ 832,776

Background

NEI - Phase I Finance and Implementation Plan (FIP) was approved by City Council on December 7, 1999 (resolution Number 99-462). NEI Phase I’s obligation to pay a development impact fee for “Roadway Fees” is based on Fehr & Peers Associates, Inc. report called “Benefit and Burden Analysis Meeting Mitigation Fee Act Requirements for Northeast Industrial Phase 1 Roadway Fee” dated October 1, 1999. It presents the NEI Phase I traffic analysis and calculates a fair-share traffic fee for the NEI Phase I developments. NEI Phase I’s “Roadway Fee” was adopted by Resolution No. 99-432 by City Council on November 16, 1999.

The “Traffic Fee” was updated in the NEI Phase I FIP Update in December, 2000, resolution number 2000-485. This update increased the Roadway obligation from \$5,925,000 to \$8,101,949. The increase was the result of the following three items: reimbursement to RSP and CFD 89-1, land acquisition and utility relocations, and reallocation of Phase I Fees. The impact fee increased from \$21,630 per acre to \$29,578 per acre.

Resolution No. 2003-036 adopted by City Council on January 21, 2003, increased NEI’s obligation for “Traffic Improvements” by \$404,316, which increased Phase I’s total obligation to \$8,506,265. Land acquisition now accounted for land through the back of the sidewalk rather than the back of the curb as well as an increase in land value from \$60,000 per acre to \$125,000 per acre. An ENR adjustment represented a 7.36 % increase in cost or \$88,515. The ENR adjustment only applied to median landscaping and irrigation costs and the WSID pump station and pipeline relocation costs. It was assumed that Phase I would only have 242 acres remaining to spread the increased fee over, yielding a new fee of \$31,248.

With the 2004 FIP report, costs for soil stabilization (\$500,000 per linear mile) were added to the road widening costs for Grant Line Road (\$686,829). These costs reflected the recent bids the City has had for road work and ground water problems. Costs associated with land acquisition were increased by \$25,000 per acre to reflect the rising land costs in California that increased the program obligation by \$216,989. There was an ENR adjustment to the fees which accounted for an increased cost of \$619,659. These increases brought the overall obligation for NEI Phase 1 Traffic Improvements to a total of \$10,059,186. Spreading the increased cost among the remaining 196 acres of undeveloped land in NEI Phase I raises the fee per light industrial acre from to \$39,021.

The 2005 FIP report increased the cost of land to \$200,000 per acre to reflect the continuing rise in California land prices. NEI Phase I’s Traffic Improvements obligation was a total of \$11,040,804. Spreading the unfunded portion of \$7,415,162 over the remaining 157 acres yielded a fee per light industrial acre of \$47,230.

Current

The current FIP report increased the cost of land to \$350,000 per acre to reflect the continuing rise in California land prices and to cover the administrative costs of acquiring the land, including possible condemnation proceedings. The project costs were adjusted by recent bids if available or ENR. ENR resulted in an increase of 8% for those line items affected.

NEI Phase I’s Traffic Improvements obligation is a total of \$16,655,514. Spreading the unfunded portion of \$33,937 over the remaining acres yields a new fee per light industrial acre of \$82,360.

NEI Phase I “Roadway Fees” for Group 72, “Traffic Safety”, and Group 73, “Streets & Highways”, will be collected into one fund account and will include the following projects:

72PP-034 MacArthur Drive @ Old MacArthur Drive: Reconfiguration of the intersection and widening to accommodate increased traffic generation.

NEI Phase I's cost share: \$0

7225 Traffic Signal Grant Line Road @ Paradise Avenue: Install a new traffic signal.

NEI Phase I's cost share:	\$360,000
CIP Costs - Group 72	\$342,000
Program Management - Group 79	\$18,000

72PP-033 Traffic Signal: Various Locations on Collector Streets: Install new traffic signals.

NEI Phase I's cost share: \$0

73PP-055 Widen MacArthur Drive: Between I-205 and Pescadero Ave: Widening from a 4-lane major arterial to a 6-lane major arterial.

NEI Phase I's cost share: \$0

7348 Widening and Improving Grant Line Road: Between East of MacArthur Drive and the East City Limits: Upgrade to a 4-lane major arterial. Cost includes land acquisition and relocation of the WSID pump station and force main.

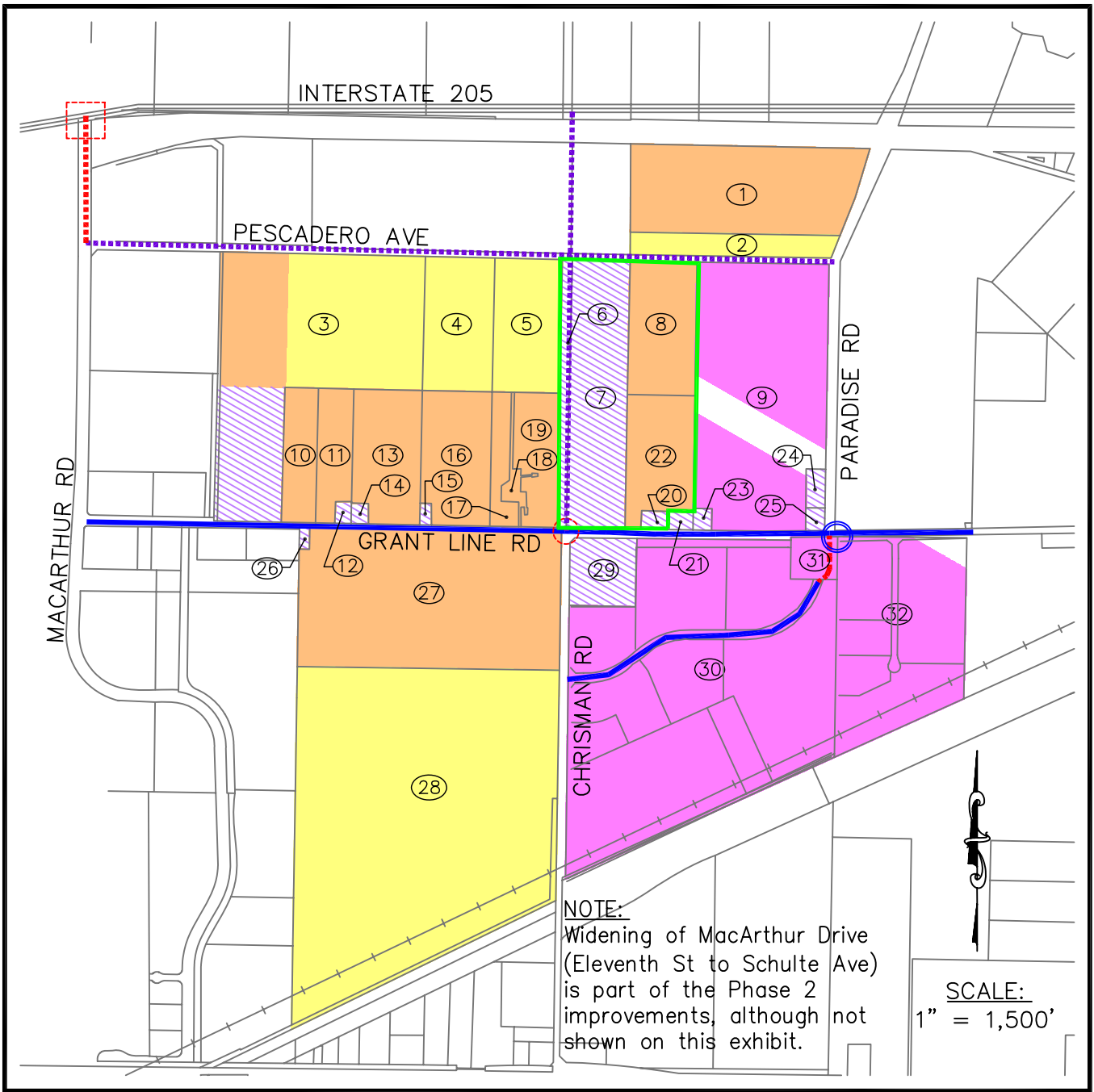
NEI Phase I's cost share:	\$15,784,232
CIP Costs - Group 73	\$14,995,020
Program Management - Group 79	\$789,212

73XX Reimbursement to CFD 89-1: Excess capacity was created in CFD 89-1 for roadway facilities and changes in the City's LOS standard. NEI Phase I properties will benefit from these improvements and will fund their share of reimbursement amount per acre.

NEI Phase I's cost share:	\$104,786
CIP Costs - Group 73	\$99,547
Program Management - Group 79	\$5,239

799A Reimbursement to RSP: *Excess capacity was created in RSP roadway program for roadway facilities and changes in the City's LOS standard. NEI Phase I properties will benefit from these improvements and will fund their share of reimbursement amount per acre.*

NEI Phase I's cost share:	\$406,496
CIP Costs - Group 73	\$386,171
Program Management - Group 79	\$20,325



LEGEND:

- NEI PHASE 1 BUILDOUT
- NEI PHASE 2 BUILDOUT
- NEI REMAINING AREAS TO BUILD
- NEI PROPERTY NOT TO DEVELOP
- IMPROVEMENT (CONSTRUCTED BY PHASE 1)
- IMPROVEMENT (PHASE 2)
- IMPROVEMENT – BUILDOUT, (ROW BY PHASE 2)
- TRAFFIC SIGNALS (PHASE 1)
- TRAFFIC SIGNALS (PHASE 2)
- ③ LOT NUMBER

CITY OF TRACY
NORTHEAST INDUSTRIAL
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FIGURE 1
TRAFFIC



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NORTHEAST INDUSTRIAL AREA-PHASE I
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Group 74 Wastewater Improvements

Fee Update

The Northeast Industrial Area (NEI) Phase I “Wastewater Obligation” is \$10,373,725. Bonds fund \$567,000 of these project costs. The resulting fee obligation is \$9,806,725 with a per acre fee of \$38,450.

Table 3 Group 74: Wastewater Improvements

Project Description	Project Costs	CIP Budget Estimated Costs	Project Management
Wastewater Treatment Plant Expansion	\$ 8,047,452	\$ 7,645,079	\$ 402,373
Phase I Sewer Lines	\$ 1,533,868	\$ 1,457,175	\$ 76,693
MacArthur Pump Station Expansion - Phase 1	\$ 407,435	\$ 387,063	\$ 20,372
Reimbursement to CFD 89-1	\$ 384,970	\$ 365,722	\$ 19,248
Group Total	\$ 10,373,725	\$ 9,855,038	\$ 518,686

Background

NEI Phase I Finance and Implementation Plan (FIP) was approved by City Council on December 7, 1999 (resolution Number 99-462). NEI Phase I’s obligation for wastewater treatment plant capacity and wastewater conveyance system improvements will be financed with a combination of bond proceeds from Community Facilities District 99-1 and development impact fees. A “Wastewater Impact Fee” for NEI Phase I will be paid as a development impact fee at building permit. NEI Phase I’s obligation for wastewater treatment and wastewater conveyance is based on CH2MHill’s report “Wastewater System Impact Fee Analysis for NEI and Chrisman Road Property,” dated September 22, 1999. It presents NEI Phase I’s wastewater analysis and calculates fair-share wastewater costs for the NEI Phase I developments. NEI Phase I’s “Wastewater Impact Fee” for conveyance system upgrades, wastewater treatment plant expansion and reimbursement to CFD 89-1, was adopted by Resolution No. 99-434 by City Council on November 16, 1999. CFD 99-1 was formed and approved by Resolution No. 99-457 by City Council on December 7, 1999. The total estimated cost for expansion of the wastewater treatment plant by 4.57 mgd at that time was \$35.6 million. NEI Phase I’s fair share was \$4.66 million. CFD 99-1 bond proceeds will be used to finance approximately 4000 lineal feet of the wastewater conveyance line needed for the NEI Phase 1 Developments. All other

NEI Phase I obligations will be paid with development impact fees at building permit. The NEI Phase I “Wastewater Impact Obligation” and CFD 99-1 bonds were originally calculated to be \$5,963,649.

These cost were increased to \$6,508,226 with the 2000 NEI Phase FIP update. The increase to the program cost was \$544,577. The increase was associated with the increased construction costs for the wastewater pipelines. This increase raised the fees to \$21,684 per acre.

In 2002 the NEI Phase I’s obligation for the WWTP increased by \$1,239,808. This increase raised the NEI Phase I obligation for “Wastewater Improvements” to \$7,748,034. It was assumed that there were 242 acres to spread the NEI Phase I increased obligation over, increasing the wastewater fee to \$26,806 per acre. This fee adjustment was adopted by City Council on November 19, 2002 by Resolution No. 02-470.

In 2004 the NEI Phase I’s obligation for the WWTP increased to \$6,800,000. This increase raised the NEI Phase I obligation for “Wastewater Improvements” to \$8,648,034. This was equivalent to a \$4,093 increase in the wastewater fee per acre. This fee adjustment was adopted by City Council on July 6, 2004 by Resolution No. 2004-216. The impact fee increased to \$30,900 per acre. This update accounted for a reduction in the final costs on the pipelines that were constructed and an ENR cost adjustment on the remaining facilities in the program that were not constructed yet.

In 2005, an ENR cost adjustment was made on the two phases of the MacArthur Pump Station expansion project and the future pipelines. The reduced costs associated with pipeline construction cost allowed the impact fee to remain at \$30,900 per acre. An increase in the Waste Water Treatment Plant fee was adopted by City Council on July 5, 2005 by Resolution No. 2005-188 and brought the fee per acre up to \$33,393.

The 2006 update increased fees through an ENR adjustment to the projects that were not completed. No adjustment was made to the NEI Phase I obligation to the Waste Water Treatment Plant Expansion in the 2006 update. The total obligation for NEI Phase I was \$9,573,948, of which \$5,423,006 was unfunded. Spreading this unfunded portion over the remaining 157 acres yielded a new fee per acre of \$34,541 for NEI Phase I.

Current

Final project costs were used for the completed sewer line project, bid results were used for the pump station expansion and the Wastewater Treatment Plant expansion was adjusted by ENR. The new fee will be \$38,450 per acre.

The fees will fund the following projects:

7437 WWTP Expansion: *Improvements include expansion of the headworks, secondary system hydraulics, new aeration basin, effluent pumps, and paved drying beds.*

NEI Phase I's cost share:	\$8,047,452
CIP Costs – Group 74 Fee Funded	\$7,645,079
Program Management - Group 79	\$402,373

74PP-045 MacArthur Pump Station Expansion - Phase 1: *Install new pumps at the Mac Arthur pump station to convey additional wastewater flows to the Tracy wastewater treatment plant. NEI Phase II is paying for Phase 2 of the expansion.*

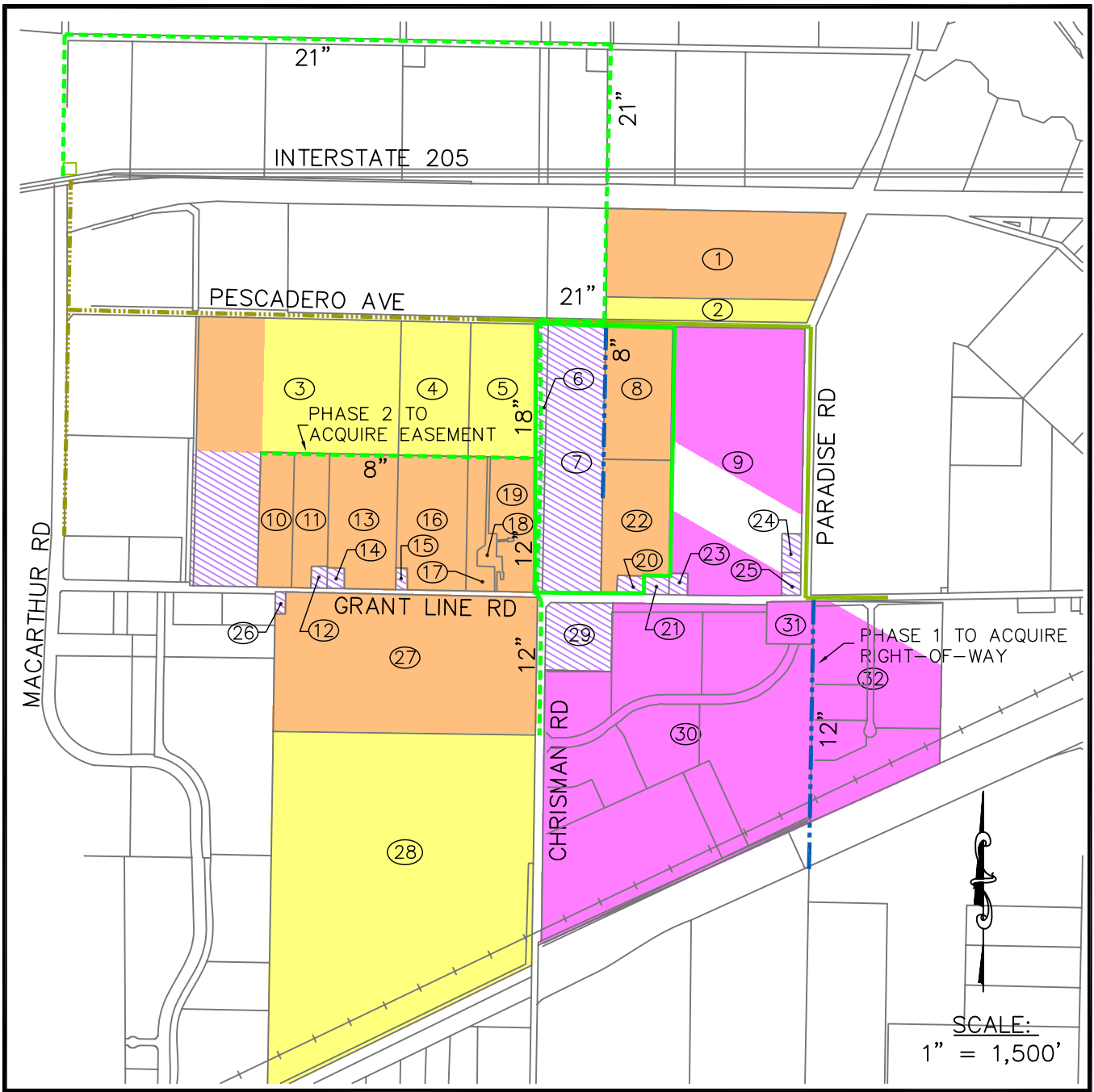
NEI Phase I's cost share:	\$407,435
CIP Costs – Group 74 Fee Funded	\$387,063
Program Management - Group 79	\$20,372

7430 Phase 1 sewer lines: *This project installed 3400 feet of 15-inch gravity sewer along Grant line Road and 600 feet of 8-inch gravity sewer.*

NEI Phase I's cost share:	\$1,533,868
CIP Costs – Group 74 Fee Funded	\$918,525
CIP Costs – Group 74 Bond Funded	\$538,650
Program Management -Group 79	\$76,693

7420 Reimbursement to CFD 89-1: *Impact fee related to NEI Phase 1 properties that benefit by the excess capacity in CFD 89-1 conveyance systems.*

NEI Phase I's cost share:	\$384,970
CIP Costs – Group 74 Fee Funded	\$365,722
Program Management -Group 79	\$19,248



LEGEND:

- NEI PHASE 1 BUILDOUT
- NEI PHASE 2 BUILDOUT
- NEI REMAINING AREAS TO BUILD
- NEI PROPERTY NOT TO DEVELOP
- EXISTING TRANSMISSION LINE
- TRANSMISSION LINE (CONSTRUCTED BY PHASE 1)
- TRANSMISSION LINE (PHASE 2)
- TRANSMISSION LINE (BUILDOUT)
- PUMP STATION (PHASE 2)
- 3 LOT NUMBER

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FIGURE 2
WASTEWATER



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NORTHEAST INDUSTRIAL AREA-PHASE I
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Group 75 Water Improvements

Fee Update

The Northeast Industrial Area (NEI) Phase I obligation towards water improvements is \$7,843,489 of which \$6,628,000 is funded by CFD 99-1 and the remaining \$1,215,489 will be funded by development impact fees. The impact fee is \$5,228 per acre.

Table 4 Group 75: Water Improvements

Project Description	Project Costs	CIP Budget Estimated Costs Group 75	Project Management Group 79
SJID Facility Costs Outside of City	\$7,843	\$7,451	\$392
2.2 MG Storage Reservoir and 150 bhp Pump Station	\$2,993,463	\$2,786,790	\$146,673
12-inch and 16-inch water line	\$2,999,040	\$2,849,088	\$149,952
1.7 MGD Production Well	\$1,903,143	\$1,807,986	\$95,157
Totals	\$7,843,489	\$7,451,314	\$392,174

Background

NEI Phase I's obligation for water supply, water treatment, water storage and water distribution are financed with a combination of bond proceeds from Community Facilities District 99-1 and development impact fees. NEI Phase I's obligation for water improvements is based on West-Yost & Associates report called "Northeast Industrial Water System Analysis-Final Technical Memorandum" dated September 28, 1999. It presents NEI phase I's water system analysis and calculated fair-share water system costs for the NEI Phase I developments. NEI Phase I's "Water Impact Fee" for water distribution system was adopted by Resolution No. 99-435 by the City Council on November 16, 1999. CFD 99-1 was formed and approved by Resolution No. 99-457 by the City Council on December 7, 1999. Total estimated cost for NEI Phase I's fair share of water supply, treatment, storage and distribution was \$7,384,000 of which \$6,628,000 was funded by CFD 99-1 and the remaining \$756,057 was funded by development impact fees.

The NEI 2000 FIP Update made changes to the project descriptions and allocation of the fees. The NEI 2000 FIP Update was adopted by Resolution No. 2000-485. The changes

in project descriptions were associated with the design on the initial Phase I water improvements and corresponding change in size and length of some of the facilities. The NEI Phase I obligation for “Water Improvements” remained at \$7,384,000 of which \$6,628,000 was funded by CFD 99-1 and the remaining \$756,057 was funded by development impact fees. The impact fee remained unchanged at \$2,760 per acre.

The fees were updated in June 2001 by resolution No. 2001-181. The basis for the update was the “CIP Developer Funded Water Projects Reconciliation Report” (Reconciliation Report) prepared by Harris & Associates, June 2001. The Reconciliation Report indicated that NEI’s fair share for water facilities increased by \$310,117. Phase I represents 274 of the 790 acres in NEI or \$107,560 of the increase. At the time these fees were adopted it was assumed that 182 acres of NEI Phase I would have unpaid development fees by the time the fee was in place. Thus the cost per acre increased to \$3,350. NEI Phase I’s obligation to the water program increased to \$7,491,617.

There were no proposed changes to the “Water Impact Fee” in the 2002 FIP update. Final construction costs for the tank, pump station and pipelines produced a potential surplus in the Programs funding. There were two increases to the program, an increase in the amount of funding for pipe easement through the trucking company of \$9,250 and an ENR adjustment to the well cost estimate resulting in an increase of \$68,291. The result is a potential program surplus of \$433,826.

An ENR cost adjustment was made on the well project in 2003 (NEI Phase I contribution to this project was previously \$1,480,755). The ENR index adjustment increased Phase I’s cost of the project by \$68,292. The NEI Phase I water fee remained unchanged at \$3,350 per light industrial acre.

In the November, 2004 update the program surplus was reduced to \$253,553. The reduction in surplus was a result of an ENR adjustment on the well cost of (-\$143,648) as well as revised final costs on the pipelines, tank and pump station that have been built of (-\$78,869) and an underestimation of the fees that would have been collected in the 2003 FIP update of (\$42,244). The NEI Phase I water fee remained unchanged at \$3,350 per light industrial acre.

In the 2006 update the program surplus was reduced to \$142,786. The reduction in surplus accounts for an ENR adjustment on the well project and an accounting of acres that will not pay fees, such as public rights of way. The NEI Phase I water fee remained at \$3,350 per acre.

Current

The project costs in this update were updated with recent bid information or by ENR as available. The SSJID facility costs outside the City, CIP 7532, is a completed project and a final cost was used in the calculation for this report.

The Projects funded by the program are:

7532 SSJID Facility Costs Outside of City: This includes NEI Phase I's portion of the SSJID Water Treatment Plant and other facilities (pipelines and pump stations) required to transport the water to the City of Tracy. The decrease in this line item from the Dec 2000 FIP Update is reflected by an increased contribution for water supply from future phases of NEI by \$202,557.

NEI Phase I's cost share:	\$7,843
CIP Costs - Group 75 Fee Funded	\$7,451
Program Management -Group 79	\$392

7551 - 2.2 MG Storage Reservoir and 150 bhp Pump Station: *Storage Reservoir located on the Chrisman Road Property. A 150 bhp @ 5.4 mgd booster pump station located at the Storage Reservoir Site.*

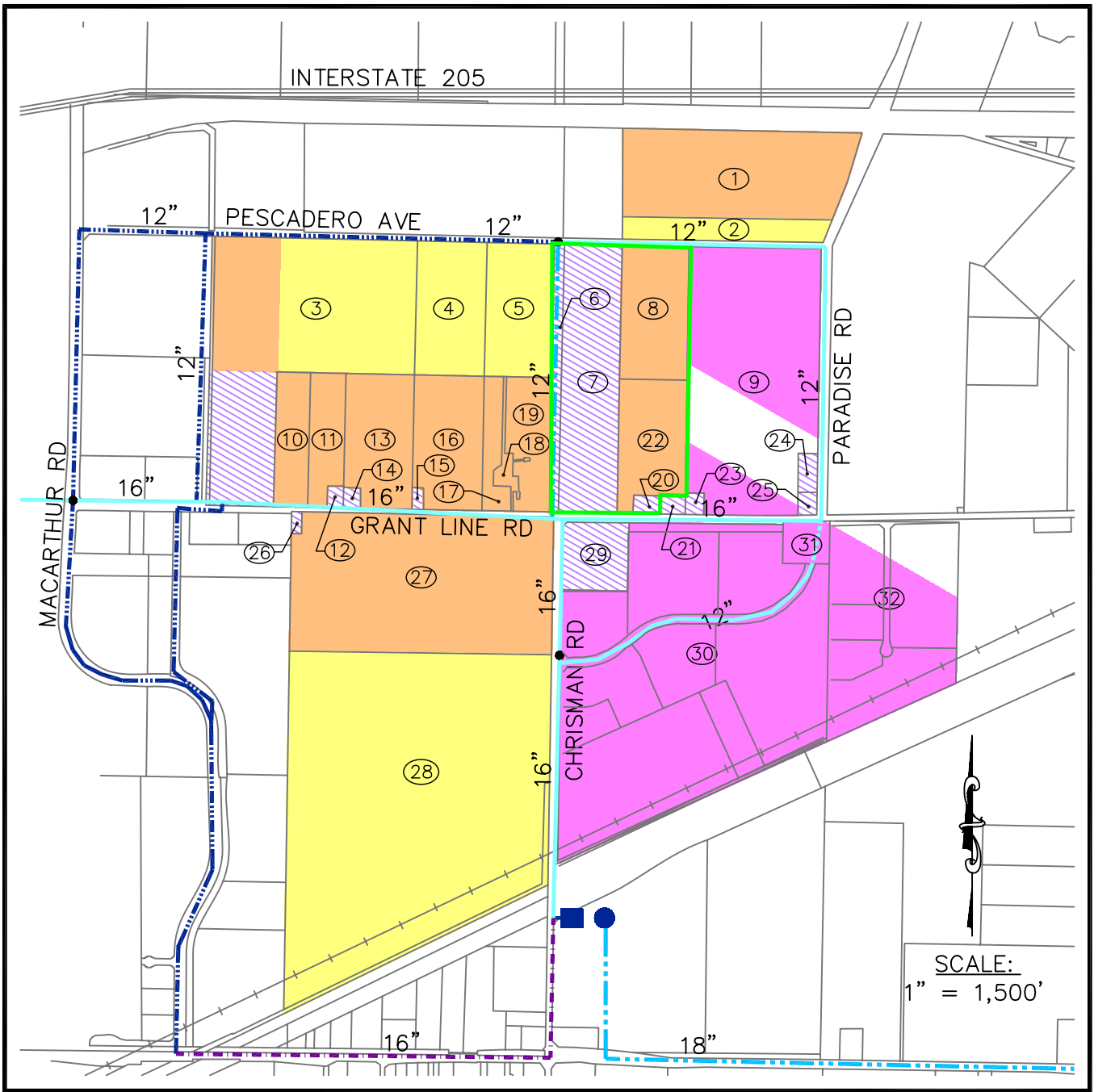
NEI Phase I's cost share:	\$2,933,463
CIP Costs - Group 75 Fee Funded	\$132,619
CIP Costs - Group 75 Bond Funded	\$2,654,171
Program Management - Group 79	\$146,673

7546 – 12-inch and 16-inch water line: *A 12-inch water transmission line approximately 9,600 lineal feet along, Pescadero Ave and Paradise Road. A 16-inch water transmission line approximately 7,650 lineal feet along Grant Line Road and Chrisman Road with a bore and jack beneath RR.*

NEI Phase I's cost share:	\$2,999,040
CIP Costs - Group 75 Fee Funded	\$237,151
CIP Costs - Group 75 Bond Funded	\$2,611,937
Program Management - Group 79	\$149,952

7592 1.7 MGD Production Well: *New Production well near the NEI Phase I area. Required to meet emergency flows for the NEI Phase I projects.*

NEI Phase I's cost share:	\$1,903,143
CIP Costs - Group 75 Fee Funded	\$777,493
CIP Costs - Group 75 Bond Funded	\$1,030,493
Program Management - Group 79	\$95,157



LEGEND:

- NEI PHASE 1 BUILDOUT
- NEI PHASE 2 BUILDOUT
- NEI REMAINING AREAS TO BUILD
- NEI PROPERTY NOT TO DEVELOP
- EXISTING TRANSMISSION LINE
- TRANSMISSION LINE (CONSTRUCTED BY PHASE 1)
- TRANSMISSION LINE (PHASE 1)
- TRANSMISSION LINE (PHASE 2)
- TRANSMISSION LINE (BUILDOUT)
- STORAGE RESERVOIR (CONSTRUCTED BY PHASE 1)
- PUMP STATIONS (CONSTRUCTED BY PHASE 1)
- LOT NUMBER

CITY OF TRACY
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FIGURE 3
WATER

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NORTHEAST INDUSTRIAL AREA-PHASE I
Finance and Implementation Plan
Fee Update
April, 2008

Group 76 Drainage Improvements

Fee Update

The Northeast Industrial Area (NEI) Phase I “Drainage Improvements Obligation” is \$6,946,198. The fee per light industrial acre is \$40,473.

Table 5 Group 76: Drainage Improvements

Project Description	Project Costs	CIP Budget Estimated Costs Group 76	Project Management Group 79
C2 Channel Improvements	\$1,683,592	\$1,599,412	\$84,180
66” Storm Drain Line	\$1,417,532	\$1,346,655	\$70,877
8’x 6’ Concrete Box Culvert	\$357,975	\$340,076	\$17,899
Future Storm Drain Line	\$156,794	\$148,954	\$7,840
Storm Drain Lines on Grant Line	\$3,282,106	\$3,118,000	\$164,105
Reimbursement to CFD 89-1	\$48,200	\$45,790	\$2,410
Totals	\$6,946,198	\$6,598,888	\$347,310

Background

NEI - Phase I Finance and Implementation Plan (FIP) was approved by City Council on December 7, 1999 (resolution Number 99-462). The Storm drainage improvements for Phase I of NEI are collected solely through development impact fees, which will be collected at building permit. The original NEI Phase I’s obligation to pay a development impact fee for “Drainage” is based on Cella Barr & Associates report called “Northeast Industrial Area Storm Drainage Analysis and Fee Justification Study Final Report” dated October 1999. The NEI “Drainage Fee”, was adopted by Resolution No. 99-433 by the City Council on November 16, 1999.

As part of the 2000 NEI Phase I FIP update, Resolution number 2000-485, the storm drainage fees increased. NEI Phase I’s obligation to fund the widening of Grant Line Road will require the construction of storm drainage pipes and facilities that were not included in the NEI Phase I obligations, but were to be included in future NEI phases. The additional storm drainage pipes and facilities include 1,744 feet of 36-inch storm drainage pipe, 647 feet of 42-inch storm drainage pipe, 490 feet of 48-inch storm drainage pipe, 122 feet of 54-inch storm drainage pipe, 85 feet of 60-inch storm drainage

pipe, 1411 feet of 66-inch storm drainage pipe, 288 feet of 15-inch storm drainage pipe and associated manholes and connections. The estimated cost for these facilities is \$1,178,723. NEI Phase I's obligation was to provide funds for the New Detention Basin and to fund Future Storm Drain. These "Drainage Fees" will now be used to fund the storm drainage pipes that will be constructed with the Grant Line Road widening project. This reallocation will relieve future phases of NEI development from the funding of the storm drainage pipes in Grant Line Road. However, the reallocation will require future phases of NEI to fund the full obligation of the New Detention Basin and additional costs for Future Storm Drain Improvements.

City Council increased by Resolution No. 2003-036 on January 21, 2003, NEI Phase I obligation for Storm Drainage improvements. The increase was associated with ENR adjustments to the C2 drainage channel and the future storm drainage facilities; updated cost estimates for some of the storm drainage pipelines that are included in the final road design for Grant Line Road and increased land acquisition costs for easements. The increases raised the obligation by to \$2,553,086. The program assumed that there were 242 acres left to spread the increased fee over. The NEI Phase I impact fee increased to \$9,399 per acre.

The obligation increased with the 2004 FIP update from to \$2,672,213. The increases were related to ENR adjustments, mark-up adjustments for completed designs and increased land acquisition costs. With this increase the impact fee for "Drainage Fees" will increased to \$9,955 per acre.

In 2006, the costs were adjusted by the San Francisco ENR index. The rising cost of the land necessary for easements as well as accounting for land that will not pay fees, such as right of way, also contributes to the increase in cost. The total obligation of NEI Phase I for the Storm Drain improvements is \$2,906,015. Of this \$1,869,254 is unfunded which is spread across the remaining 157 acres to develop to calculate the new fees. The fees increased to \$11,906 per acre.

Current

The costs were updated using recent bid information where possible and ENR otherwise. Land costs were increased to reflect the current market, up to \$350,000 per acre for purchase and \$150,000 per acre for easements. Additionally, the Storm Drainage category was forecast out at 4.5% for five years to reflect anticipated costs at time of construction.

NEI Phase I "Drainage Fees" will be collected into one fund and will fund the following projects:

76XX New Detention Basin: Eliminated

NEI Phase 1's cost share: \$0

7636 C2 Channel Improvements: The C2 Channel improvements and land acquisition from Grant Line Road to Pescadero Road.

NEI Phase 1's cost share:	\$1,683,592
CIP Costs - Group 76	\$1,599,412
Program Management - Group 79	\$84,180

7628 66" Storm Drain Line: Approximately 1,250 linear feet of 66-inch Storm Drain line east on Grant Line Road west of Paradise Road.

NEI Phase 1's cost share:	\$1,417,532
CIP Costs - Group 76	\$1,346,655
Program Management - Group 79	\$70,877

7643 8' x 6' Concrete Box Culvert: 8' x 6' CBC located on Grant Line Road.

NEI Phase 1's cost share:	\$357,975
CIP Costs - Group 76	\$340,076
Program Management - Group 79	\$17,899

76XX Future Storm Drain Line: Storm Drain Easement through Pattillo, Future storm drain improvements at various locations.

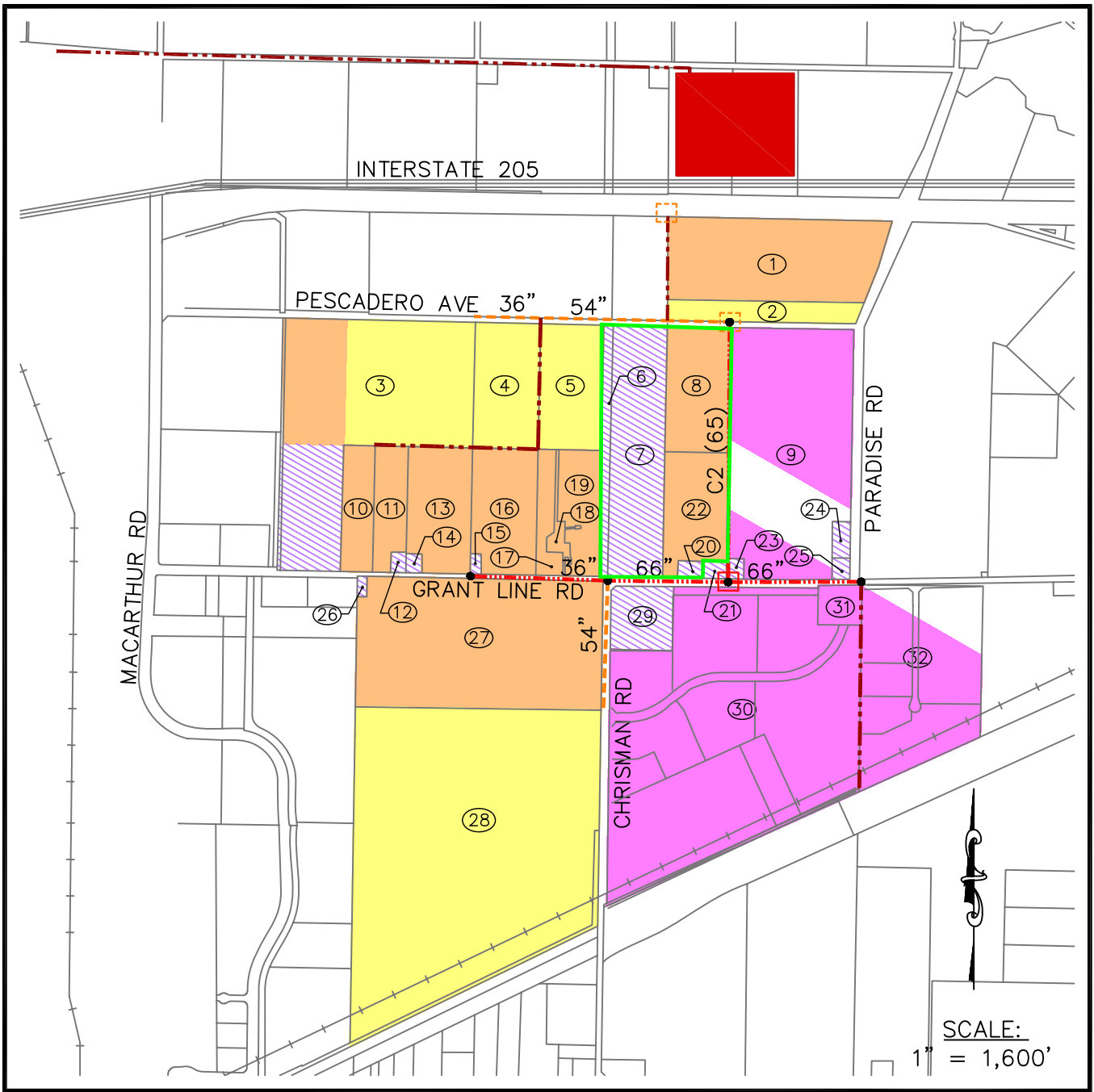
NEI Phase 1's cost share:	\$156,794
CIP Costs - Group 76	\$148,954
Program Management - Group 79	\$7,840

76PP-036 Reimbursement to CFD 89-1: Excess capacity was created in CFD 89-1 for storm drainage facilities for the Eastside Watersheds. NEI Phase I properties will benefit from these improvements and will fund their share of reimbursement amount per acre.

NEI Phase 1's cost share:	\$48,200
CIP Costs - Group 76	\$45,790
Program Management - Group 79	\$2,410

76PP-052 Storm Drain Lines on Grant Line Road: Various storm drain improvements in Grant Line Road.

NEI Phase 1's cost share:	\$3,282,106
CIP Costs - Group 76	\$3,118,000
Program Management - Group 79	\$164,105



LEGEND:

- NEI PHASE 1 BUILDOUT
- NEI PHASE 2 BUILDOUT
- NEI REMAINING AREAS TO BUILD
- NEI PROPERTY NOT TO DEVELOP
- TRANSMISSION LINE (PHASE 1)
- TRANSMISSION LINE (PHASE 2)
- TRANSMISSION LINE (BUILDOUT)
- CBC (PHASE 1)
- CBC (PHASE 2)
- ③ LOT NUMBER

CITY OF TRACY
NORTHEAST INDUSTRIAL
PROJECT

FIGURE 4
STORM WATER



Harris & Associates
200 N. TRACY BLVD., Suite 200, Tracy, CA 95376
Ph: (209) 833-3310 • www.harris-assoc.com

NORTHEAST INDUSTRIAL AREA-PHASE I
Finance and Implementation Plan
Fee Update
April, 2008

Group 79 Project Management

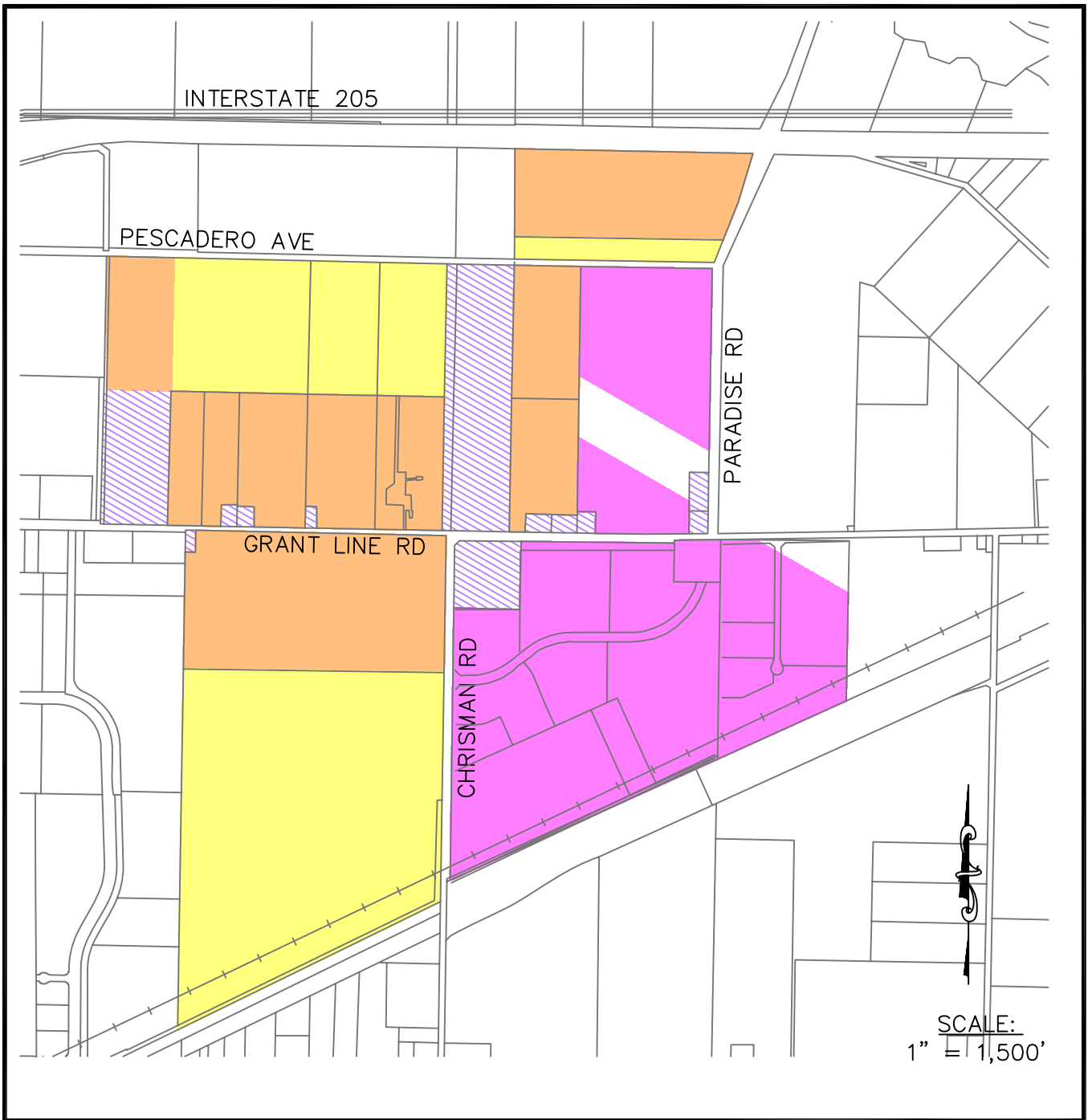
Fee

There is no fee associated with Group 79 Project Management – monies associated with Project Management are collected under other fee programs as part of the project mark-ups and will be transferred to this account after they have been collected. The projects outlined in this report will ultimately generate \$2,133,375 in Project Management Funding. The funding that will be transferred into Group 79 is summarized in the table below.

Table 6 Revenue Sources for Group 79: Project Management

Group	Bond Funded	Fee Funded	Total
Group 71: General Government		\$42,429	\$42,429
Group 72: Traffic Safety		\$18,000	\$18,000
Group 73: Streets and Highways		\$814,776	\$814,776
Group 74: Wastewater Improvements	\$28,350	\$490,336	\$518,686
Group 75: Water Improvements	\$331,400	\$60,774	\$392,174
Group 76: Drainage Improvements		\$347,310	\$347,310
Group 79: Project Management	\$359,750	\$1,773,625	\$2,133,375

Appendix A



CITY OF TRACY
NORTHEAST INDUSTRIAL
PROJECT

LEGEND:

- NEI PHASE 1 BUILDOUT
- NEI PHASE 2 BUILDOUT
- NEI REMAINING AREAS TO BUILD
- NEI PROPERTY NOT TO DEVELOP

* THE NEI PHASE II ACREAGE WAS REDUCED FROM 257 ACRES TO 249 DUE TO THE REMOVAL OF AN 8 ACRE WSID STRIP FROM APN 250-020-13 THAT WILL NOT PAY FEES.

FIGURE A-1
NEI PARTICIPANTS



Harris & Associates

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TABLE A-1
City of Tracy - Northeast Industrial Area Phase I
CIP Projects Summary Sheet

CIP Number	Project Description	Project Costs	CIP Budget Estimated Costs	Project Management
Group 71: General Government & Public Safety Facilities				
7122	Law Enforcement - Equipment	\$ 2,854	\$ 2,711	\$ 143
7122	Law Enforcement - Vehicles	\$ 18,599	\$ 17,669	\$ 930
71XX	Law Enforcement - Facilities	\$ 64,246	\$ 61,034	\$ 3,212
71PP-037	Fire Protection - Fire Stations	\$ 277,851	\$ 263,958	\$ 13,893
71XX	Fire Protection - Vehicles	\$ 61,074	\$ 58,020	\$ 3,054
7118	General Facilities - City Hall Expansion	\$ 358,458	\$ 340,535	\$ 17,923
7154	Public Works Facilities	\$ 65,496	\$ 62,221	\$ 3,275
	Group Total	\$ 848,578	\$ 806,149	\$ 42,429
Groups 72 & 73: Traffic Safety & Streets and Highways				
72PP-034	MacArthur Drive @ Old MacArthur Drive Intersection	\$ -	\$ -	\$ -
7225	Traffic Signal at Grant Line Road & Paradise Avenue	\$ 360,000	\$ 342,000	\$ 18,000
72PP-033	Traffic Signals - various locations	\$ -	\$ -	\$ -
73PP-055	Widen MacArthur Drive between I-205 and Pescadero	\$ -	\$ -	\$ -
7348	Widen Grant Line Road between East of MacArthur and the East City Limits	\$ 15,784,232	\$ 14,995,020	\$ 789,212
799A	Reimbursement to CFD 89-1	\$ 104,786	\$ 99,547	\$ 5,239
799A	Reimbursement to RSP	\$ 406,496	\$ 386,171	\$ 20,325
	Group Total	\$ 16,655,514	\$ 15,822,738	\$ 832,776
Groups 74: Wastewater Improvements				
74PP-074	Wastewater Treatment Plant Expansion	\$ 8,047,452	\$ 7,645,079	\$ 402,373
7430	Phase I Sewer Lines	\$ 1,533,868	\$ 1,457,175	\$ 76,693
7468	MacArthur Pump Station Expansion - Phase 1	\$ 407,435	\$ 387,063	\$ 20,372
799B	Reimbursement to CFD 89-1	\$ 384,970	\$ 365,722	\$ 19,248
	Group Total	\$ 10,373,725	\$ 9,855,039	\$ 518,686
Group 75: Water Improvements				
7532	SSJID Facility Costs Outside of City	\$ 7,843	\$ 7,451	\$ 392
7551	2.2 MG Storage Reservoir and 150 bhp Pump Station	\$ 2,933,463	\$ 2,786,790	\$ 146,673
7546	12-inch and 16-inch water lines	\$ 2,999,040	\$ 2,849,088	\$ 149,952
7592	1.7 MGD Production Well	\$ 1,903,143	\$ 1,807,986	\$ 95,157
	Group Total	\$ 7,843,489	\$ 7,451,314	\$ 392,174
Group 76: Drainage Improvements				
7636	C2 Channel Improvements	\$ 1,683,592	\$ 1,599,412	\$ 84,180
7628	66" Storm Drain Line	\$ 1,417,532	\$ 1,346,655	\$ 70,877
7643	8'x6' Concrete Box Culvert	\$ 357,975	\$ 340,076	\$ 17,899
76XX	Future Storm Drain Line	\$ 156,794	\$ 148,954	\$ 7,840
76PP-052	Storm Drain Lines on Grant Line	\$ 3,282,106	\$ 3,118,000	\$ 164,105
76XX	New Detention Basin (funded by Phase II)	\$ -	\$ -	\$ -
799D	Reimbursement to CFD 89-1	\$ 48,200	\$ 45,790	\$ 2,410
	Group Total	\$ 6,946,198	\$ 6,598,888	\$ 347,310
	Total	\$ 42,667,503	\$ 40,534,129	\$ 2,133,375

Table A-2
City of Tracy - Northeast Industrial Area, Phase I
Anticipated Absorption

Project Year:	to date ¹	1	2	3	4	5
Calendar Year:		2008	2009	2010	2011	2012
<i>Light Industrial Land Use</i>						
Annual Total (acres)		30	30	30	30	9.42
Cumulative Total (acres)	145	175	205	235	265	274

¹ This includes 10 acres expected to develop before the new fees go into effect.

TABLE A-3
City of Tracy - Northeast Industrial Area Phase I
CIP Projects Cashflow Sheet

CIP Estimated Cost	Bond Income	Prior Fiscal Years	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13	Total (Without 5% PM)
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GROUP 71 GENERAL GOV'T & PUBLIC SAFETY FACILITIES

LAW ENFORCEMENT											
7122	Equipment For Officers	\$2,711		\$16,055		\$4,325			\$2,711		
7122	Vehicles For Officers	\$17,669							\$17,669		
71XX	Facility	\$61,034						\$61,034	\$61,034		
FIRE PROTECTION											
71PP 037	Fire Facility, NEI Area (includes vehicle)	\$321,979						\$321,979	\$321,979		
GENERAL FACILITIES											
7118	City Hall Expansion	\$340,535		\$261,250	\$79,285				\$340,535		
PUBLIC WORKS FACILITIES											
7154	Public Works Maintenance Facilities	\$62,221				\$62,221			\$62,221		
SUBTOTAL GROUP 71		\$806,149		\$277,305	\$79,285	\$0	\$66,547	\$0	\$321,979	\$61,034	\$806,149

ABSORPTION (AC)		145	30	30	30	30	9.42	0							
PROJECTED FEE REVENUES		\$	101,420	\$	101,420	\$	101,420	\$	31,846	\$	-				
CUMULATIVE REVENUES		\$	368,623	\$	470,043	\$	571,463	\$	672,883	\$	774,303	\$	806,149	\$	806,149
CUMULATIVE EXPENDITURES		\$	277,305	\$	356,590	\$	356,590	\$	423,137	\$	423,137	\$	745,115	\$	806,149
FUND TOTAL		\$	91,318	\$	113,453	\$	214,873	\$	249,746	\$	351,167	\$	61,034	\$	-

GROUP 72 TRAFFIC SAFETY

INTERSECTION IMPROVEMENTS										
72PP-034	MacArthur/Old MacArthur (Eliminated)	\$0	\$0						\$0	
NEW TRAFFIC SIGNALS										
7225	Grant Line Rd/Paradise Ave.	\$342,000	\$0			\$342,000			\$342,000	
72PP-033	Collector Signals (2.6) (Eliminated)	\$0	\$0						\$0	
SUBTOTAL GROUP 72		\$342,000	\$0	\$0	\$0	\$342,000	\$0	\$0	\$0	\$342,000

GROUP 73 STREETS & HIGHWAYS

ROADWAY WIDENING AND UPGRADE										
73PP-055	MacArthur, I-205 to Pescadero (Eliminated)	\$0							\$0	
7348	Grant Line Road Widening	\$14,995,020	\$463,022	\$864,489				\$13,667,509	\$14,995,020	
799A	Reimbursement to CFD 89-1	\$99,547						\$99,547	\$99,547	
799A	Reimbursement to RSP	\$386,171						\$386,171	\$386,171	
SUBTOTAL GROUP 73		\$15,480,738	\$463,022	\$864,489	\$0	\$0	\$0	\$13,667,509	\$485,718	\$15,480,738
TOTAL GROUPS 72 & 73		\$15,822,738	\$463,022	\$864,489	\$0	\$342,000	\$0	\$13,667,509	\$485,718	\$15,822,738

ABSORPTION (AC)		145	30	30	30	30	9.42	0							
PROJECTED FEE REVENUES		\$	2,347,273	\$	2,347,273	\$	2,347,273	\$	2,347,273	\$	737,044	\$	0		
CUMULATIVE REVENUES		\$	5,696,601	\$	8,043,874	\$	10,391,148	\$	12,738,421	\$	15,085,694	\$	15,822,738	\$	15,822,738
CUMULATIVE EXPENDITURES		\$	463,022	\$	1,327,511	\$	1,327,511	\$	1,669,511	\$	1,669,511	\$	15,337,020	\$	15,822,738
FUND (GROUP 72 & 73) TOTAL		\$	5,233,578.86	\$	6,716,363	\$	9,063,637	\$	11,068,910	\$	13,416,183	\$	485,718	\$	0

City of Tracy - Northeast Industrial Area Phase I
CIP Projects Cashflow Sheet

	CIP Estimated Cost	Bond Income	Prior Fiscal Years	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13	Total (Without 5% PM)
GROUP 74 WASTEWATER IMPROVEMENTS										
WWTP IMPROVEMENTS										
74PP-074 Phase I WWTP Upgrade (to repay loan, was 7449)	\$7,645,079					\$909,150	\$5,116,320		\$1,619,609	\$7,645,079
WASTEWATER COLLECTION SYSTEM IMPROVEMENTS										
74PP-045 MacArthur Pump Station Upgrade Phase I	\$387,063				\$387,063					\$387,063
7430 Phase 1 Sewer Lines	\$1,457,175	\$538,650	\$918,525				\$538,650			\$1,457,175
REIMBURSEMENTS										
799B Reimbursement to CFD 89-1 (\$264/ECU x 5.33 ECU/acre x 274 a	\$365,722								\$365,722	\$365,722
SUBTOTAL GROUP 74	\$9,855,039	\$538,650	\$918,525	\$0	\$387,063	\$909,150	\$5,654,970	\$0	\$1,985,331	\$9,855,039

ABSORPTION (AC)		145	30	30	30	30	9.42	0
PROJECTED FEE REVENUES		\$ 1,095,826	\$ 1,095,826	\$ 1,095,826	\$ 1,095,826	\$ 344,089	\$ -	
CUMULATIVE REVENUES		\$ 5,127,644	\$ 6,223,470	\$ 7,319,296	\$ 8,415,123	\$ 9,510,949	\$ 9,855,038	\$ 9,855,038
CUMULATIVE EXPENDITURES		\$ 918,525	\$ 918,525	\$ 1,305,588	\$ 2,214,738	\$ 7,869,708	\$ 7,869,708	\$ 9,855,039
FUND TOTAL		\$ 4,209,119	\$ 5,304,945	\$ 6,013,708	\$ 6,200,385	\$ 1,641,241	\$ 1,985,330	\$ (1)

GROUP 75 WATER IMPROVEMENTS										
SSJID										
7532 SSJID Improvements Outside City	\$7,451		\$7,451							\$7,451
7551 2.2 MG Storage Reservoir & Pump Station	\$2,786,790	\$2,654,171	\$132,619						\$2,654,171	\$2,786,790
WATER DISTRIBUTION										
7546 Water Lines	\$2,849,088	\$2,611,937	\$2,247,512	\$601,576						\$2,849,088
7592 1.7 MGD Production Well	\$1,807,986	\$1,030,493							\$1,807,986	\$1,807,986
SUBTOTAL GROUP 75	\$7,451,314	\$6,296,600	\$2,387,582	\$601,576	\$0	\$0	\$0	\$0	\$4,462,157	\$7,451,314

ABSORPTION (AC)		145	30	30	30	30	9.42	0
PROJECTED FEE REVENUES		\$ 148,979	\$ 148,979	\$ 148,979	\$ 148,979	\$ 46,780	\$ -	
CUMULATIVE REVENUES		\$ 6,808,617	\$ 6,957,597	\$ 7,106,576	\$ 7,255,555	\$ 7,404,535	\$ 7,451,314	\$ 7,451,314
CUMULATIVE EXPENDITURES		\$ 2,387,582	\$ 2,989,158	\$ 2,989,158	\$ 2,989,158	\$ 2,989,158	\$ 2,989,158	\$ 7,451,314
FUND TOTAL		\$ 4,421,036	\$ 3,968,439	\$ 4,117,418	\$ 4,266,398	\$ 4,415,377	\$ 4,462,157	\$ -

City of Tracy - Northeast Industrial Area Phase I
CIP Projects Cashflow Sheet

CIP Estimated Cost	Bond Income	Prior Fiscal Years	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13	Total (Without 5% PM)
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GROUP 76 DRAINAGE IMPROVEMENTS

WATERSHED IMPROVEMENTS											
76PP XXX	New Detention Basin - Phase I (Eliminated)	\$0		\$0						\$0	
7636	C2 Channel (GLR to Pescadero)	\$1,599,412			\$596,505				\$1,002,907	\$1,599,412	
7628	66" SD (GLR W. of Paradise Rd.)	\$1,346,655		\$39,644	\$1,307,011					\$1,346,655	
7643	8'x6' CBC (at GLR)	\$340,076			\$340,076					\$340,076	
76PP XXX	Future Storm Drains	\$148,954						\$148,954		\$148,954	
76PP 052	Storm Drain Lines in Grant Line Road	\$3,118,000						\$3,118,000		\$3,118,000	
REIMBURSEMENTS											
799D	Reimbursement to CFD 89-1	\$45,790						\$45,790		\$45,790	
SUBTOTAL GROUP 76		\$6,598,888	\$0	\$39,644	\$2,243,592	\$0	\$0	\$0	\$3,312,745	\$1,002,907	\$6,598,888

ABSORPTION (AC)		145	30	30	30	30	9.42	0						
PROJECTED FEE REVENUES		\$	1,153,489	\$	1,153,489	\$	1,153,489	\$	362,195	\$	-			
CUMULATIVE REVENUES		\$1,622,739	\$	2,776,227	\$	3,929,716	\$	5,083,204	\$	6,236,693	\$	6,598,888		
CUMULATIVE EXPENDITURES		\$39,644	\$	2,283,237	\$	2,283,237	\$	2,283,237	\$	2,283,237	\$	5,595,981	\$	6,598,888
FUND TOTAL		\$1,583,094	\$	492,991	\$	1,646,479	\$	2,799,968	\$	3,953,456	\$	1,002,907	\$	-

GROUP 79 ADDITIONAL SERVICES

PROGRAM MANAGEMENT SERVICES											
7952	PM Services (5% of Construction Costs)	\$2,133,375									
SUBTOTAL GROUP 79		\$2,133,375	\$359,750	\$215,057	\$319,720	\$319,720	\$319,720	\$319,720	\$319,720	\$319,720	\$2,133,375
ABSORPTION (AC)			145	30.00	30.00	30.00	30.00	9.42	0.00		
PROJECTED REVENUES		\$255,105	\$255,105	\$255,105	\$255,105	\$255,105	\$255,105	\$80,103	\$0		
CUMULATIVE REVENUES		\$1,032,854	\$1,287,959	\$1,543,063	\$1,798,168	\$2,053,272	\$2,133,375	\$2,133,375	\$2,133,375		
CUMULATIVE EXPENDITURES		\$215,057	\$534,776	\$854,496	\$1,174,216	\$1,493,935	\$1,813,655	\$2,133,375	\$2,133,375		
FUND BALANCE			\$688,567	\$623,952	\$559,337	\$319,720	\$0				
GRAND TOTAL (GROUPS 71 -76 AND 79)		\$42,667,503	\$7,195,000	\$4,301,135	\$4,108,662	\$706,783	\$1,637,416	\$5,974,690	\$17,621,952	\$8,316,866	\$42,667,503

Appendix B

Table B-1
City of Tracy - Northeast Industrial Area Phase I
General Government and Public Facilities

Total Facilities Cost for NEI Phase I	\$	848,578
Fees Collected	\$	388,024
Unfunded Obligation	\$	460,554
Remaining Acreage for NEI Phase I		129
Updated Fee	\$	3,559
Existing Fee	\$	3,070
Fee Increase	\$	489

TABLE B-2
City of Tracy - Northeast Industrial Area Phase I
NEI PHASE 1 - TRAFFIC IMPROVEMENTS

Current Cost Estimates

A) Road (Based on H&A Design)

Phase 1			
Road w/o frontage		\$	6,541,999
Traffic Signal GLR and Paradise		\$	360,000
Frontage Paid by Program (Excludes sidewalks and landscaping)		\$	1,814,317
	Subtotal	\$	8,716,316
	Soil Stabilization	\$	766,345
Frontage Funded by Phase 1 (Reimbursable)			1,365,967
	Subtotal	\$	1,365,967
	Markups (40%)	\$	546,387
	Subtotal	\$	1,912,353
	TOTAL	\$	11,395,014

B) Program (Phase 1 Facilities not in Road Design)

Trucking Company Acquisition (4.25 ac @ \$350K /ac)		\$	1,487,500
Reimbursement for RSP & 89-1		\$	511,282
Median landscaping and Irr		\$	736,318
Land Acquisition for Frontage Paid by Program (\$350K / ac)		\$	448,121
Land Acquisition for Phase 2 property frontage Paid by Program (\$350K / ac) (Reimbursable)		\$	1,123,500
Reimbursement for Additional ROW (south side)		\$	116,026
WSID Pump Station & Pipe Relocation		\$	837,753
	Subtotal	\$	5,260,500
Total Estimated Cost		\$	16,655,514

Fees collected	\$	5,996,422
Un-funded	\$	10,659,091.27
Remaining acres	\$	129
Fees per acre	\$	82,360
Existing fees per acre	\$	48,423
Fee increase	\$	33,937

TABLE B-3
City of Tracy - Northeast Industrial Area Phase I
Wastewater Improvements

7430	Phase I Sewer Lines	\$	1,533,868
7468	MacArthur Pump Station Expansion Phase I	\$	407,435
74PP-074	WWTP Expansion	\$	8,047,452
799B	Reimbursement to CFD 89-1	\$	384,970
Total:			\$ 10,373,725

Funding Sources

CFD 99-1	\$	567,000
Total :		\$ 567,000

Fee Funding **\$ 9,806,725**

Fees Collected to Date	\$	4,830,520
Total funding to date	\$	5,397,520
Funding needed	\$	4,976,205
Remaining Acres		129
Fees Per Acre	\$	38,450
Existing Fees Per Acre	\$	34,541
Fee Increase	\$	3,909

TABLE B-4
City of Tracy - Northeast Industrial Area Phase I
Water Improvements

CIP **Current Cost Estimates**

7546 A) **Pipelines**

H & A

6000 LF of 12" \$ 750,000

5350 LF of 16" \$ 1,112,800

SEIGFRIED

2800 ± LF of 12" \$ 350,000

1280 ± -- LF of 16" \$ 266,240

WYA

2500 LF of 16" (Chrisman Rd) \$ 520,000

7551 B) **2.2 MG Tank and Pump Station**

WYA Tank & Pump \$ 2,933,463

7592 C) **1.7 mgd Production Well**

WYA 1,903,143

7532 D) **SSJID** 7,843

Total Estimated Cost \$ 7,843,489

Fees collected	\$	538,966
CFD Funds collected	\$	6,628,000
Total funding to date	\$	7,166,966
Funding needed	\$	7,843,489
Un-funded	\$	676,523
Remaining Acres		129
Fees Per Acre	\$	5,228
Existing Fees Per Acre	\$	3,350
Fee Increase	\$	1,877

TABLE B-5
City of Tracy - Northeast Industrial Area Phase I
Drainage Improvements

escalated 4.5% for
5 years

A) Pipelines (included in H&A road design)

Phase 1

60 feet of 6'x8' Box Culvert (Phase 1)	\$	54,209
1250 feet of 66" SD (Phase 1)	\$	1,012,523
Subtotal	\$	1,066,732
Markups (40%)	\$	426,693
Land for Box Culvert (0.3 AC @\$350k)	\$	105,000
Subtotal	\$	1,598,424

Phase 2

1744 feet of 36" SD	\$	543,335
647 feet of 42" SD	\$	262,041
490 feet of 48" SD	\$	244,252
122 feet of 54" SD	\$	68,415
85 feet of 60" SD	\$	58,259
1411 feet of 66" SD	\$	1,142,936
288 feet of 15" SD	\$	25,123
Subtotal	\$	2,344,361
Markups		937,744
Subtotal	\$	3,282,106
TOTAL	\$	4,880,530

B) Program (Phase 1 Facilities not in Road Design)

140 feet of 8'x6' (w/markups)	\$	177,082
C2 Channel Improvements (w/markups, includes land cost)	\$	1,683,592
Subtotal	\$	1,860,674

C) Additional Facilities

New Detention Basin (eliminated for Phase I, paid by Phase II)	\$	-
Future Storm Drain Improvements	\$	156,794
CFD 89-1 Reimbursement	\$	48,200
Subtotal	\$	204,994

Total Estimated Cost **\$** **6,946,198**

Fees collected	\$	1,659,946
Non-Program Funding	\$	48,200
Total funding to date	\$	1,708,146
Funding needed	\$	5,238,052
Remaining acres		129
Fees per acre	\$	40,473
Existing fees per acre	\$	11,906
Fee increase	\$	28,567