

TO: JAMES L. APP, CITY MANAGER
FROM: DITAS ESPERANZA, CITY ENGINEER *DE*
SUBJECT: REQUEST FOR REIMBURSEMENT
TRACT 1895 (RIVER OAKS)

DATE: DECEMBER 7, 1999

Needs: For the City Council to consider adopting a Resolution to reimburse the developer for certain improvements constructed which are a regional benefit; authorizing a budget appropriation for the reimbursement; and a promissory note to provide the funds for the reimbursement.

- Facts:**
1. Oak Knoll Ranch, LLC, has developed the first phase of Tract 1895. This is a residential development in the Borkey Area Specific Plan.
 2. The Specific Plan requires that a 12-inch diameter water line be constructed in River Road (approximately 3700 lineal feet) from Dallons Drive and connect to an existing water main just north of Union Road.
 3. This connection would provide a major source of water to the Specific Plan Area.
 4. During construction, the City requested that the developer install some extra paving and asphalt berms along the south side of Dallons Drive.
 5. The developer also constructed a raised median, including landscaping and irrigation along Buena Vista Drive. The developer is asking that he be reimbursed for one-half the cost of this median construction.

Analysis and

Conclusion:

The developer has submitted copies of invoices and contracts for the costs of the improvements outlined above. Based on this documentation, staff is recommending that he be reimbursed as follows:

1. Extra paving and asphalt berms in the amount of \$4,175.00 to be paid from the Street Division Budget, Account No. 100.310.5224.162.
2. One-half of the median on Buena Vista in the amount of \$16,979.75 to be paid from Measure 'D' funds for Cuesta College, Account No. 130.910.5452.307.
3. North River Road Waterline in the amount of \$208,066.60 to be paid from the Borkey Area Specific Plan Fees Account No. 228.000.4754.000. The City collects \$408/unit and \$674/acre, which are earmarked for the construction of water facilities to serve the Specific Plan Area.

Policy

Reference:

Borkey Specific Plan

Fiscal

Impact:

Since the North River Road waterline is programmed improvement per the adopted Borkey Specific Plan, reimbursement to the developer is appropriate. However, due to the lack current available resources in the Borkey Specific Plan Fund, resources will have to be borrowed. Since it is a water related project, it is proposed that funds be borrowed from the Water Operations Fund.

- Options:**
- A. For the City Council to adopt the attached Resolution approving the following actions:
 - 1) Reimbursement of costs to Oak Knoll Ranch, LLC in the total amount of \$229,221.35; and
 - 2) Budget appropriation in the amount of \$208,100 from the Borkey Specific Plan Fund to budget account 228-910-5452-459; and
 - 3) Approve a promissory note between the Borkey Specific Plan Fund and Water Operations Fund to provide funds for the reimbursement of water main costs to the developer in the amount of \$208,066.60.
 - B. That the City Council amend, modify or reject the above option.

Attachments: (2)

- 1) Resolution
- 2) Promissory Note
- 3) Exhibit

RESOLUTION NO. 99-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
APPROVING COSTS TO BE REIMBURSED TO OAK KNOLL RANCH, LLC;
AN APPROPRIATION FOR THE WATER MAIN REIMBURSEMENT; AND
A PROMISSORY TO PROVIDE FUNDS FOR THE REIMBURSEMENT PAYMENT

WHEREAS, Oak Knoll Ranch, LLC, has installed certain improvements which are of regional benefit; and

WHEREAS, these improvements qualify for reimbursement to Oak Knoll Ranch, LLC; and

WHEREAS, the water improvements are 'regional' in nature and are identified in the Borkey Specific Plan; and

WHEREAS, it would be appropriate for Borkey Specific Plan fees to be used to pay for improvements identified in the Borkey Specific Plan which are of benefit to the planning area.

THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. That the City Council of the City of Paso Robles does hereby authorize and direct staff to reimburse Oak Knoll Ranch, LLC a total of \$229,221.35 as follows:

1. Extra paving and asphalt berms in the amount of \$4,175.00 to be paid from the Street Division Budget, Account No. 100.310.5224.162.
2. One-half of the median on Buena Vista in the amount of \$16,979.75 to be paid from Measure 'D' funds for Cuesta College, Account No. 130.910.5452.307.
3. North River Road Waterline in the amount of \$208,066.60.

SECTION 2. That the City Council of the City of Paso Robles does hereby approve a budget appropriation in the amount of \$208,100 from the Borkey Specific Plan Fund to budget account no. 228-910-5452-459.

SECTION 3. That the City Council of the City of Paso Robles does hereby approve a promissory, attached herewith, between the Borkey Specific Plan Fund and Water Operations Fund in the amount of \$208,066.60 to provide funds for the reimbursement of water main improvements to serve the Borkey Specific Plan area.

PASSED AND ADOPTED by the City Council of the City of Paso Robles, this 7th day of December 1999, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Duane J. Picanco, Mayor

ATTEST:

Sharilyn M. Ryan, Deputy City Clerk

PROMISSORY NOTE WITH ACCRUED INTEREST

\$208,066.60

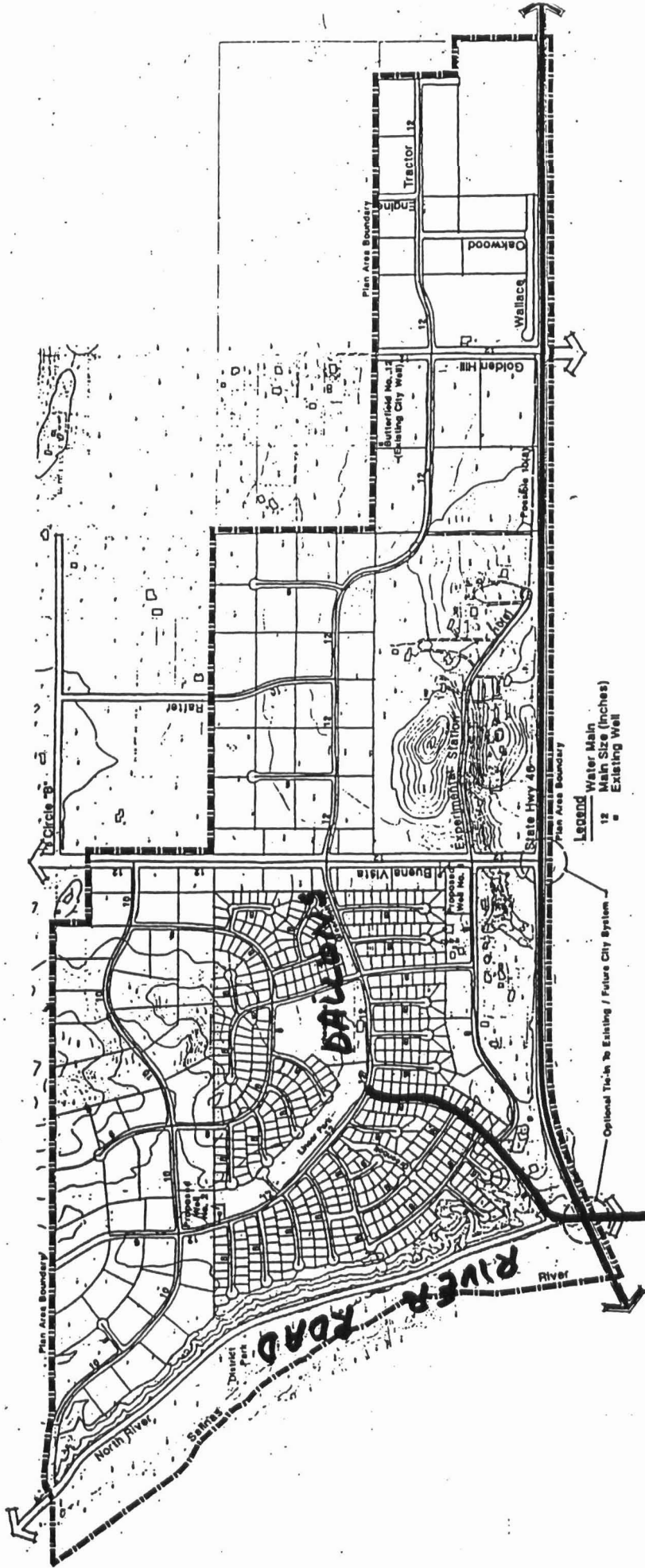
December 1, 1999

For value received, the Borkey Specific Plan Fund agrees to repay the Water Operations Fund the sum of two hundred eight thousand sixty-six dollars and sixty cents (\$208,066.60), representing the total amount reimbursed to Oak Knoll Ranch for North River Road Waterline, specific plan water improvements. The principal amount of this promissory note shall be adjusted monthly for accrued interest at the annual rate of 6%. Payments shall be made as specific plan fees are collected and shall be applied first towards accrued interest and then towards the principal amount of this promissory note.

Duane J. Picanco, Mayor
City of El Paso de Robles

EXHIBIT / ATTACHMENT TO RES/ORD# _____
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**12" Ø
WATERLINE
INSTALLED BY DEVELOPER**

Borkey Area Specific Plan



Schematic Water Supply System

