

**GCG**

GOODWIN CONSULTING GROUP

**CITY OF LATHROP  
2019  
SOUTH LATHROP SPECIFIC PLAN (SLSP)  
CAPITAL FACILITIES FEES STUDY**



**October 3, 2019**

**CITY OF LATHROP**  
**2019 SOUTH LATHROP SPECIFIC PLAN (SLSP)**  
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## ***EXECUTIVE SUMMARY***

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The South Lathrop Specific Plan area (the “SLSP”) is a 315 acre development in the southeast portion of the City. The project is located south of State Route 120, north and west of the Union Pacific Railroad, and east of the San Joaquin River. The SLSP consists of mainly employment-generating land uses. Approximately 246 acres are zoned for Light Industrial and Warehouse development and 10 acres are zoned for Commercial Office development. The remaining 59 acres include open space, public and quasi-public land, the San Joaquin River, and roadways. South Lathrop Land, L.L.C. (the “SLCC Developer”) is the primary developer of the SLSP area and owns most of the property (the “SLCC Parcels”) in the SLSP.

The City retained Goodwin Consulting Group to assist it in updating the fee program for the SLSP area through the adoption by the City Council of this 2019 SLSP Capital Facilities Fees Study (“2019 Fee Study”). This 2019 Fee Study is compliant with the requirements set forth in the Mitigation Fee Act, also known as AB 1600, and ensures that a rational nexus exists between the SLSP Fees and the cost or portion of the cost of capital facilities attributable to future development in the SLSP area.

The current SLSP CFF Fee Study (the “2018 Fee Study”) was adopted by the City Council in March of 2018. Not including Lathrop citywide or county fees, the current SLSP fee program includes three fees, namely, the Transportation CFF, the Water Storage CFF, and the Storm Drainage CFF. This 2019 Fee Study updates the existing Transportation and Storm Drainage CFFs and adds three new fees – the Water Line CFF, the Sewer System CFF, and the Regional Outfall Structure (“ROS”) CFF. The existing Water Storage CFF will remain unchanged.

The SLSP was approved on July 20, 2015. The South Lathrop Commerce Center (SLCC) site plan was subsequently modified by the Planning Commission on August 8, 2018 through Site Plan Review No. SPR-18-47 (the “Site Plan”); the parcels within that Site Plan are the SLCC Parcels. Five parcels are not within the Site Plan and are referred to as the Non-SLCC Parcels in this 2019 Fee Study. The 2019 Fee Study includes the additional square footage of development approved for the SLSP, increasing the total to 4,850,000 square feet.

### **FACILITIES AND COSTS INCLUDED IN THE FEE PROGRAM**

Various capital facilities and improvements will be required for the SLSP area. Facilities and cost estimates have been prepared by the City and its consultants and are presented in this Fee Study. Table E-1 summarizes these facilities and their costs. The gross cost of the planned facilities contained in this Fee Study is \$82.5 million. Funding from other sources, totaling

\$52.9 million, reduces the net amount that will be funded with SLSP Fee revenue to approximately \$29.6 million. Table E-1 summarizes the facilities and costs included in the Fee Study.

**Table E-1 – Facilities Costs**

<b>Facility Type</b>	<b>Total Estimated Cost</b>	<b>Funding From Other Developments<sup>1</sup></b>	<b>SLSP CFF Program</b>
Transportation	\$56,686,324	\$48,848,107	\$7,838,217
Water Line	\$4,363,639	\$1,729,373	\$2,634,266
Sewer System	\$4,481,941	\$0	\$4,481,941
Storm Drainage	\$13,421,118	\$0	\$13,421,118
Regional Outfall Structure	\$3,533,913	\$2,355,942	\$1,177,971
<b>Total</b>	<b>\$82,486,935</b>	<b>\$52,933,422</b>	<b>\$29,553,514</b>

1. Other developments may include Lathrop Gateway Specific Plan, McKinley Corridor, Crossroads, and others.

Source: Fehr and Peers; MacKay & Somps; Siegfried; H2O Urban Solutions; Teichert; City of Lathrop

### **TRANSPORTATION FACILITIES**

Transportation facilities for the SLSP include their fair share of construction of interchanges at SR 120 and Yosemite Avenue and at I-5 and Lathrop Road, roadway sections, intersections, railroad crossing improvements, and ramp improvements on Yosemite, Louise, McKinley Avenues, and Airport Way. The total cost of the transportation facilities is \$56.7 million. Based on its traffic model, the City’s traffic consultant, Fehr and Peers, determined that the SLSP share of the total cost is \$7.8 million. The remainder, \$48.8 million, is allocated to the Lathrop Gateway Business Park Specific Plan (LGBPSP) area, McKinley Corridor, Crossroads, and other Lathrop developments.

### **WATER LINE FACILITIES**

Water line facilities referred to as the “Water Loop” include mains crossing underneath SR 120 from the point of connection (“POC”) at Harlan Road to the POC on Glacier Street, continuing on Glacier Street to Yosemite Avenue, and traveling further north on Yosemite Avenue from Glacier Street to the point at the north edge of the SR 120 right-of-way. The total cost of the Water Loop improvements is \$2,620,088. The City’s engineering consultant determined that approximately 66% of this cost, or \$1,728,210, should be allocated to SLSP and 34% should be allocated to LGBPSP.

Other water line facilities within the boundaries of the SLSP that are not a part of the Water Loop (“Non-Water Loop”) were designed to serve the entire specific plan area, and include improvements on Glacier Street, Jefferson Way, and Yosemite Avenue. Improvements include all water lines, pipes, mains, valves, and fire hydrants as well as soft costs and City related costs. Because these facilities benefit SLSP exclusively, the total cost of these improvements, \$906,056, is allocated to SLSP.

#### **SEWER SYSTEM FACILITIES**

Sewer system improvements were designed to serve the entire SLSP area and include collection mains and dual sewer force mains that connect the sewer pump station to the Lathrop Consolidated Treatment Facility, manholes, and clean outs, sewer pump station, including the pumps, dewatering, electronic controls, fencing, City conduit with fiber, lighting, monitoring equipment, security during construction, backup generator, entry gates, landscaping, as well as soft costs and City related costs. The total cost of the sewer system improvements is \$4.5 million. Because these facilities will serve SLSP exclusively, the entire cost is allocated to SLSP.

#### **STORM DRAINAGE FACILITIES**

Storm drainage facilities were designed to serve the entire SLSP area, and include the drainage collection system, including pipelines, manholes, public laterals and storm drain inlets, a detention basin and storm water quality basin, levee toe drain, storm drain pump station and force main, as well as soft costs and City related costs. The total cost of the storm drainage improvements is \$13.4 million and because these facilities will serve SLSP exclusively, the entire cost is allocated to SLSP.

#### **REGIONAL OUTFALL STRUCTURE FACILITIES**

The total cost of the ROS is \$3.5 million. Facilities include grading, dewatering, piping, sheetpiles, a concrete headwall, rip rap, soft costs and City related costs. The City and its engineering consultant have determined that the cost of the ROS should be equally allocated to three development areas in the City that will benefit from this facility – namely SLSP, LGBPSP, and the McKinley Corridor development. SLSP’s 33% share of the total cost is \$1,177,971.

## **FEE SUMMARY**

Tables E-2 below and E-3 on the following page summarize the fees calculated in this report. Table E-2 includes the Transportation Fees; these fees will be levied based on building square footage. Table E-3 includes the Water Line, Sewer, Storm Drainage and ROS Fees; these fees will be levied only on the specific parcels identified in Table E-3. A 3.0% City administration fee will be added to these fees to pay for the City administrative duties associated with the fee program.

**Table E-2**  
**Fee Summary**

<b>Land Use</b>	<b>Unit</b>	<b>Transportation Fee</b>
<b>Commercial Office</b>	<b>1,000 sf</b>	<b>\$20,277</b>
<b>Light Industrial</b>	<b>1,000 sf</b>	<b>\$1,323</b>
<b>Warehouse</b>	<b>1,000 sf</b>	<b>\$1,323</b>

**Table E-3**  
**Fee Summary**<sup>1</sup>

<b><u>Assessor Parcel #</u></b>	<b><u>Water Line Fees</u></b>	<b><u>Sewer Fees</u></b>	<b><u>Storm Drainage Fees</u></b>	<b><u>ROS Fees</u></b>
241-030-150-000	\$276,332	\$470,151	\$1,407,862	\$123,568
241-030-160-000	\$525,751	\$894,513	\$2,678,609	\$235,101
241-030-170-000	\$545,247	\$927,684	\$2,777,937	\$243,819
241-030-180-000	\$473,833	\$806,180	\$2,414,095	\$211,885
241-030-190-000	\$161,052	\$274,015	\$820,533	\$72,018
241-030-200-000	\$132,444	\$225,341	\$674,781	\$59,225
241-030-210-000	\$100,022	\$170,177	\$509,594	\$44,727
241-030-220-000	\$73,109	\$124,388	\$372,479	\$32,692
241-030-230-000	\$98,433	\$167,473	\$501,497	\$44,016
241-030-310-000	\$12,715	\$21,633	\$64,779	\$5,686
241-030-320-000	\$1,060	\$1,803	\$5,398	\$474
241-030-330-000	\$52,978	\$90,136	\$269,912	\$23,690
241-030-340-000	\$67,388	\$114,653	\$343,328	\$30,134
241-030-350-000	\$31,787	\$54,082	\$161,947	\$14,214
241-030-360-000	\$31,045	\$52,820	\$158,169	\$13,882
241-030-290-000	\$51,071	\$86,891	\$260,195	\$22,837
	<b>\$2,634,266</b>	<b>\$4,481,941</b>	<b>\$13,421,118</b>	<b>\$1,177,971</b>

1. The SLCC Developer constructed the water, sewer, and storm drainage facilities that are the basis for these fees. The SLCC Parcels will therefore not be subject to these fees but will be provided a credit in the amount of the fees due for each building. Parcels within SLSP that are not owned by the SLCC Developer will be subject to these fees, and once collected, the fees will be provided to the SLCC Developer as reimbursement.

**LATHROP CITYWIDE AND SAN JOAQUIN COUNTYWIDE FEES**

The SLSP Fees calculated in this Fee Study, if adopted by the City Council, will be added to the City’s Capital Facilities Fee (CFF) program; the Transportation Fee and the ROS Fee will replace the existing Transportation and Storm Drainage SLSP CFFs. In addition to the SLSP Fees shown in this Fee Study, the SLSP area will also be subject to other Lathrop citywide impact fees in the CFF program such as the Municipal Service Facilities CFF and the Mossdale Tract Regional Levee Impact Fee.

SLSP will also be subject to San Joaquin County fees, such as the San Joaquin County Regional Transportation Impact Fee (RTIF) and the County Capital Facilities Fee. SLSP shall participate in the City’s agriculture mitigation program and the San Joaquin Multi-Species Habitat

Conservation and Open Space Plan by paying the per-acre fees for the loss of farmland as well as to mitigate for habitat impacts to covered special status species.

#### **WATER AND SEWER CONNECTION FEES – SLCC PARCELS**

With approval of Parcel Map 17-01, per the Development Agreement, the SLCC developer allocated to all SLCC Parcels ground water from Well No. 9 at the rate of 500 gal/day/acre. This volume will allow dry warehouse development. With each building permit, the developer will purchase SSJID surface water (SSJID Buy-in Fee per 2018 SLSP Study) for 2/3 of the total demand for the parcel being developed. With approval of Parcel Map 17-01, per the Development Agreement, the SLCC Developer allocated to all SLCC Parcels wastewater treatment capacity at the Combined Treatment Facility on Christopher Way, plus storage and disposal capacity at the current industrial rate of 355 gal/day/acre. Additional existing sewer fees that will be charged to the SLCC Parcels include the “Recycled Water Outfall” fee for a future river discharge of recycled water. This is an existing fee listed for Mossdale Village.

#### **WATER AND SEWER CONNECTION FEES – NON-SLCC PARCELS**

In addition to the SLSP Fees shown in the 2019 Fee Study, the Non-SLCC Parcels will also be subject to other Lathrop citywide fees in the CFF program for water and sewer connection fees. Water connection fees for the Non-SLCC Parcels will include the ‘Surface Water Supply Full Cost’ fee existing for Mossdale Village. Because no capital cost for surface water has been funded for the Non-SLCC Parcels in the past, the full cost is due. This fee represents two-thirds of the water required to come from surface water. Water connection fees for the Non-SLCC Parcels will also include the “Water System Buy-in” fee charged for the East Lathrop Area, which represents one-third of the water required from ground water, plus the “Water System Well Improvement” fee existing for the Mossdale Village area. This fee covers the cost of arsenic removal in the City wells.

For Non-SLCC Parcels, sewer connection fees will include the cost of wastewater treatment capacity at the Combined Treatment Facility on Christopher Way plus the cost of designing, building, permitting and land acquisition to build storage ponds and disposal sprayfields for recycled water. Treatment capacity may be purchased through the City from developers with excess capacity. Ponds and sprayfields may be constructed by the developer, purchased through the City from a developer with excess capacity, or purchase may be negotiated with the City. Additional existing sewer fees that will be charged to the Non-SLCC Parcels include the “Recycled Water Outfall” fee for a future river discharge of recycled water, and the “Sewer/Recycled Water System” fee to reimburse the cost of constructing recycled water mains west of Interstate 5. Both of these are existing fees for Mossdale Village and are applicable to Non-SLCC Parcels.



Table E-4 on the following pages summarizes the fees calculated in this 2019 Fee Study and other City and County fees applicable to the SLSP area.

#### **FEE ADJUSTMENTS**

The SLSP Fees may be adjusted in the future years to reflect revised costs or changes in the land use plan. In addition to such adjustments, the SLSP Fees will be inflated each year by the Engineering News Record (ENR) 20-City Construction Cost Index. The last inflation adjustment conducted by the City in January 2019 was based on the December 2018 ENR 20-City Index of 11,185.51. The current ENR 20-City Construction Cost Index for September 2019 is 11,311.24. Future annual inflation adjustments for the facilities costs and fees included in this 2019 Fee Study will be based on this number.

**Table E-4 - Capital Facilities Fee Schedule**

Fee Component	Unit	Service Area	
		South Lathrop SP SLCC Parcels	South Lathrop SP NON-SLCC Parcels
		<b>Municipal Service Facilities CFF <sup>1</sup></b>	
Service/Retail	1,000 sf	\$2,543	\$2,543
Other Non-Residential	1,000 sf	\$1,539	\$1,539
<b>Surface Water Supply CFF <sup>2</sup></b>			
	5/8" meter	\$2,635	\$4,261
	1" Fire Svc.	\$2,635	\$4,261
	3/4" meter	\$3,953	\$6,392
	1" meter	\$6,588	\$10,653
	1 1/2" meter	\$13,177	\$21,305
	2" meter	\$21,083	\$34,088
	3" meter	\$39,531	\$63,915
	4" meter	\$65,885	\$106,525
	6" meter	\$131,770	\$213,050
	8" meter	\$210,832	\$340,880
	10" meter	\$382,132	\$617,845
<b>Water System - Buy-In CFF <sup>3</sup></b>			
	5/8" meter	-	\$1,266
	1" Fire Svc.	-	\$1,266
	3/4" meter	-	\$1,900
	1" meter	-	\$3,167
	1 1/2" meter	-	\$6,332
	2" meter	-	\$10,131
	3" meter	-	\$18,998
	4" meter	-	\$31,662
	6" meter	-	\$63,324
	8" meter	-	\$101,318
	10" meter	-	\$183,639
<b>Water System - West/Central Lathrop Well Improvement CFF <sup>4</sup></b>			
	5/8" meter	-	\$778
	1" Fire Svc.	-	\$778
	3/4" meter	-	\$1,167
	1" meter	-	\$1,946
	1 1/2" meter	-	\$3,890
	2" meter	-	\$6,224
	3" meter	-	\$11,671
	4" meter	-	\$19,453
	6" meter	-	\$38,905
	8" meter	-	\$62,249
	10" meter	-	\$112,826

**Table E-4 - Capital Facilities Fee Schedule (Continued)**

		Service Area	
		South	South
Fee		Lathrop SP	Lathrop SP
Component	Unit	SLCC Parcels	NON-SLCC Parcels
<b>Water System - Water Storage CFF</b>			
Office Commercial	1,000 sf	\$989	\$989
Limited Industrial	1,000 sf	\$468	\$468
Warehouse	1,000 sf	\$134	\$134
<b>Water Line CFF <sup>5</sup></b>			
Office Commercial	Gross Acres	-	\$10,596
Limited Industrial	Gross Acres	-	\$10,596
Warehouse	Gross Acres	-	\$10,596
<b>Sewer/Recycled Water System CFF <sup>6</sup></b>			
	5/8" meter	-	\$1,114
	1" Fire Svc.	-	\$1,114
	3/4" meter	-	\$1,670
	1" meter	-	\$2,784
	1 1/2" meter	-	\$5,566
	2" meter	-	\$8,906
	3" meter	-	\$16,699
	4" meter	-	\$27,831
	6" meter	-	\$55,662
	8" meter	-	\$89,058
	10" meter	-	\$161,419
<b>Sewer Collection System CFF <sup>7</sup></b>			
Office Commercial	Gross Acres	-	\$18,027
Limited Industrial	Gross Acres	-	\$18,027
Warehouse	Gross Acres	-	\$18,027
<b>Sewer Treatment, Storage, and Collection CFF <sup>8</sup></b>			
			<b>TBD</b>
<b>Recycled Water Outfall CFF <sup>9</sup></b>			
	5/8" meter	\$47	\$47
	1" Fire Svc.	\$47	\$47
	3/4" meter	\$71	\$71
	1" meter	\$118	\$118
	1 1/2" meter	\$234	\$234
	2" meter	\$374	\$374
	3" meter	\$702	\$702
	4" meter	\$1,171	\$1,171
	6" meter	\$2,341	\$2,341
	8" meter	\$3,745	\$3,745
	10" meter	\$6,788	\$6,788

**Table E-4 - Capital Facilities Fee Schedule (Continued)**

Fee Component	Unit	Service Area	
		South	South
		Lathrop SP SLCC Parcels	Lathrop SP NON-SLCC Parcels
<b>Storm Drainage CFF <sup>10</sup></b>			
Office Commercial	Gross Acres	-	\$53,982
Limited Industrial	Gross Acres	-	\$53,982
Warehouse	Gross Acres	-	\$53,982
<b>Regional Storm Drain Outfall Structure (ROS) CFF <sup>11</sup></b>			
Office Commercial	Gross Acres	-	\$4,738
Limited Industrial	Gross Acres	-	\$4,738
Warehouse	Gross Acres	-	\$4,738
<b>Local Transportation CFF</b>			
Office Commercial	1,000 sf	\$20,277	\$20,277
Limited Industrial	1,000 sf	\$1,323	\$1,323
Warehouse	1,000 sf	\$1,323	\$1,323
<b>San Joaquin County RTIF CFF</b>			
Office Commercial	1,000 sf	\$1,760	\$1,760
Retail Commercial	1,000 sf	\$1,400	\$1,400
Industrial	1,000 sf	\$1,060	\$1,060
Warehouse	1,000 sf	\$440	\$440
<b>County Facilities CFF</b>			
Service/Office Commercial	1,000 sf	\$640	\$640
Retail Commercial	1,000 sf	\$430	\$430
Industrial	1,000 sf	\$110	\$110
Warehouse	1,000 sf	\$110	\$110
<b>AG Mitigation CFF</b>			
	Acre	\$2,895	\$2,895
<b>Mossdale Tract Regional Levee Impact Fee <sup>12</sup></b>			
Single Family Residential	Acre	\$18,148	\$18,148
Multi-Family Residential	Acre	\$16,525	\$16,525
Commercial	Acre	\$17,187	\$17,187
Industrial	Acre	\$14,300	\$14,300
<b>Levee Impact Admin Fee</b>			
Single Family Residential	Acre	\$544	\$544
Multi-Family Residential	Acre	\$496	\$496
Commercial	Acre	\$516	\$516
Industrial	Acre	\$429	\$429

**Table E-4 - Capital Facilities Fee Schedule (Continued)**

	<b>Footnotes</b>			
1	Includes police, animal control, city hall, corporation yard, performing arts center, and wireless network facilities. Applies to the entire City. Wireless network costs are excluded from the Mossdale Landings			
2	Surface Water Supply CFF for infill areas (East Lathrop) assumes customers will also pay SCSWSP facilities charge in monthly water bills. This was allowed for SLCC Parcels due to a development agreement. Surface Water Supply CFF for Non-SLCC Parcels reflects the full cost of the surface water supply project.			
3	The Water System CFF for Non-SLCC Parcels is a buy-in fee reflecting the value of existing water system assets. SLCC Parcels are allocated water from Well No. 9 so are not charged a Water System Buy-in CFF.			
4	The Water System Well Improvement CFF, which Non-SLCC Parcels will pay, is for well improvements and reflects the cost of future arsenic treatment and a share of standby well capacity.			
5	Water Line CFF for SLSP parcels is based on the gross acres of specific parcels in SLSP; the fee per parcel will vary depending on the gross acres of the original parcels, as identified in the Fee Study. SLCC Parcels will receive a fee credit and Non-SLCC Parcels will pay this fee.			
6	SLCC Parcels are allocated the disposal in the percolation pond adjacent to CTF so they do not use and are not charged for the Sewer/Recycled Water System CFF.			
7	Sewer Collection System CFF for SLSP is based on the gross acres of specific parcels in SLSP; the fee per parcel will vary depending on the gross acres of the original parcels, as identified in this Fee Study. SLCC Parcels will receive a fee credit and Non-SLCC Parcels will pay this fee.			
8	Sewer connection fees will include the cost of wastewater treatment capacity at the Combined Treatment Facility on Christopher Way plus the cost of designing, building, permitting and land to build storage ponds and disposal sprayfields for recycled water. Treatment capacity may be purchased through the City from developers with excess capacity. Ponds and sprayfields may be constructed by the developer, purchased through the City from a developer with excess capacity, or purchase may be negotiated with the City.			
9	Recycled Water Outfall CFF will be applied to SLSP and is based on the estimated cost of a recycled water outfall to San Joaquin River.			
10	Storm Drainage CFF for SLSP is based on the gross acres of specific parcels in SLSP; the fee per parcel will vary depending on the gross acres of the original parcels, as identified in this Fee Study. SLCC Parcels will receive a fee credit and Non-SLCC Parcels will pay this fee.			
11	The ROS CFF for SLSP parcels is based on the gross acres of specific parcels in SLSP; the fee per parcel will vary depending on the gross acres of the original parcels, as identified in this Fee Study. SLCC Parcels will receive a fee credit and Non-SLCC Parcels will pay this fee.			
12	The Mossdale Tract Regional Levee Impact Fee became effective on 01/8/19.			
	Source: City of Lathrop; Goodwin Consulting Group			

## ***1. INTRODUCTION***

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### **BACKGROUND**

The South Lathrop Specific Plan area is a 315 acre development in the southeast portion of the City. Specifically, the project is located south of State Route 120, north and west of the Union Pacific Railroad, and east of the San Joaquin River. Exhibit 1 on the following page identifies the location of the project within the City. The SLSP consists of mainly employment-generating land uses. Approximately 246.4 acres are zoned for Light Industrial and Warehouse development and 10 acres are zoned Commercial Office. The remaining 59 acres includes open space, public and quasi-public lands, the San Joaquin River, and roadways.

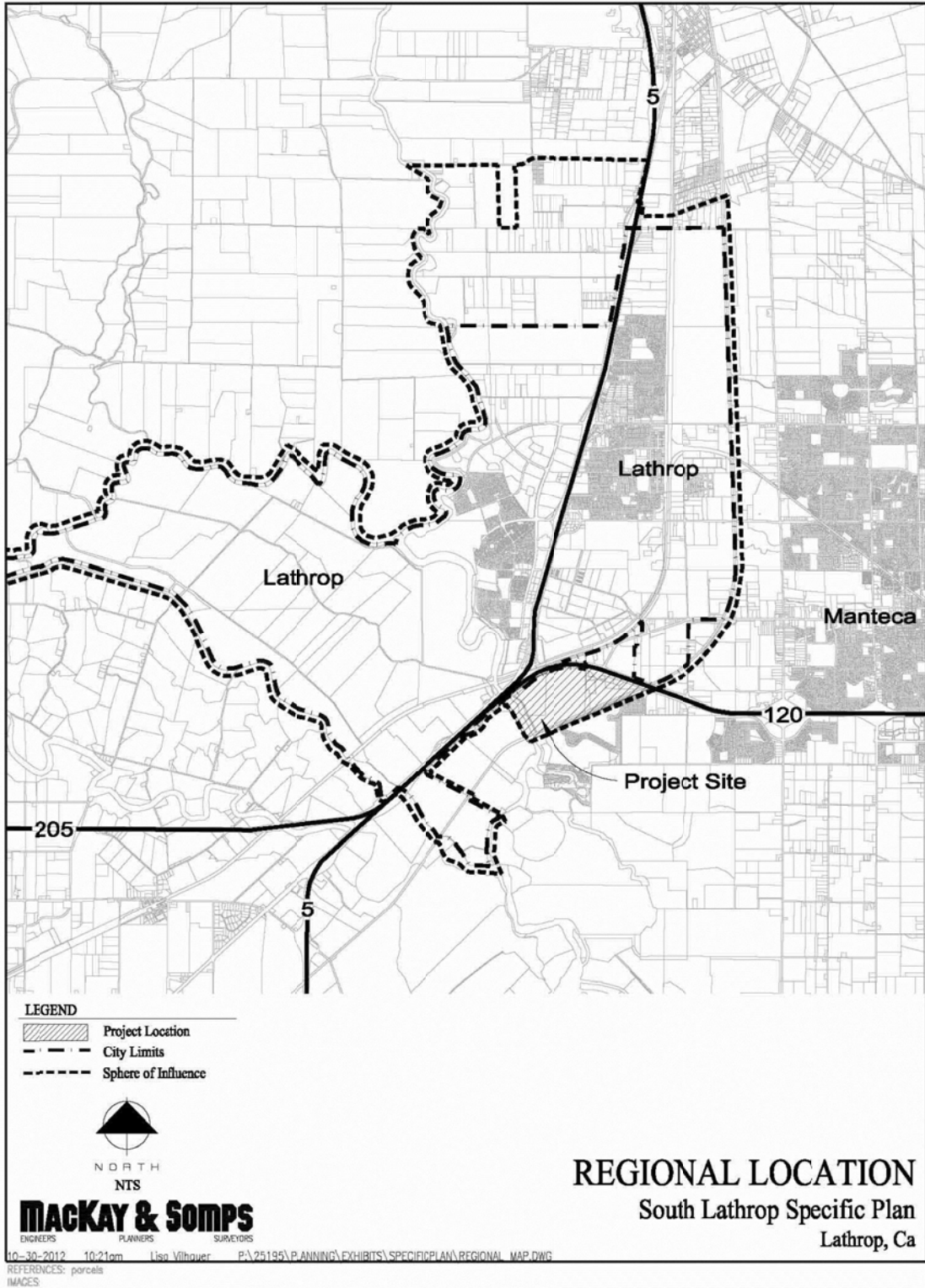
### **FEES INCLUDED IN 2019 SLSP CAPITAL FACILITIES FEE STUDY**

The current SLSP CFF Fee Study was adopted by the City Council in March of 2018. Not including Lathrop citywide or county fees, the current SLSP fee program includes three fees, namely, the Transportation CFF, the Water Storage CFF, and the Storm Drainage (Outfall) CFF. This 2019 Fee Study updates the existing Transportation and Storm Drainage (Outfall) CFFs and adds three new fees – the Water Line CFF, the Sewer System CFF, and the Storm Drainage CFF (Storm Drainage System). The existing 2018 SLSP Water Storage CFF will remain, unchanged. This 2019 Fee Study includes the following fee categories:

- Transportation Fee (updated fee)
- Water Line Fee (new fee)
- Sewer System Fee (new fee)
- Storm Drainage Fee (new fee)
- Regional Outfall Structure Fee (updated fee)
- City Administration Fee (3.0% of other fee rates)

These fees will be referred to in this 2019 Fee Study as the “2019 SLSP Fees”. In addition to the 2019 SLSP Fees listed above, the SLSP development will also be subject to certain Lathrop citywide CFF fees and San Joaquin County countywide fees.

**Exhibit 1 – SLSP Project Site**



## **MITIGATION FEE ACT (AB 1600)**

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

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

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

## **ORGANIZATION OF REPORT**

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

Chapter 2	Identifies the land uses, acres, and square footage assumptions included in the Fee Study
Chapter 3	Provides an explanation of the fee methodology used to calculate the fees in the this Fee Study
Chapter 4	Summarizes the capital facilities and costs in the fee program
Chapters 5 - 9	Provides the details of the fee calculations for transportation, water lines, sewer system, storm drainage, and regional outfall structure
Chapter 10	Provides a summary of the SLSP Fees calculated in this Fee Study
Chapter 11	Discusses the nexus findings for the SLSP Fees
Chapter 12	Addresses implementation of the fee program, future fee adjustments, and administrative duties required by the fee law



## 2. LAND USES

The SLSP area includes approximately 315 acres. The majority of the acreage, about 244.1 acres, is planned for Limited Industrial land uses. This land use category will allow for a large range of development types, including warehouse/distribution, light industrial, manufacturing, office, retail sales and services, R&D, recreation vehicle sales, and equipment and machinery sales and repair services, to name just a few. The Limited Industrial zoning category allows for floor area ratios (FAR) ranging from 0.15 to 0.65. The maximum estimated building square footage for the Limited Industrial land in the SLCC portion of SLSP is 4,775,000. However, Site Plan Review No. SPR-18-47 allows Clean Light Industrial uses within the Commercial Office land use area, increasing the potential industrial uses to a maximum of 4,850,000 sf.

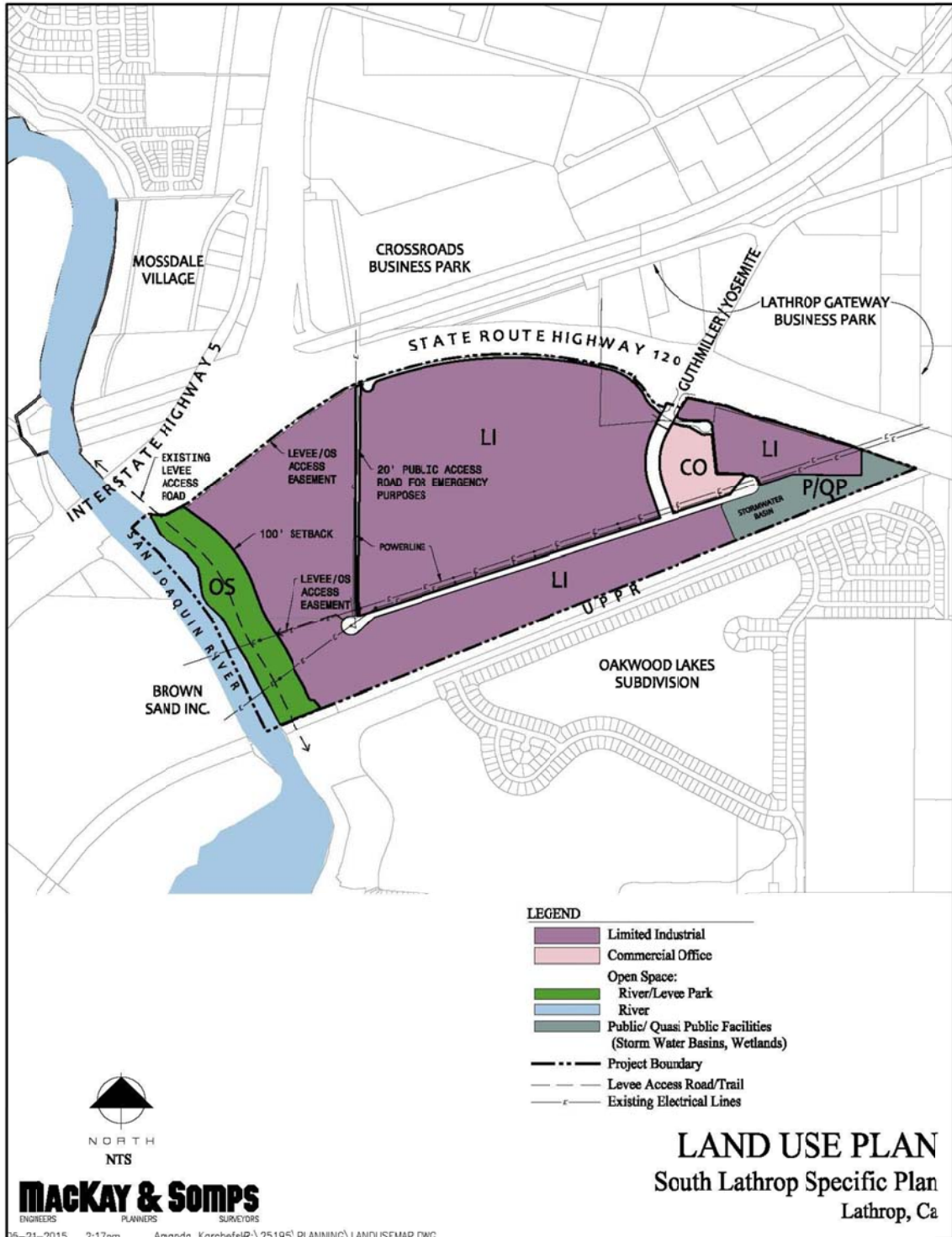
The SLCC also includes 4.5 acres of Commercial Office property situated close to the SR 120 corridor and will provide for local and regional serving office and commercial uses, including financial institutions, administrative support centers, restaurants, hotel/motels, or Clean Light Industrial uses. Although the 0.30 FAR could allow for 130,000 square feet, the EIR anticipated that a more likely size would be 75,000 square feet of building space, and so that is the building space used in this Fee Study.

The Open Space land use designation includes about 31.5 acres of San Joaquin River frontage that extends to the centerline of the river. This area includes trails that will connect to the City's trail system. The Public/Quasi-Public Facilities land use consists of 11.6 acres of land that is planned for storm water and recycled water basins. Lastly, 23.3 acres are set aside for existing and future roads. Table 2-1 summarizes the land uses, acres, and building square feet and Exhibit 2 on the following pages identifies the land uses in the SLSP area.

**Table 2-1 – Land Use Summary**

<u>Land Use</u>	<u>Average FAR</u>	<u>Acres</u>	<u>Sq. Ft.</u>
Commercial Office	0.38	4.5	75,000
Light Industrial	0.39	66.1	1,120,000
Warehouse	0.47	177.9	3,655,000
<b>Subtotal<sup>1</sup></b>		<b>248.6</b>	<b>4,850,000</b>
<b><u>Open Space</u></b>		<b><u>Acres</u></b>	
River/Levee Park		21.0	
River		10.5	
Public/Quasi Public		11.6	
Existing and Future Major Roads		23.3	
<b>Subtotal</b>		<b>66.4</b>	
<b>Total</b>		<b>315.0</b>	

**Exhibit 2 – SLSP Land Uses**



### **3. FEE METHODOLOGY**

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When impact fees are calculated, an analysis must be presented in enough detail to demonstrate that a logical and thorough consideration was applied in the process of determining how the fees relate to the impacts from new development. Various findings pursuant to the impact fee statute must be made to ensure that a reasonable relationship exists between the fee amount and the impact caused by development on which the fee will be levied. Following is a discussion of the method used in this 2019 Fee Study to allocate facilities costs to development and determine the fees in the fee program.

#### **FEE METHODOLOGY**

The plan-based fee methodology is used in this 2019 Fee Study. This methodology is used for facilities that must be designed based on future demand projections within a geographic location. Typically, a formal plan such as a specific plan, facilities needs assessment, or master plan identifies and supports the level of facilities required to serve the plan area. This plan would typically consider the existing facilities already in place and determine what additional facilities would be necessary to accommodate new development. For example, the need for transportation-related improvements depends specifically on the projected number of trips that must be accommodated on specific roadways. An analysis of existing facilities, geographic constraints, and current levels of service must be completed in order to identify the future facility needs. This information is analyzed in conjunction with a projection of the amount and location of future development in the plan area to determine the adequacy of existing facilities and the demand for new improvements that will be required. Depending on the level of existing facilities, the plan-based fee methodology may allocate planned facilities costs to either future development only or to future and existing development. The steps to calculate a fee under the plan-based fee methodology include the following:

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

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

## **COST ALLOCATION FACTORS**

Cost allocation factors are used to allocate facilities costs to different land uses based on each land use's specific impact on that facility. These factors establish the nexus in the Fee Mitigation Act that requires that the amount of the fee and the cost of the public facility attributable to the development on which the fee is imposed is reasonably related. Cost allocation factors, if chosen correctly, will produce fees that represent a reasonable relationship and are relatively proportionate to the impact created by different land uses on a facility type.

For example, trip generation rates are typically used as cost allocation factors for transportation facilities because they accurately measure the impact of different types of development on a transportation system. A fast food restaurant, for example, attracts many customers throughout a normal day. On the other hand, a laundry mat will attract much fewer customers in a day than a fast food restaurant. Therefore the trip generation rate of a fast food restaurant is much higher than a laundry mat’s trip generation rate. As a result, the fast food restaurant’s transportation fee will be much higher than the laundry mat’s fee. Table 3-1 below shows the cost allocation factors used in this 2019 Fee Study to allocate costs and calculate the 2019 SLSP Fees.

**Table 3-1 – Cost Allocation Factors**

<b>Land Use</b>	<b>Transportation (per KSF)</b>	<b>Water Line</b>	<b>Sewer</b>	<b>Storm Drainage</b>	<b>Regional Outfall Structure</b>
	<i>Adjusted PM Peak Hr Trips</i>				
Commercial Office	2.46	Acre	Acre	Acre	Acre
Light Industrial	0.17	Acre	Acre	Acre	Acre
Warehouse	0.17	Acre	Acre	Acre	Acre

Source: Fehr and Peers; City of Lathrop; Goodwin Consulting Group

**REIMBURSEMENT AGREEMENTS**

In March 2019, the SLCC Developer entered into several reimbursement agreements (the “Agreements”) with the City of Lathrop to construct backbone infrastructure facilities. The infrastructure in the Agreements includes the water lines, sewer system, storm drainage, and the ROS facilities that are included in this 2019 Fee Study. Because the facilities will be oversized, the Developer will receive credits for its fair share of the facilities costs and a reimbursement for any oversizing of the facilities. The City has consented in the Agreements to reimburse the SLCC Developer for facility oversizing with fees collected from other developers in SLSP (i.e., Non-SLCC Parcels). A provision in the Agreements requires the costs of the water line, sewer system, ROS, and storm drainage facilities to be allocated to benefiting properties based on gross acres. The City’s engineering consultant has identified in the Agreements those properties that benefit from the facilities and this 2019 Fee Study utilizes that information to calculate the water line, sewer system, ROS, and storm drainage fees.

#### 4. CAPITAL FACILITIES AND COSTS

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Table 4-1 below summarizes the facilities costs for transportation, water line, sewer system, storm drainage, and ROS planned for SLSP. The total cost of these facilities is \$82.5 million, with transportation facilities being the largest cost component at \$56.7 million. SLSP, McKinley Corridor, Crossroads, and other local developments will provide the majority of the funding for the transportation improvements, leaving SLSP with a \$7.8 million share. For water line facilities costs, LGBPSP will contribute \$1.7 million, leaving SLSP with its fair share obligation of \$2.6 million. The planned sewer system, \$4.5 million, and storm drainage facilities, \$13.4 million, will primarily serve the SLSP area and therefore there will be no contributions from other developments. For the ROS facility, SLSP will contribute \$1.2 million and LGBPSP and others will contribute \$2.4 million. The total funding contribution from the SLSP Fee program will be \$29.5 million.

**Table 4-1 – Facilities Costs**

<b>Facility Type</b>	<b>Total Estimated Cost</b>	<b>Funding From Other Developments<sup>1</sup></b>	<b>SLSP CFF Program</b>
Transportation	\$56,686,324	\$48,848,107	\$7,838,217
Water Line	\$4,363,639	\$1,729,373	\$2,634,266
Sewer System	\$4,481,941	\$0	\$4,481,941
Storm Drainage	\$13,421,118	\$0	\$13,421,118
Regional Outfall Structure	\$3,533,913	\$2,355,942	\$1,177,971
<b>Total</b>	<b>\$82,486,935</b>	<b>\$52,933,422</b>	<b>\$29,553,514</b>

1. Other developments may include Lathrop Gateway Specific Plan, McKinley Corridor, Crossroads, and others.

Source: Fehr and Peers; MacKay & Soms; Siegfried; H2O Urban Solutions; Teichert; City of Lathrop

## **5. TRANSPORTATION FEE**

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This section of the report identifies the facilities, costs, and the fee rates required to fund the transportation facilities in the SLSP area.

### **FACILITIES AND COSTS**

Transportation facilities for SLSP include construction of interchanges at SR 120 and Yosemite Avenue and at I-5 and Lathrop Road, roadway sections, intersections, railroad crossing improvements, and ramp improvements on Yosemite, Louise, McKinley Avenues, and Airport Way. The total cost of the facilities is \$56.7 million. Based on its traffic model, the City's traffic consultant, Fehr and Peers, determined that SLSP's share of the total cost is \$7.8 million.

The remainder, \$48.8 million, is allocated to LGBPSP, McKinley Corridor, Crossroads, and other Lathrop developments. Table A-1 in Appendix A of this report identifies the detailed transportation facilities costs as well as the allocation of the costs to SLSP and other developments in the general area surrounding SLSP.

For SLSP a large percentage, about 94%, of its \$7.8 million allocated cost will be to fund the SR 120/ Yosemite interchange improvements. Improvements number 18, 19 and 20 on Table A-1 were measured by the cost to mitigate the noted locations in Manteca. Per an agreement between Lathrop and Manteca, Lathrop will not provide these funds to Manteca. Instead, they will be spent on improvements at the SR 120/Yosemite Interchange. Also, all funds collected for use at the SR 120/Yosemite Interchange will be kept in a separate account and used only for improvements at that interchange.

In the 2018 Fee Study, a future SLSP Community Facilities District was planned to fund a portion of SLSP's allocated cost; however, this is no longer planned and instead the Transportation Fee will fully fund SLSP's fair share of the cost.

### **COST ALLOCATION FACTORS**

The \$7.8 million in transportation facilities costs is allocated to the Commercial Office, Light Industrial, and Warehouse land uses in SLSP. Table A-2 in Appendix A shows this allocation is based on the PM Peak Hour trip generation factors shown in Table 5-1. These allocation factors, that measure the amount of trips generated for a given land use, establish a reasonable relationship, or nexus, between the cost of the transportation facilities that is attributable to each of the land uses and the amount of the Transportation Fees, as determined in this Fee Study.

**Table 5-1**  
**Transportation Cost Allocation Factors**

<b>Land Use</b>	<b>Unit</b>	<b>Transportation</b>
		<i>Adjusted <u>PM Peak Hr Trips</u></i>
<b>Commercial Office</b>	<b>KSF</b>	<b>2.46</b>
<b>Light Industrial</b>	<b>KSF</b>	<b>0.17</b>
<b>Warehouse</b>	<b>KSF</b>	<b>0.17</b>

**TRANSPORTATION FEE**

Table A-2 in Appendix A shows the calculation of Transportation Fee and Table 5-2 below summarizes the fee rates for the land use categories in SLSP. If adopted by the City Council, the Transportation Fees in this Fee Study will replace the City’s current Transportation CFF for SLSP.

**Table 5-2**  
**Transportation CFF**

<b>Land Use</b>	<b>Unit</b>	<b>Transportation Fee</b>
<b>Commercial Office</b>	<b>1,000 sf</b>	<b>\$20,277</b>
<b>Light Industrial</b>	<b>1,000 sf</b>	<b>\$1,323</b>
<b>Warehouse</b>	<b>1,000 sf</b>	<b>\$1,323</b>



## **6. WATER LINE FEE**

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This section of the report identifies the facilities, costs, and the fee rates required to fund the water line facilities in the SLSP area.

### **FACILITIES AND COSTS**

Water line facilities referred to as the Water Loop include mains crossing SR 120 from the POC at Harlan Road to the POC on Glacier Street, on Glacier Street to the Yosemite Avenue, and on Yosemite Avenue from Glacier Street to the point at the north edge of the SR 120 right-of-way. The total cost of the Water Loop improvements is \$2,620,088. The City's engineering consultants determined that approximately 66% of this cost should be allocated to SLSP and 34% should be allocated to LGBPSP. SLSP's share of the Water Loop cost is \$1,728,210.

Other Non-Water Loop water line facilities include improvements on Glacier Street, Jefferson Way, and Yosemite Avenue. Improvements include all water lines, pipes, mains, valves, and fire hydrants as well as soft costs and City related costs. Because these facilities benefit SLSP exclusively, the total cost of these improvements, \$906,056, is allocated to SLSP.

The total water line cost allocated to SLSP is \$2.6 million and includes the Water Loop and Non-Water Loop facilities. Table A-3 and A-4 in Appendix A identify the detailed water line costs and Exhibits 1 and 2 in Appendix B show the location of the pipe lines for the Water Loop and Non-Water Loop facilities.

### **COST ALLOCATION FACTORS**

The total \$2.6 million water line facilities cost is allocated to 16 specific parcels in SLSP that the City's consultant engineers have identified as benefitting from these facilities. Costs are allocated based on the acreage of each parcel. Table A-5 in Appendix A shows cost allocation to the 16 parcels based on the acreage of the parcel.

**WATER LINE FEES**

Table 6-1 shows the fees for the benefitting parcels in SLSP. The Water Line Fees collected by the City will be used to reimburse the SLCC Developer.

**Table 6-1**  
**Water Line Fees**

<b>Water Line Cost - Incl. Water Loop &amp; Non-Water</b>		<b>\$2,634,266</b>	
<b>Total Acres</b>		<b>248.62</b>	
<b>Cost Per Acre</b>		<b>\$10,596</b>	
<b><u>Current APN</u></b>	<b><u>Acreage</u></b>	<b><u>Percent of Total Acres</u></b>	<b><u>Water Line Fee</u></b>
241-030-150-000	26.08	10.49%	\$276,332
241-030-160-000	49.62	19.96%	\$525,751
241-030-170-000	51.46	20.70%	\$545,247
241-030-180-000	44.72	17.99%	\$473,833
241-030-190-000	15.20	6.11%	\$161,052
241-030-200-000	12.50	5.03%	\$132,444
241-030-210-000	9.44	3.80%	\$100,022
241-030-220-000	6.90	2.78%	\$73,109
241-030-230-000	9.29	3.74%	\$98,433
241-030-310-000	1.20	0.48%	\$12,715
241-030-320-000	0.10	0.04%	\$1,060
241-030-330-000	5.00	2.01%	\$52,978
241-030-340-000	6.36	2.56%	\$67,388
241-030-350-000	3.00	1.21%	\$31,787
241-030-360-000	2.93	1.18%	\$31,045
241-030-290-000	4.82	1.94%	\$51,071
<b>248.62</b>		<b>100%</b>	<b>\$2,634,266</b>

## **7. SEWER SYSTEM FEE**

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This section of the report identifies the facilities, costs, and the fee rates required to fund the sewer system in the SLSP area.

### **FACILITIES AND COSTS**

Sewer system improvements include collection mains and sewer force mains that connect to the Lathrop Consolidated Treatment Facility, manholes, and clean outs, sewer pump station, including the pumps, dewatering, electronic controls, fencing, City conduit with fiber included, lighting, monitoring equipment, security during construction, backup generator, entry gates, and landscaping. The total cost of the sewer system improvements is \$4.5 million and because these facilities will serve only SLSP, the entire cost is allocated to SLSP. Table A-6 in Appendix A identifies the detailed facilities costs

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### **COST ALLOCATION FACTORS**

The total \$4.5 million sewer system facilities cost is allocated to 16 specific parcels in SLSP that the City's consultant engineers have identified as benefitting from these facilities. Costs are allocated based on the acreage of each parcel. Table A-7 in Appendix A shows cost allocation to the 16 parcels based on the acreage of the parcel.

**SEWER SYSTEM FEES**

Table 7-1 shows the fees for the benefitting parcels in SLSP. The Sewer System Fees collected by the City will be used to reimburse the SLCC Developer.

**Table 7-1**  
**Sewer System Fees**

<b>Sewer Facilities Cost</b>		<b>\$4,481,941</b>	
<b>Total Acres</b>		<b>248.62</b>	
<b>Cost Per Acre</b>		<b>\$18,027</b>	
<b><u>Current APN</u></b>	<b><u>Acreage</u></b>	<b><u>Percent of Total Acres</u></b>	<b><u>Sewer Fee</u></b>
241-030-150-000	26.08	10.49%	\$470,151
241-030-160-000	49.62	19.96%	\$894,513
241-030-170-000	51.46	20.70%	\$927,684
241-030-180-000	44.72	17.99%	\$806,180
241-030-190-000	15.20	6.11%	\$274,015
241-030-200-000	12.50	5.03%	\$225,341
241-030-210-000	9.44	3.80%	\$170,177
241-030-220-000	6.90	2.78%	\$124,388
241-030-230-000	9.29	3.74%	\$167,473
241-030-310-000	1.20	0.48%	\$21,633
241-030-320-000	0.10	0.04%	\$1,803
241-030-330-000	5.00	2.01%	\$90,136
241-030-340-000	6.36	2.56%	\$114,653
241-030-350-000	3.00	1.21%	\$54,082
241-030-360-000	2.93	1.18%	\$52,820
241-030-290-000	4.82	1.94%	\$86,891
	<b>248.62</b>	<b>100%</b>	<b>\$4,481,941</b>

## **8. STORM DRAINAGE FEE**

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This section of the report identifies the facilities, costs, and the fee rates required to fund the storm drainage facilities in the SLSP area.

### **FACILITIES AND COSTS**

Storm drainage facilities include the drainage collection system, including pipelines, manholes, public laterals and storm drain inlets, a detention basin and storm water quality basin, levee toe drain, storm drain pump station and force main, as well as soft costs and City related costs. The total cost of the storm drainage improvements is \$13.4 million and because these facilities will serve SLSP exclusively, the entire cost is allocated to SLSP. The detailed storm drainage facilities and costs are shown in Table A-8 in Appendix A.

### **COST ALLOCATION FACTORS**

The total \$13.4 million storm drainage facilities cost is allocated to 16 specific parcels in SLSP that the City's consultant engineers have identified as benefitting from these facilities. Costs are allocated based on the acreage of each parcel. Table A-9 in Appendix A shows cost allocation to the 16 parcels based on the acreage of the parcel.

**STORM DRAINAGE FEES**

Table 8-1 shows the fees for the benefitting parcels in SLSP. The Storm Drainage Fees collected by the City will be used to reimburse the SLCC Developer.

**Table 8-1**  
**Storm Drainage Fees**

<b>Storm Drainage Facilities Cost</b>			<b>\$13,421,118</b>
<b>Total Acres</b>			<b>248.62</b>
<b>Cost Per Acre</b>			<b>\$53,982</b>
<b><u>Current APN</u></b>	<b><u>Acreage</u></b>	<b><u>Percent of Total Acres</u></b>	<b><u>Storm Drainage Fee</u></b>
241-030-150-000	26.08	10.49%	\$1,407,862
241-030-160-000	49.62	19.96%	\$2,678,609
241-030-170-000	51.46	20.70%	\$2,777,937
241-030-180-000	44.72	17.99%	\$2,414,095
241-030-190-000	15.20	6.11%	\$820,533
241-030-200-000	12.50	5.03%	\$674,781
241-030-210-000	9.44	3.80%	\$509,594
241-030-220-000	6.90	2.78%	\$372,479
241-030-230-000	9.29	3.74%	\$501,497
241-030-310-000	1.20	0.48%	\$64,779
241-030-320-000	0.10	0.04%	\$5,398
241-030-330-000	5.00	2.01%	\$269,912
241-030-340-000	6.36	2.56%	\$343,328
241-030-350-000	3.00	1.21%	\$161,947
241-030-360-000	2.93	1.18%	\$158,169
241-030-290-000	4.82	1.94%	\$260,195
	<b>248.62</b>	<b>100%</b>	<b>\$13,421,118</b>

## **9. REGIONAL OUTFALL STRUCTURE FEE**

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This section of the report identifies the facilities, costs, and the fee rates required to fund the Regional Outfall Structure in the SLSP area.

### **FACILITIES AND COSTS**

The South Lathrop Specific Plan states that storm runoff from the SLSP area is anticipated to discharge to the San Joaquin River through a new outfall located near the southwest corner of the SLSP area. The proposed South Lathrop outfall facility will be a regional facility that will also serve the LGBPSP and McKinley Corridor developments in addition to the SLSP area.

The total cost of the ROS is \$3.5 million. Facilities include grading, dewatering, piping, sheetpile, a concrete headwall, rip rap, soft costs and City related costs. The City and its engineering consultant have determined that the cost of the ROS should be equally allocated to three development areas in the City that will benefit from this facility – namely SLSP, LGBPSP, and the McKinley Corridor development. SLSP’s 33% share of the total cost equals \$1,177,971. The detailed ROS facilities and costs are shown in Table A-10 in Appendix A.

### **COST ALLOCATION FACTORS**

The \$1.2 million ROS facilities is allocated to 16 specific parcels in SLSP that the City’s consultant engineers have identified as benefitting from these facilities. Costs are allocated based on the acreage of each parcel. Table A-11 in Appendix A shows cost allocation to the 16 parcels based on the acreage of the parcel.

**REGIONAL OUTFALL STRUCTURE FEES**

Table 9-1 shows the fees for the benefitting parcels in SLSP. The ROS Fees collected by the City will be used to reimburse the SLCC Developer.

**Table 9-1**  
**Regional Outfall Structure Fee<sup>1</sup>**

<b>Regional Outfall Structure (ROS) Facilities Cost</b>		<b>\$1,177,971</b>	
<b>Total Acres</b>		<b>248.62</b>	
<b>Cost Per Acre</b>		<b>\$4,738</b>	
<b><u>Current APN</u></b>	<b><u>Acreage</u></b>	<b><u>Percent of Total Acres</u></b>	<b><u>ROS Fee</u></b>
241-030-150-000	26.08	10.49%	\$123,568
241-030-160-000	49.62	19.96%	\$235,101
241-030-170-000	51.46	20.70%	\$243,819
241-030-180-000	44.72	17.99%	\$211,885
241-030-190-000	15.20	6.11%	\$72,018
241-030-200-000	12.50	5.03%	\$59,225
241-030-210-000	9.44	3.80%	\$44,727
241-030-220-000	6.90	2.78%	\$32,692
241-030-230-000	9.29	3.74%	\$44,016
241-030-310-000	1.20	0.48%	\$5,686
241-030-320-000	0.10	0.04%	\$474
241-030-330-000	5.00	2.01%	\$23,690
241-030-340-000	6.36	2.56%	\$30,134
241-030-350-000	3.00	1.21%	\$14,214
241-030-360-000	2.93	1.18%	\$13,882
241-030-290-000	4.82	1.94%	\$22,837
<b>248.62</b>		<b>100%</b>	<b>\$1,177,971</b>

1. The SLCC Developer constructed the ROS. Their properties, the SLCC Parcels, will therefore not be subject to this fee, but will be provided a credit in the amount of the ROS fee due for each building. Parcels within SLSP that are not owned by the SLCC Developer will be subject to the fee, and once collected, the fees will be provided to the SLCC Developer as reimbursement.



## ***10. FEE SUMMARY***

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Tables 10-1 below and 10-2 on the following page summarize the fees calculated in this report. Table 10-1 includes the Transportation Fee.

Table 10-2 includes the Water Line, Sewer, Storm Drainage, and ROS Fees; these fees will be levied only on the specific parcels identified in Table 10-2. A 3.0% City administration fee will be added to these fees to pay for the City administrative duties associated with the fee program.

**Table 10-1**  
**Fee Summary**

<b>Land Use</b>	<b>Unit</b>	<b>Transportation Fee</b>
<b>Commercial Office</b>	<b>1,000 sf</b>	<b>\$20,277</b>
<b>Light Industrial</b>	<b>1,000 sf</b>	<b>\$1,323</b>
<b>Warehouse</b>	<b>1,000 sf</b>	<b>\$1,323</b>

**Table 10-2**  
**Fee Summary**<sup>1</sup>

<b><u>Assessor Parcel #</u></b>	<b><u>Water Line Fees</u></b>	<b><u>Sewer Fees</u></b>	<b><u>Storm Drainage Fees</u></b>	<b><u>ROS Fees</u></b>
241-030-150-000	\$276,332	\$470,151	\$1,407,862	\$123,568
241-030-160-000	\$525,751	\$894,513	\$2,678,609	\$235,101
241-030-170-000	\$545,247	\$927,684	\$2,777,937	\$243,819
241-030-180-000	\$473,833	\$806,180	\$2,414,095	\$211,885
241-030-190-000	\$161,052	\$274,015	\$820,533	\$72,018
241-030-200-000	\$132,444	\$225,341	\$674,781	\$59,225
241-030-210-000	\$100,022	\$170,177	\$509,594	\$44,727
241-030-220-000	\$73,109	\$124,388	\$372,479	\$32,692
241-030-230-000	\$98,433	\$167,473	\$501,497	\$44,016
241-030-310-000	\$12,715	\$21,633	\$64,779	\$5,686
241-030-320-000	\$1,060	\$1,803	\$5,398	\$474
241-030-330-000	\$52,978	\$90,136	\$269,912	\$23,690
241-030-340-000	\$67,388	\$114,653	\$343,328	\$30,134
241-030-350-000	\$31,787	\$54,082	\$161,947	\$14,214
241-030-360-000	\$31,045	\$52,820	\$158,169	\$13,882
241-030-290-000	\$51,071	\$86,891	\$260,195	\$22,837
	<b>\$2,634,266</b>	<b>\$4,481,941</b>	<b>\$13,421,118</b>	<b>\$1,177,971</b>

1. The SLCC Developer constructed the water, sewer, and storm drainage facilities that are the basis for these fees. The SLCC Parcels will therefore not be subject to these fees but will be provided a credit in the amount of the fees due for each building. Parcels within SLSP that are not owned by the SLCC Developer will be subject to these fees, and once collected, the fees will be provided to the SLCC Developer as reimbursement.

**LATHROP CITYWIDE AND SAN JOAQUIN COUNTYWIDE FEES**

The SLSP Fees calculated in this Fee Study, if adopted by the City Council, will be added to the City’s Capital Facilities Fee program; the Transportation Fee and the ROS Fee will replace the existing Transportation and Storm Drainage SLSP CFFs. In addition to the SLSP Fees shown in this Fee Study, the SLSP area will also be subject to other Lathrop citywide impact fees in the CFF program such as the Municipal Service Facilities CFF and the Mossdale Tract Regional Levee Impact Fee.

SLSP will also be subject to San Joaquin County fees, such as the San Joaquin County Regional Transportation Impact Fee (RTIF) and the County Capital Facilities Fee. SLSP shall participate

in the City’s agriculture mitigation program and the San Joaquin Multi-Species Habitat Conservation and Open Space Plan by paying the per-acre fees for the loss of farmland as well as to mitigate for habitat impacts to covered special status species.

#### **WATER AND SEWER CONNECTION FEES – SLCC PARCELS**

With approval of Parcel Map 17-01, per the Development Agreement, the SLCC Developer allocated to all SLCC Parcels ground water from Well No. 9 at the rate of 500 gal/day/acre. This volume will allow dry warehouse development. With each building permit, the developer will purchase SSJID surface water (SSJID Buy-in Fee per 2018 SLSP Study) for 2/3 of the total demand for the parcel being developed. With approval of Parcel Map 17-01, per the Development Agreement, the SLCC Developer allocated to all SLCC Parcels wastewater treatment capacity at the Combined Treatment Facility on Christopher Way, plus storage and disposal capacity at the current industrial rate of 355 gal/day/acre. Additional existing sewer fees that will be charged to the SLCC Parcels include the “Recycled Water Outfall” fee for a future river discharge of recycled water. This is an existing fee listed for Mossdale Village.

#### **WATER AND SEWER CONNECTION FEES – NON-SLCC PARCELS**

In addition to the SLSP Fees shown in the 2019 Fee Study, the Non-SLCC Parcels will also be subject to other Lathrop citywide fees in the CFF program for water and sewer connection fees. Water connection fees for the Non-SLCC Parcels will include the ‘Surface Water Supply Full Cost’ fee existing for Mossdale Village. Because no capital cost for surface water has been funded for the Non-SLCC Parcels in the past, the full cost is due. This fee represents two-thirds of the water required to come from surface water. Water connection fees for the Non-SLCC Parcels will also include the “Water System Buy-in” fee charged for the East Lathrop Area, which represents one-third of the water required from ground water, plus the “Water System Well Improvement” fee existing for the Mossdale Village area. This fee covers the cost of arsenic removal in the City wells.

For Non-SLCC Parcels, sewer connection fees will include the cost of wastewater treatment capacity at the Combined Treatment Facility on Christopher Way plus the cost of designing, building, permitting and land acquisition to build storage ponds and disposal spray fields for recycled water. Treatment capacity may be purchased through the City from developers with excess capacity. Ponds and spray fields may be constructed by the developer, purchased through the City from a developer with excess capacity, or purchase may be negotiated with the City. Additional existing sewer fees that will be charged to the Non-SLCC Parcels include the “Recycled Water Outfall” fee for a future river discharge of recycled water, and the “Sewer/Recycled Water System” fee to reimburse the cost of constructing recycled water mains

west of Interstate 5. Both of these are existing fees for Mossdale Village and are applicable to Non-SLCC Parcels.

### **FEE ADJUSTMENTS**

The SLSP Fees may be adjusted in future years to reflect revised costs or changes in the land use plan. In addition to such adjustments, the SLSP Fees will be inflated each year by the Engineering News Record (ENR) 20-City Construction Cost Index. The last inflation adjustment conducted by the City in January 2019 was based on the December 2018 ENR 20-City Index of 11,185.51. The current ENR 20-City Construction Cost Index for September 2019 is 11,311.24. Future annual inflation adjustments for the facilities costs and fees included in this 2019 Fee Study will be based on this number.

## ***11. NEXUS FINDINGS***

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

### **NEXUS TEST**

#### **Purpose of the Fees**

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

#### **Use of Fee**

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

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

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

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

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

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

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

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

## **12. FEE PROGRAM ADMINISTRATION**

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### **FEE IMPLEMENTATION**

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

### **FEE ADJUSTMENTS**

The SLSP Fees will be adjusted in future years to reflect revised facility standards, receipt of funding from alternative sources (i.e., state or federal grants), revised costs, or changes in land use. In addition to such adjustments, each year the SLSP Fees will be adjusted by the change in the ENR 20-City construction cost index over the prior calendar year. The last inflation adjustment conducted by the City in January 2019 was based on the December 2018 ENR 20-City Index of 11,185.51. The current ENR 20-City Construction Cost Index for September 2019 is 11,311.24. Future annual inflation adjustments for the facilities costs and fees included in this 2019 Fee Study will be based on this number.

### **ANNUAL ADMINISTRATIVE DUTIES**

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

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

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

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

#### **FIFTH-YEAR ADMINISTRATIVE DUTIES**

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

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

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



## ***APPENDIX A***

### ***Capital Facilities Cost and Allocations***

**Table A-1  
Transportation Facilities Costs Allocated to Developments in Lathrop**

Improvement	Cost Estimate	SLSP	LGBPSP	MC	Crossroads	Other Lathrop	Through Trips
Ph 1 SR 120 / Yosemite		42.95%	42.95%	1.00%	12.40%	0.70%	
Encroachment Permit Project	\$ 2,168,974	\$ 931,574	\$ 931,574	\$ 21,690	\$ 268,953	\$ 15,183	
Ph 2 SR 120 / Yosemite		42.95%	42.95%	1.00%	12.40%	0.70%	
Interim Phase	\$ 15,004,000	\$ 6,444,218	\$ 6,444,218	\$ 150,040	\$ 1,860,496	\$ 105,028	
Full Interchange							
2 (100% of relocate all WB ramps)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
3 I-5 / Lathrop Road		1.50%	2.20%	0.36%	1.50%	94.44%	
Full Interchange							
(61% of \$33,000,000 = \$20,000,000)	\$ 20,000,000	\$ 300,000	\$ 440,000	\$ 72,000	\$ 300,000	\$ 18,888,000	
4 Yosemite Avenue - Segment 1		2.20%	84.78%	1.77%	7.70%	3.55%	
SR 120 to Yosemite Court							
Improvement Cost (100%)	\$ 663,000	\$ 14,586	\$ 562,091	\$ 11,735	\$ 51,051	\$ 23,537	
5 Yosemite Avenue - Segment 2		2.20%	84.78%	1.77%	7.70%	3.55%	
Yosemite Court to D'Arcy Parkway							
Improvement Cost (100%)	\$ 756,000	\$ 16,632	\$ 640,937	\$ 13,381	\$ 58,212	\$ 26,838	
6 Yosemite Avenue - Segment 3		1.88%	71.52%	7.90%	9.90%	8.80%	
D'Arcy Parkway to McKinley Avenue							
Improvement Cost (100%)	\$ 430,000	\$ 8,084	\$ 307,536	\$ 33,970	\$ 42,570	\$ 37,840	
7 Yosemite Avenue - Segment 4		1.88%	71.52%	7.90%	9.90%	8.80%	
McKinley Avenue to UPRR Tracks							
Improvement Cost (100%)	\$ 380,000	\$ 7,144	\$ 271,776	\$ 30,020	\$ 37,620	\$ 33,440	
8 Yosemite Avenue - Segment 5		100.00%	0.00%	0.00%	0.00%	0.00%	
SR 120 to SLSP Street A							
Improvement Cost (\$530,000)							
Developer Constructed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
9 Yosemite Avenue - Intersection 1		2.20%	84.78%	1.77%	7.70%	3.55%	
Yosemite Avenue / Yosemite Court							
Improvement Cost (100%)	\$ 630,000	\$ 13,860	\$ 534,114	\$ 11,151	\$ 48,510	\$ 22,365	
10 Yosemite Avenue - Intersection 2		1.88%	71.52%	7.90%	9.90%	8.80%	
Yosemite Avenue / D'Arcy Parkway							
Improvement Cost (100%)	\$ 420,000	\$ 7,896	\$ 300,384	\$ 33,180	\$ 41,580	\$ 36,960	
11 Yosemite Avenue - Intersection 3		1.88%	71.52%	7.90%	9.90%	8.80%	
Yosemite Avenue / McKinley Avenue							
Improvement Cost (100%)	\$ 770,000	\$ 14,476	\$ 550,704	\$ 60,830	\$ 76,230	\$ 67,760	
12 Yosemite Avenue - Intersection 4		100.00%	0.00%	0.00%	0.00%	0.00%	
Yosemite Avenue / SLSP Street A							
Improvement Cost (\$375,000)							
Developer Constructed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
13 Yosemite Avenue		1.88%	71.52%	7.90%	9.90%	8.80%	
At-Grade UPRR Crossing							
Improvement Cost (100%)	\$ 600,000	\$ 11,280	\$ 429,120	\$ 47,400	\$ 59,400	\$ 52,800	
14 McKinley Avenue - Segment 1		0.04%	78.88%	15.22%	2.78%	3.08%	
Yosemite Avenue to UPRR Crossing							
Improvement Cost (100%)	\$ 432,000	\$ 173	\$ 340,762	\$ 65,750	\$ 12,010	\$ 13,306	
15 McKinley Avenue		0.04%	78.88%	15.22%	2.78%	3.08%	
At-Grade UPRR Crossing							
Improvement Cost (100%)	\$ 600,000	\$ 240	\$ 473,280	\$ 91,320	\$ 16,680	\$ 18,480	
16 Lathrop Road / McKinley Avenue		0.05%	0.28%	0.24%	0.38%	99.05%	
Improvement Cost (100%)	\$ 500,000	\$ 250	\$ 1,400	\$ 1,200	\$ 1,900	\$ 495,250	
17 Louise Avenue / McKinley Avenue		0.43%	6.50%	15.10%	0.90%	77.07%	
Improvement Cost (100%)	\$ 600,000	\$ 2,580	\$ 39,000	\$ 90,600	\$ 5,400	\$ 462,420	
18 <sup>1</sup> Airport Way / Daniels Street		0.62%	1.50%	0.40%	0.22%	3.25%	94.01%
Improvement Cost (100%)	\$ 620,000	\$ 3,844	\$ 9,300	\$ 2,480	\$ 1,364	\$ 20,150	\$ 582,862.00
19 <sup>1</sup> Airport Way / WB SR 120 Ramps		0.62%	1.50%	0.40%	0.22%	3.25%	94.01%
Improvement Cost (30%)	\$ 4,950,000	\$ 30,690	\$ 74,250	\$ 19,800	\$ 10,890	\$ 160,875	\$ 4,653,495.00
20 <sup>1</sup> Airport Way / EB SR 120 Ramps		0.62%	1.50%	0.40%	0.22%	3.25%	94.01%
Improvement Cost (30%)	\$ 4,950,000	\$ 30,690	\$ 74,250	\$ 19,800	\$ 10,890	\$ 160,875	\$ 4,653,495.00
<b>Subtotals</b>	<b>\$ 54,473,974</b>	<b>\$ 7,838,217</b>	<b>\$ 12,424,697</b>	<b>\$ 776,347</b>	<b>\$ 2,903,754</b>	<b>\$ 20,641,106</b>	<b>\$ 9,889,852</b>
		<b>14.39%</b>	<b>22.81%</b>	<b>1.43%</b>	<b>5.33%</b>	<b>37.89%</b>	<b>18.16%</b>
21 <sup>2</sup> Harlan Road / Lathrop Road Inter.	\$ 27,300		\$ 27,300				
22 <sup>2</sup> 5th Street / Lathrop Road Inter.	\$ 22,100		\$ 22,100				
23 <sup>2</sup> I-5 / Louise Avenue Interchange	\$ 2,116,800		\$ 2,116,800				
24 <sup>2</sup> Howland Road / Louise Avenue	\$ 46,150		\$ 46,150				
<b>Total</b>	<b>\$ 56,686,324</b>	<b>\$ 7,838,217</b>	<b>\$ 14,637,047</b>	<b>\$ 776,347</b>	<b>\$ 2,903,754</b>	<b>\$ 20,641,106</b>	<b>\$ 9,889,852</b>

1. Although mitigation funds will be measured by the cost to mitigate the intersections listed above, the City may use those funds to improve intersections in Lathrop alone  
2. Cost shown is only the portion allocated to LGBPSP and not the total construction cost.

**Table A-2**  
**Transportation Facilities Cost Allocation**

	<b>Bldg SF</b>	<b>PM Peak Hour Trip Rate</b>	<b>Percent Adjustment For Trips<sup>1</sup></b>	<b>Adjusted PM Peak Trips Per KSF</b>	<b>Total New Trips</b>	<b>Percent Allocation</b>	<b>Cost Allocation</b>	<b>Transportation Fee</b>
<b>Cost:</b>	<b>\$7,838,217</b> <sup>1</sup>							
<b><u>Land Use</u></b>	<b><u>Bldg SF</u></b>	<b><u>Per KSF</u></b>		<b><u>Per KSF</u></b>				<b><u>Per KSF</u></b>
Commercial Office	75,000	3.73	66.1%	2.46	185	19.4%	\$1,520,738	<b>\$20,277</b>
Light Industrial	1,120,000	0.17	94.4%	0.16	180	18.9%	\$1,481,796	<b>\$1,323</b>
Warehouse	3,655,000	0.17	94.4%	0.16	588	61.7%	\$4,835,683	<b>\$1,323</b>
<b>Total</b>	<b>4,850,000</b>				<b>953</b>	<b>100.0%</b>	<b>\$7,838,217</b>	

1. Adjustment made for internal and pass-by trips.

Source: Fehr and Peers; Goodwin Consulting Group; City of Lathrop

**Table A-3**  
**Water Line Costs - Water Loop Facilities**

<b>HARD COSTS</b>	<b>Unit</b>	<b>Unit Cost</b>	<b>QTY</b>	<b>Subtotal</b>	<b>Running Total</b>	<b>Source of Cost Information</b>
12" Waterline from Harlan Road POC to D'arcy Pkwy POC	LF	\$131	9434	\$1,237,046		Teichert
Bore & Jack for 12" Water (includes Dewatering)	LF	\$1,485	580	\$861,300		Teichert
Additional Dewatering Transport Pipe	LF	\$80	1865	\$149,704		Teichert
Removal of Debris, Fencing, Irrigation Pipe, Wells, Etc.	LS	\$513,253	0.03	\$17,509		Noceti Farms
<b>HARD COST SUBTOTAL:</b>					<b>\$2,265,559</b>	
<b>SOFT COSTS</b>						
Geotechnical Design, SWPPP & Inspections	LS	\$774,000	0.03	\$26,405		Engeo
Legal	LS	\$68,705	0.03	\$2,344		Miller Starr
Performance & Material Bond (includes One-Year Warranty Bond)	LS	\$441,523	0.11	\$46,682		Willis Towers Watson
Civil Engineering & Governmental Agency Coordination, Staking	LS	\$652,000	0.03	\$22,243		Mackay & Soms
<b>SOFT COST SUBTOTAL:</b>					<b>\$97,674</b>	
<b>CITY RELATED COSTS</b>						
City Plan Check, Inspection, & Storage Fees (Civil Improvement Plans 36.1% Reimbursable)		\$343,170	0.05	\$17,344		City
Encroachment Permit		\$0	0.00	\$0		City
City Staff Time for Meetings		\$0	0.00	\$0		City
Reimbursement Agreement (2/3 of \$7,931)		\$5,287	0.25	\$1,322		City
<b>CITY RELATED COST SUBTOTAL:</b>					<b>\$18,666</b>	
<b>SUBTOTAL WATER SYSTEM IMPROVEMENT (ONSITE) COSTS:</b>					<b>\$2,381,898</b>	
Contingency				10%	\$238,190	
(34.04% Applied to Areas Outside SLSP. 65.96% Applied to Areas Within SLSP.)				65.96%		
<b>GRAND TOTAL WATER SYSTEM IMPROVEMENT (ONSITE) COSTS:</b>					<b>\$1,728,210</b>	

Source: MacKay & Soms

**Table A-4**  
**Water Line Costs - Excluding Water Loop Facilities**

HARD COSTS	Unit	Unit Cost	QTY	Subtotal	Running Total	Source of Cost Information
12" Waterline Excluding Loop from Harlan Road POC to D'arcy Pkwy POC	LF	\$52	7927	\$412,204		Teichert
6" Water	LF	\$30	891	\$26,730		Teichert
12" Gate Valves	EA	\$2,200	25	\$55,000		Teichert
Fire Hydrants	EA	\$6,169	35	\$215,910		Teichert
Removal of Debris, Fencing, Irrigation Pipe, Wells, Etc.	LS	\$513,253	0.04	\$20,759		Noceti Farms
<b>HARD COST SUBTOTAL:</b>					<b>\$730,603</b>	
<b>SOFT COSTS</b>						
Geotechnical Design, SWPPP & Inspections	LS	\$774,000	0.04	\$31,304		Engeo
Legal	LS	\$68,705	0.04	\$2,779		Miller Starr
Performance & Material Bond (Includes One-Year Warranty Bond)	LS	\$441,523	0.03	\$14,626		Willis Towers Watson
Civil Engineering & Governmental Agency Coordination, Staking	LS	\$652,000	0.04	\$26,370		Mackay & Soms
<b>SOFT COST SUBTOTAL:</b>					<b>\$75,080</b>	
<b>CITY RELATED COSTS</b>						
City Legal and Staff Costs						City
City Plan Check, Inspection, & Storage Fees (Civil Improvement Plans 36.1% Reimbursable)		\$343,170	0.05	\$17,344		City
Encroachment Permit		\$0	0.00	\$0		City
City Staff Time for Meetings		\$0	0.00	\$0		City
Reimbursement Agreement (1/3 of \$7931)		\$2,644	0.25	\$661		City
<b>CITY RELATED COST SUBTOTAL:</b>					<b>\$18,005</b>	
<b>SUBTOTAL WATER SYSTEM IMPROVEMENT (ONSITE) COSTS:</b>					<b>\$823,687</b>	
Contingency			10%		<b>\$82,369</b>	
<b>GRAND TOTAL WATER SYSTEM IMPROVEMENT (ONSITE) COSTS:</b>					<b>\$906,056</b>	

Source: MacKay & Soms

**Table A-5  
Water Line Fee**

<b>Water Line Cost - Incl. Water Loop &amp; Non-Water Loop Facilities</b>				<b>\$2,634,266</b>
<b>Total Acres</b>				<b>248.62</b>
<b>Cost Per Acre</b>				<b>\$10,596</b>
<u>Prior APN</u>	<u>Current APN</u>	<u>Acreege</u>	<u>Percent of Total Acres</u>	<u>Water Line Fee</u>
-	241-030-150-000	26.08	10.49%	\$276,332
-	241-030-160-000	49.62	19.96%	\$525,751
-	241-030-170-000	51.46	20.70%	\$545,247
-	241-030-180-000	44.72	17.99%	\$473,833
-	241-030-190-000	15.20	6.11%	\$161,052
-	241-030-200-000	12.50	5.03%	\$132,444
-	241-030-210-000	9.44	3.80%	\$100,022
-	241-030-220-000	6.90	2.78%	\$73,109
-	241-030-230-000	9.29	3.74%	\$98,433
241-410-020-000	241-030-310-000	1.20	0.48%	\$12,715
241-410-050-000	241-030-320-000	0.10	0.04%	\$1,060
241-410-370-000	241-030-330-000	5.00	2.01%	\$52,978
241-410-410-000	241-030-340-000	6.36	2.56%	\$67,388
241-410-420-000	241-030-350-000	3.00	1.21%	\$31,787
241-410-430-000	241-030-360-000	2.93	1.18%	\$31,045
241-410-440-000	241-030-290-000	4.82	1.94%	\$51,071
<b>Totals:</b>		<b>248.62</b>	<b>100%</b>	<b>\$2,634,266</b>

Source: Reimbursement Agreement Relating to SLCC for Public Infrastructure Benefitting Properties  
Within SLSP Area; Goodwin Consulting Group

**Table A-6**  
**Sewer System Facilities Costs**

<b>HARD COSTS</b>	<b>Unit</b>	<b>Unit Cost</b>	<b>QTY</b>	<b>Subtotal</b>	<b>Running Total</b>	<b>Source</b>
Dual 6" SSFM's Including Bore & Jack	LF	\$298	2790	\$832,201		Teichert
Sanitary Sewer Pump Station Construction (includes Dewatering)	LS	\$1,670,000	1	\$1,670,000		Teichert
8" Sanitary Sewer Pipe	LF	\$100	3325	\$332,500		Teichert
10" Sanitary Sewer Pipe	LF	\$91	599	\$54,509		Teichert
12" Sanitary Sewer Pipe	LF	\$111	1620	\$179,010		Teichert
15" Sanitary Sewer Pipe	LF	\$138	846	\$116,748		Teichert
Manholes	EA	\$13,200	20	\$264,000		Teichert
Removal of Debris, Fencing, Irrigation Pipe, Wells, Etc.	LS	\$513,253	0.20	\$100,861		Noceti Farms
<b>HARD COST SUBTOTAL:</b>					<b>\$3,549,829</b>	
<b>SOFT COSTS</b>						
Wetland Replacement Purchase	LS	\$43,400	0.16	\$6,944		Consumnes Floodplain
Sanitary Sewer Pump Station Design	LS	\$112,717	1.00	\$112,717		PACE
SJMSCP Incidental Take Minimization Measures	LS	\$8,818	0.68	\$5,979		SJCOG
Geotechnical Design, SWPPP & Inspections	LS	\$774,000	0.20	\$152,101		ENGEO
Legal	LS	\$68,705	0.20	\$13,501		Miller Starr
Performance & Material Bond (includes One-Year Warranty Bond)	LS	\$441,523		\$71,067		Willis Towers Watson
Civil Engineering & Governmental Agency Coordination, Staking	LS	\$652,000	0.20	\$128,127		Mackay & Soms
O&M Manual Preparation (1/3 of Total O&M Manual Cost)	LS	\$11,430	0.33	\$3,772		PACE
<b>SOFT COST SUBTOTAL:</b>					<b>\$494,207</b>	
<b>CITY RELATED COSTS</b>						
City Legal and Staff Costs		\$0.00	0.00	\$0		City
City Plan Check, Inspection, & Storage Fees (Civil Improvement Plans 36.1% Reimbursable)	LS	\$343,170	0.06	\$19,822		City
City Plan Check, Inspection, & Storage Fees (SS Pump Station)	LS	\$62,333	0.16	\$9,973		City
Encroachment Permit		\$0	0.00	\$0		City
City Staff Time For Meetings		\$0	0.00	\$0		City
Reimbursement Agreement (1/3 of \$7931)	LS	\$2,644	0.25	\$661		City
<b>CITY RELATED COST SUBTOTAL:</b>					<b>\$30,456</b>	
<b>SUBTOTAL SANITARY SEWER SYSTEM COSTS:</b>					<b>\$4,074,492</b>	
Contingency				10%	<b>\$407,449</b>	
<b>GRAND TOTAL SANITARY SEWER SYSTEM COSTS:</b>					<b>\$4,481,941</b>	

Source: MacKay & Soms

**Table A-7**  
**Sewer System Fee**

<b>Sewer Facilities Cost</b>					<b>\$4,481,941</b>
<b>Total Acres</b>					<b>248.62</b>
<b>Cost Per Acre</b>					<b>\$18,027</b>
			<b>Percent of</b>		
<u>Prior APN</u>	<u>Current APN</u>	<u>Acres</u>	<u>Total Acres</u>		<u>Sewer Fee</u>
-	241-030-150-000	26.08	10.49%		\$470,151
-	241-030-160-000	49.62	19.96%		\$894,513
-	241-030-170-000	51.46	20.70%		\$927,684
-	241-030-180-000	44.72	17.99%		\$806,180
-	241-030-190-000	15.20	6.11%		\$274,015
-	241-030-200-000	12.50	5.03%		\$225,341
-	241-030-210-000	9.44	3.80%		\$170,177
-	241-030-220-000	6.90	2.78%		\$124,388
-	241-030-230-000	9.29	3.74%		\$167,473
241-410-020-000	241-030-310-000	1.20	0.48%		\$21,633
241-410-050-000	241-030-320-000	0.10	0.04%		\$1,803
241-410-370-000	241-030-330-000	5.00	2.01%		\$90,136
241-410-410-000	241-030-340-000	6.36	2.56%		\$114,653
241-410-420-000	241-030-350-000	3.00	1.21%		\$54,082
241-410-430-000	241-030-360-000	2.93	1.18%		\$52,820
241-410-440-000	241-030-290-000	4.82	1.94%		\$86,891
<b>Totals:</b>		<b>248.62</b>	<b>100%</b>		<b>\$4,481,941</b>

Source: Reimbursement Agreement Relating to SLCC for Public Infrastructure Benefitting Properties  
Within SLSP Area; Goodwin Consulting Group



**Table A-8**  
**Storm Drainage Facilities Costs**

<b>HARD COSTS</b>	<b>Unit</b>	<b>Unit Cost</b>	<b>QTY</b>	<b>Subtotal</b>	<b>Running Total</b>	<b>Source</b>
Gravity Storm Drain - from SR-120 to SD Pump Station (includes Dewatering)	LS	\$866,420	1.00	\$866,420		Teichert
Gravity Storm Drain - from SD Pump Station to Regional Outfall Structure (includes Dewatering)	LS	\$2,776,997	1.00	\$2,776,997		Teichert
48" SDFM - from SD Pump Station to Regional Outfall Structure	LF	\$4,279	270	\$1,155,330		Teichert
Detention Basin Construction	LS	\$913,495	1.00	\$913,495		Teichert
Storm Drain Pump Station Construction (includes Dewatering)	LS	\$4,272,200	1.00	\$4,272,200		Teichert
Conduit for Fiber Line from Harlan Road to Pump Stations	LS	\$75,000	1.00	\$75,000		Tennyson
Removal of Debris, Fencing, Irrigation Pipe, Wells, etc.	LS	\$513,253	0.73	\$374,124		Noceti Farms
<b>HARD COST SUBTOTAL:</b>					<b>\$10,433,566</b>	
<b>SOFT COSTS</b>						
Wetland Replacement Purchase	LS	\$43,400	0.67	\$29,078		Consumnes Floodplain
Storm Drain Pump Stations Design	LS	\$186,561	1.00	\$186,561		PACE
SJMSCP Incidental Take Minimization Measures	LS	\$8,818	0.68	\$5,979		SICOG
Geotechnical Design, SWPPP & Inspections	LS	\$774,000	0.73	\$564,190		ENGEO
Legal	LS	\$68,705	0.73	\$50,081		Miller Starr
Performance & Material Bond (includes One-Year Warranty Bond)	LS	\$441,523	0.58	\$263,608		Willis Towers Watson
Civil Engineering & Governmental Agency Coordination, Staking	LS	\$652,000	0.73	\$475,260		Mackay & Soms
O&M Manual Preparation (1/3 of Total O&M Manual Cost)	LS	\$11,430	0.33	\$3,772		PACE
<b>SOFT COST SUBTOTAL:</b>					<b>\$1,578,528</b>	
<b>CITY RELATED COSTS</b>						
City Plan Check, Inspection, & Storage Fees (Civil Improvement Plans 36.1% Reimbursable)		\$343,170	0.24	\$83,003		City
City Plan Check, Inspection, & Storage Fees (SD Pump Station)		\$157,103	0.67	\$105,259		City
Encroachment Permit		\$0	0.00	\$0		City
City Staff Time for Meetings		\$0	0.00	\$0		City
Reimbursement Agreement (1/3 of \$7931)		\$2,644	0.25	\$661		City
<b>CITY RELATED COST SUBTOTAL:</b>					<b>\$188,922</b>	
<b>SUBTOTAL STORM DRAIN IMPROVEMENT (ONSITE) COSTS:</b>					<b>\$12,201,017</b>	
Contingency			0.10		<b>\$1,220,102</b>	
<b>GRAND STORM DRAIN IMPROVEMENT (ONSITE) COSTS:</b>					<b>\$13,421,118</b>	

Source: MacKay & Soms

**Table A-9**  
**Storm Drainage Fee**

<b>Storm Drainage Facilities Cost</b>				<b>\$13,421,118</b>
<b>Total Acres</b>				<b>248.62</b>
<b>Cost Per Acre</b>				<b>\$53,982</b>
			<b>Percent of</b>	<b>Storm</b>
<b><u>Prior APN</u></b>	<b><u>Current APN</u></b>	<b><u>Acreage</u></b>	<b><u>Total Acres</u></b>	<b><u>Drainage Fee</u></b>
-	241-030-150-000	26.08	10.49%	\$1,407,862
-	241-030-160-000	49.62	19.96%	\$2,678,609
-	241-030-170-000	51.46	20.70%	\$2,777,937
-	241-030-180-000	44.72	17.99%	\$2,414,095
-	241-030-190-000	15.20	6.11%	\$820,533
-	241-030-200-000	12.50	5.03%	\$674,781
-	241-030-210-000	9.44	3.80%	\$509,594
-	241-030-220-000	6.90	2.78%	\$372,479
-	241-030-230-000	9.29	3.74%	\$501,497
241-410-020-000	241-030-310-000	1.20	0.48%	\$64,779
241-410-050-000	241-030-320-000	0.10	0.04%	\$5,398
241-410-370-000	241-030-330-000	5.00	2.01%	\$269,912
241-410-410-000	241-030-340-000	6.36	2.56%	\$343,328
241-410-420-000	241-030-350-000	3.00	1.21%	\$161,947
241-410-430-000	241-030-360-000	2.93	1.18%	\$158,169
241-410-440-000	241-030-290-000	4.82	1.94%	\$260,195
<b>Totals:</b>		<b>248.62</b>	<b>100%</b>	<b>\$13,421,118</b>

Source: Reimbursement Agreement Relating to SLCC for Public Infrastructure Benefitting Properties  
Within SLSP Area; Goodwin Consulting Group

**Table A-10**  
**Regional Outfall Structure Cost**

Description	Total
<b>Grading, Dewatering &amp; Cleanup</b>	
Labor	\$ 23,875.00
Equipment	\$ 17,865.00
Material	\$ 7,650.00
<b>Piping (6 Wall Spools)</b>	
Labor	\$ 10,500.00
Equipment	\$ 5,625.00
Material	\$ 35,625.00
<b>Sheetpile</b>	
Labor	\$ 5,250.00
Subcontract	\$ 914,100.00
<b>Concrete Headwall</b>	
Labor	\$ 155,250.00
Equipment	\$ 29,785.00
Material	\$ 135,653.27
Subcontract	\$ 21,500.00
<b>Armorflex</b>	
Labor	\$ 17,150.00
Equipment	\$ 16,160.00
Material	\$ 71,025.00
<b>Rip Rap</b>	
Labor	\$ 36,850.00
Equipment	\$ 17,653.00
Material	\$ 132,000.00
<b>Subtotal:</b>	<b>\$ 1,653,516.27</b>
<b>Changing Orders:</b>	
Additional Shoring WA #28	\$ 524,319.40
RD-17 Requirement for Crane Bridge WA #30	\$ 26,588.84
<b>Subtotal Change Orders:</b>	<b>\$ 550,908.24</b>
<b>Allocation of General Conditions</b>	
General Conditions 2%	\$ 44,088.49
<b>Soft Costs</b>	<b>\$ 901,388.00</b>
<b>City-Related Costs</b>	<b>\$ 120,670.00</b>
<b>Contingency</b>	<b>\$ 263,342.00</b>
<b>Total ROS Construction Costs</b>	<b>\$ 3,533,913.00</b>

Source: Teichert; City of Lathrop

**Table A-11**  
**Regional Outfall Structure Fee**

<b>Regional Outfall Structure (ROS) Facilities Cost</b>				<b>\$1,177,971</b>
<b>Total Acres</b>				<b>248.62</b>
<b>Cost Per Acre</b>				<b>\$4,738</b>
<u>Prior APN</u>	<u>Current APN</u>	<u>Acreage</u>	<u>Percent of Total Acres</u>	<u>ROS Fee</u>
-	241-030-150-000	26.08	10.49%	\$123,568
-	241-030-160-000	49.62	19.96%	\$235,101
-	241-030-170-000	51.46	20.70%	\$243,819
-	241-030-180-000	44.72	17.99%	\$211,885
-	241-030-190-000	15.20	6.11%	\$72,018
-	241-030-200-000	12.50	5.03%	\$59,225
-	241-030-210-000	9.44	3.80%	\$44,727
-	241-030-220-000	6.90	2.78%	\$32,692
-	241-030-230-000	9.29	3.74%	\$44,016
241-410-020-000	241-030-310-000	1.20	0.48%	\$5,686
241-410-050-000	241-030-320-000	0.10	0.04%	\$474
241-410-370-000	241-030-330-000	5.00	2.01%	\$23,690
241-410-410-000	241-030-340-000	6.36	2.56%	\$30,134
241-410-420-000	241-030-350-000	3.00	1.21%	\$14,214
241-410-430-000	241-030-360-000	2.93	1.18%	\$13,882
241-410-440-000	241-030-290-000	4.82	1.94%	\$22,837
<b>Totals:</b>		<b>248.62</b>	<b>100%</b>	<b>\$1,177,971</b>

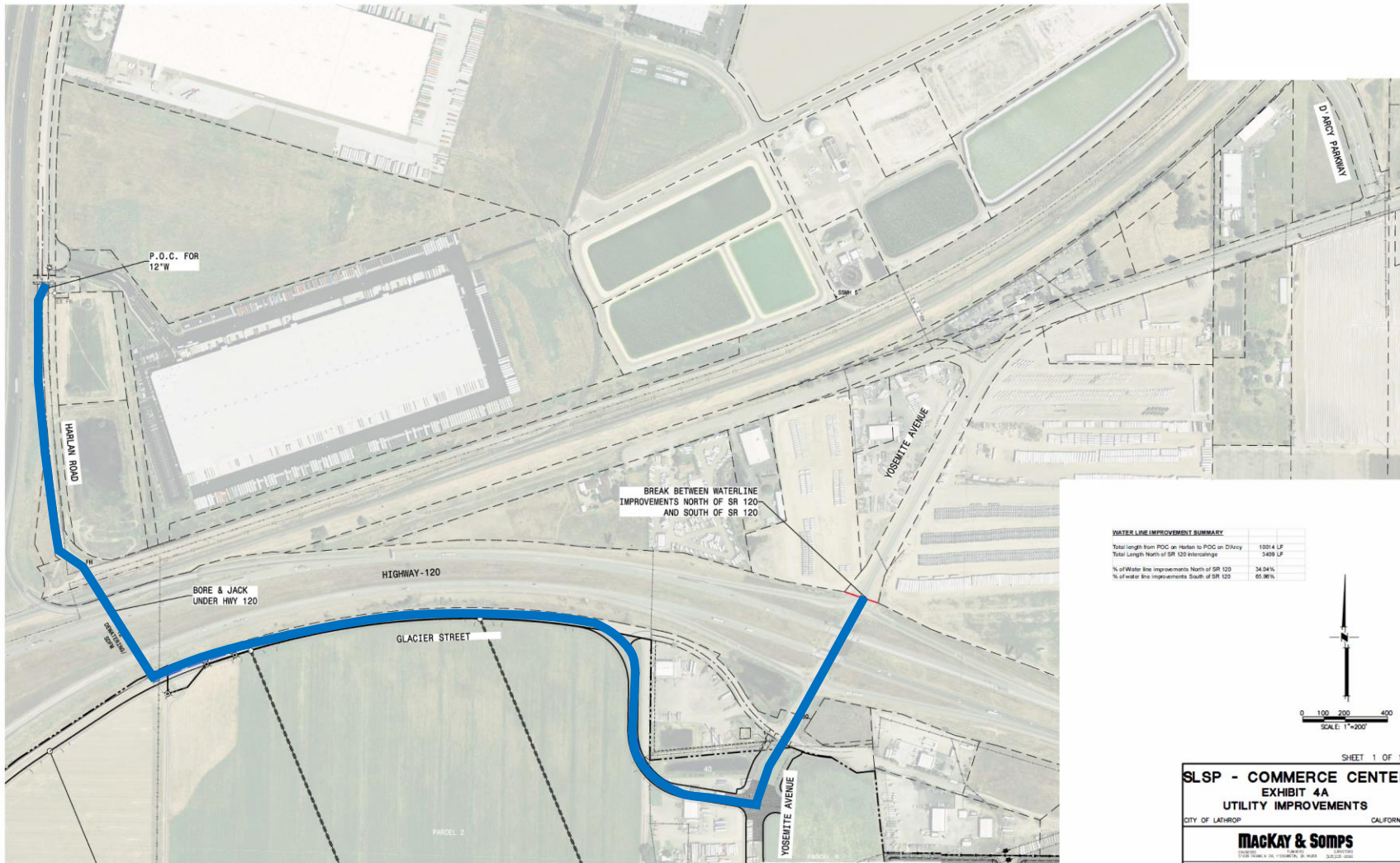
Source: Reimbursement Agreement Relating to SLCC for Public Infrastructure Benefitting Properties  
Within SLSP Area; Goodwin Consulting Group

## ***APPENDIX B***

### ***Water Line & ROS Improvements and Benefitting Properties***

Exhibit 1

EXHIBIT 4A: UTILITY IMPROVEMENTS - "WATER LOOP"



**WATER LINE IMPROVEMENT SUMMARY**

Total length from POC on Harbor to POC on Divisadero	1004 LF
Total Length North of SR 120 Interchange	3409 LF
% of Water line improvements North of SR 120	34.04%
% of water line improvements South of SR 120	65.96%

SHEET 1 OF 1

**SLSP - COMMERCE CENTER**  
**EXHIBIT 4A**  
**UTILITY IMPROVEMENTS**

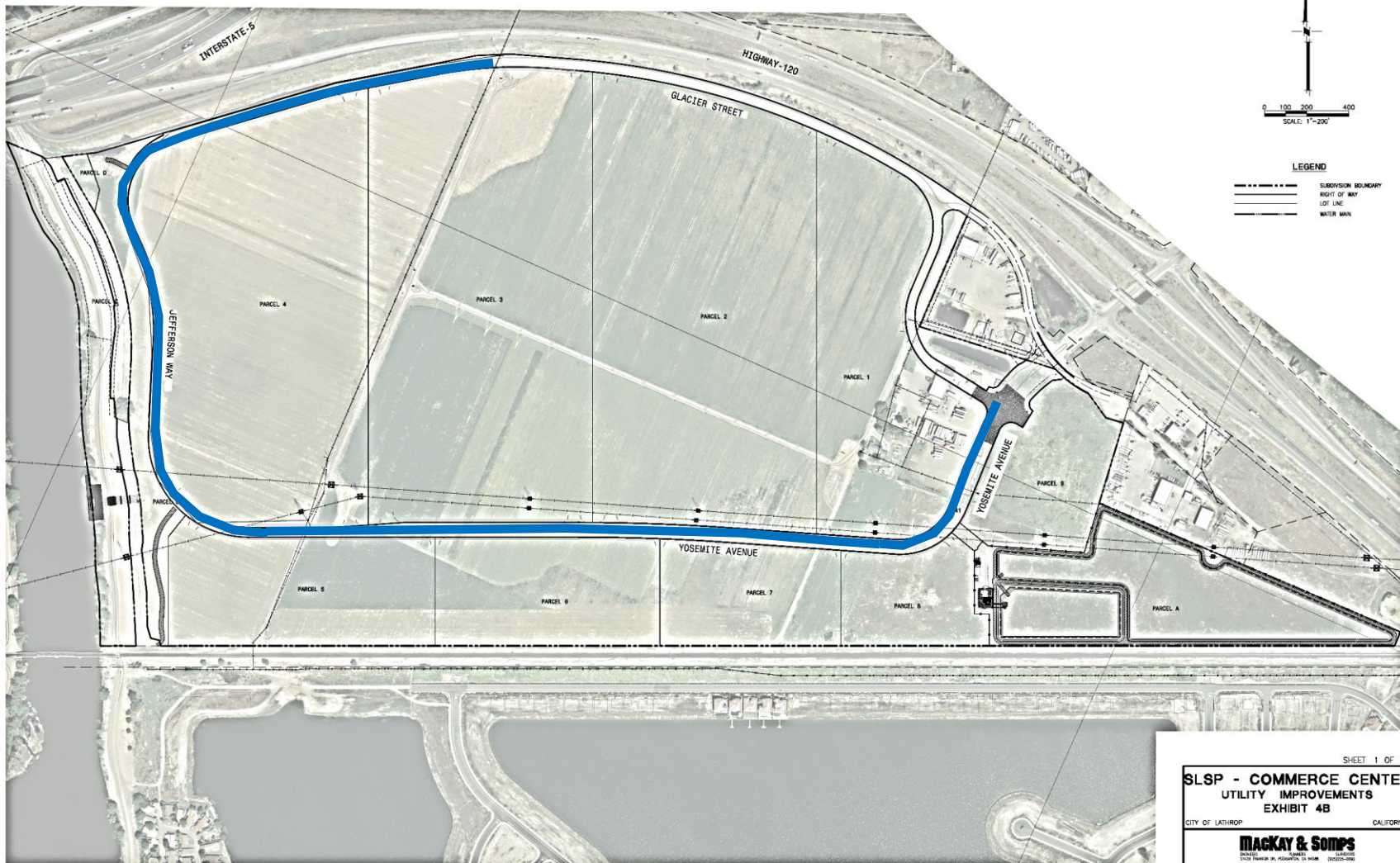
CITY OF LATHROP CALIFORNIA

**Mackay & Soms**  
 1025 Third Street, Suite 200, Lathrop, CA 95551  
 (916) 433-1111

PROJECT NO.	1" = 200'	12/11/2018	2523.018.DH
OFFICE	SCALE	DATE	JOB NO.

Exhibit 2

EXHIBIT 4B: WATERLINE IMPROVEMENTS - EXCLUDING REQUIRED LOOP



SHEET 1 OF 1

**SLSP - COMMERCE CENTER**  
**UTILITY IMPROVEMENTS**  
**EXHIBIT 4B**

CITY OF LATHROP CALIFORNIA

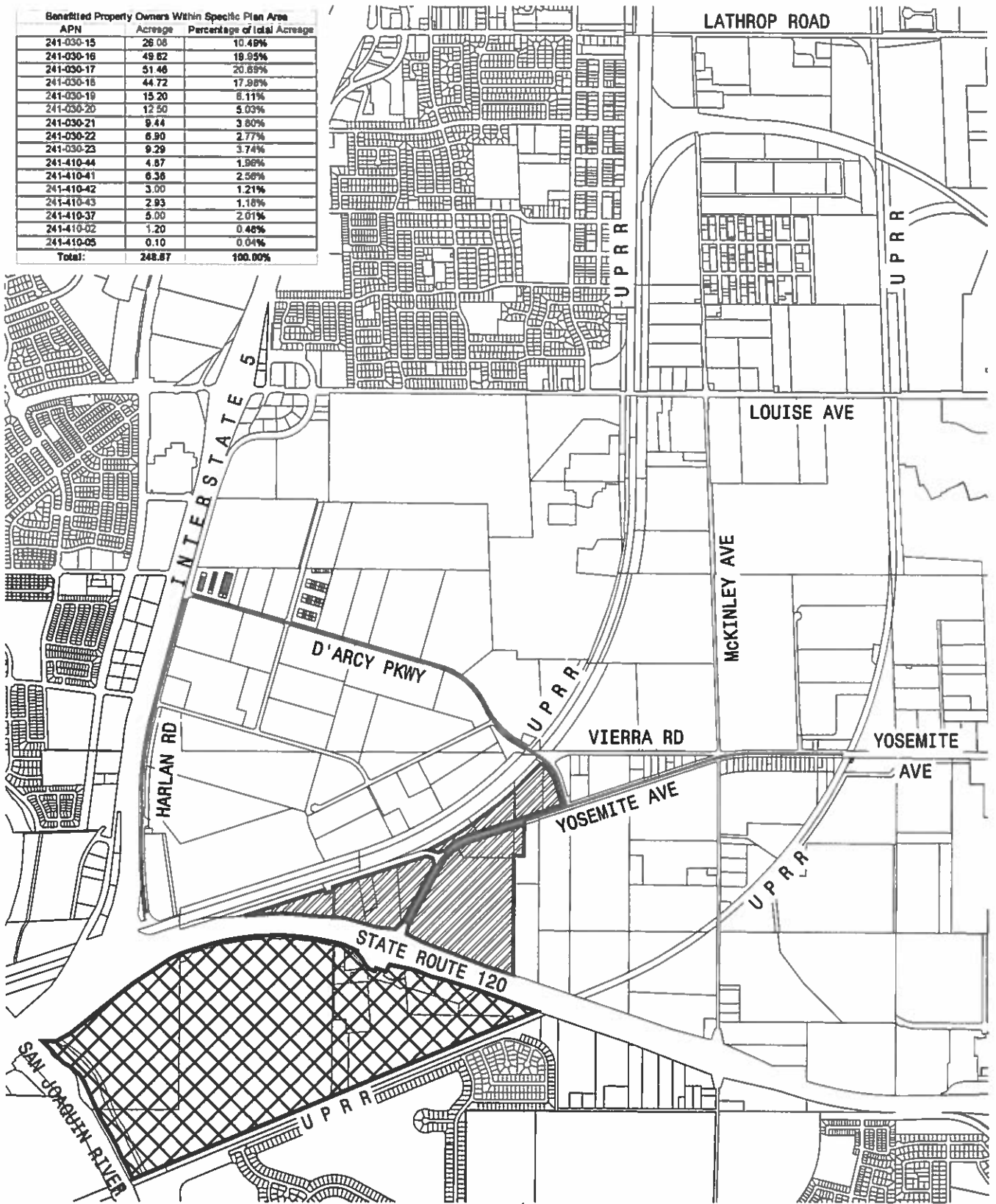
**Mackay & Somp**  
INCORPORATED IN CALIFORNIA



REGISTERED PROFESSIONAL ENGINEER - CIVIL ENGINEER  
 LICENSE NO. 50517

PREPARED BY	SCALE	DATE	PROJECT NO.
OFFICE	1" = 200'	12/11/2018	2522318104
			JOB NO.

**REIMBURSEMENT AGREEMENT WITHIN SOUTH LATHROP SPECIFIC PLAN AREA  
EXHIBIT 5A: BENEFITTED PROPERTY OWNERS - "WATER LOOP"**

Benefitted Property Owners Within Specific Plan Area		
APN	Acreage	Percentage of Total Acreage
241-030-15	26.06	10.49%
241-030-16	49.62	19.95%
241-030-17	51.46	20.58%
241-030-18	44.72	17.98%
241-030-19	15.20	6.11%
241-030-20	12.50	5.03%
241-030-21	9.44	3.80%
241-030-22	6.90	2.77%
241-030-23	9.29	3.74%
241-410-44	4.87	1.96%
241-410-41	6.36	2.56%
241-410-42	3.00	1.21%
241-410-43	2.93	1.18%
241-410-37	5.00	2.01%
241-410-02	1.20	0.48%
241-410-05	0.10	0.04%
<b>Total:</b>	<b>248.87</b>	<b>100.00%</b>



-  SOUTH LATHROP SPECIFIC PLAN
-  LATHROP GATEWAY BUSINESS PARK SPECIFIC PLAN (INCLUDED IN REIMBURSEMENT AGREEMENT FOR PROPERTIES OUTSIDE SLSP)

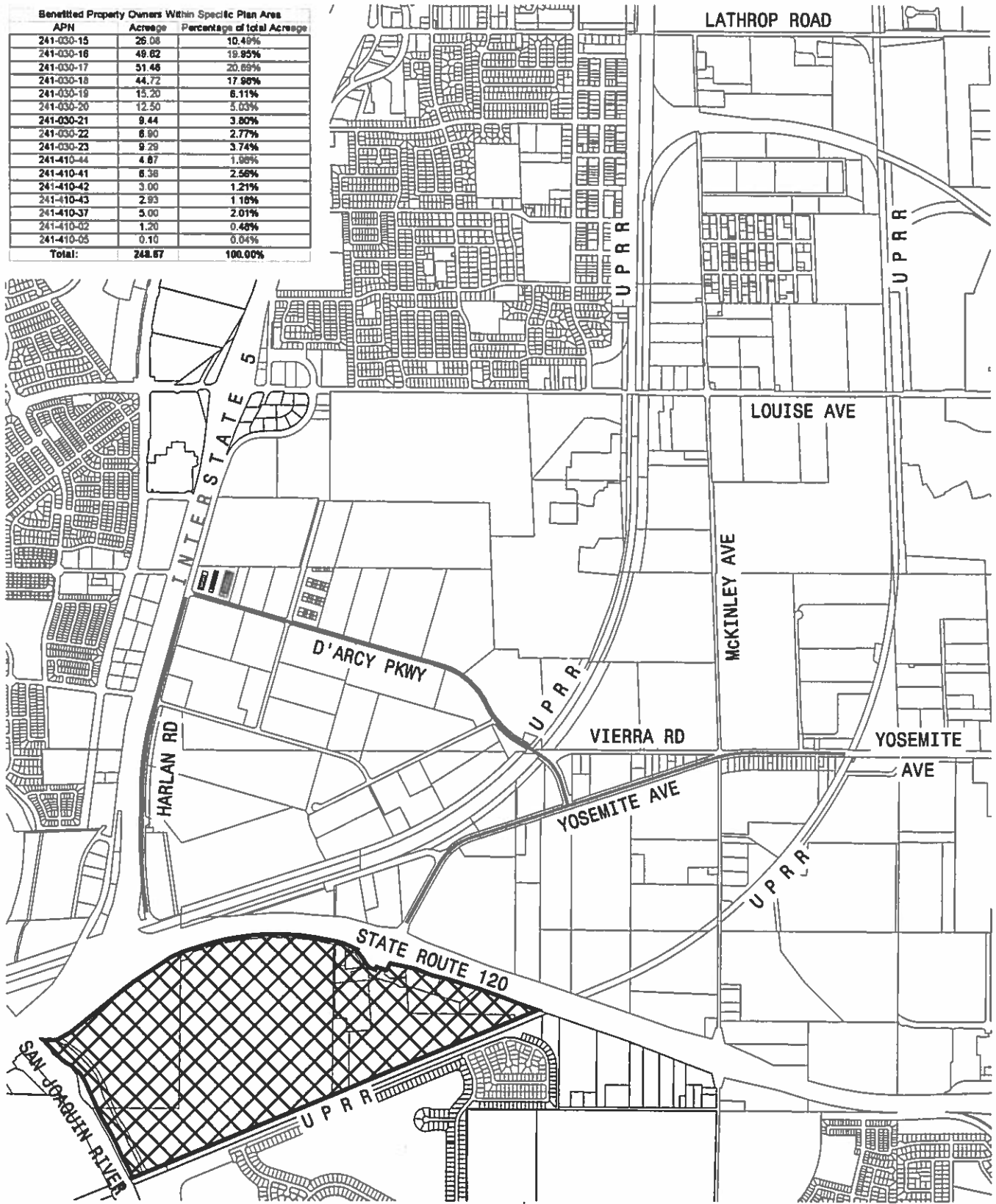


**Mackay & Somps**  
ENGINEERS      PLANNERS      SURVEYORS  
JOB NO.: 25223.000      DATE: 12.06.2018



**REIMBURSEMENT AGREEMENT WITHIN SOUTH LATHROP SPECIFIC PLAN AREA  
EXHIBIT 5B: BENEFITTED PROPERTY OWNERS**

Benefitted Property Owners Within Specific Plan Area		
APN	Acreage	Percentage of total Acreage
241-030-15	26.08	10.49%
241-030-16	48.62	18.95%
241-030-17	51.48	20.09%
241-030-18	44.72	17.50%
241-030-19	15.20	6.11%
241-030-20	12.50	5.03%
241-030-21	9.44	3.80%
241-030-22	6.80	2.77%
241-030-23	9.29	3.74%
241-410-44	4.87	1.98%
241-410-41	6.38	2.56%
241-410-42	3.00	1.21%
241-410-43	2.93	1.18%
241-410-37	5.00	2.01%
241-410-02	1.20	0.48%
241-410-05	0.10	0.04%
<b>Total:</b>	<b>248.67</b>	<b>100.00%</b>



 SOUTH LATHROP SPECIFIC PLAN



**MACKAY & SOMPS**  
ENGINEERS      PLANNERS      SURVEYORS  
JOB NO. 25223.000      DATE: 12.06.2018