

ATTACHMENT G



**DIAMOND SPRINGS AND EL DORADO
COMMUNITY
ADVISORY COMMITTEE**

Ms. Natalie Porter
El Dorado County Department of Transportation
2850 Fair Lane Ct
Placerville, CA 95667

April 9, 2020

Re: Missouri Flat Master Circulation and Financing Plan-Phase II

April 16, 2020: Please see Transportation staff responses below in blue.

April 20, 2020: Transportation Staff updated response to Question 14.

Dear Natalie;

Outlined below is a list of my questions, comments, and observations concerning the Draft Technical Memorandum, and the Draft Public Facilities Financing Plan for the subject project.

- 1) What were the phase I projects, and what has been completed and what is left to do? What was their total "As Built" cost and how did that compare to original estimates?

Please see attached table (Attachment 1).

- 2) EPS did the original fiscal analysis in 2000. Has the MCFP met with revenue projections, and what is the current fund balance? If there is a fund balance why hasn't it been applied to the Diamond Springs Parkway?

The County prepared a comparison between EPS's property and sales tax revenue projections and actual revenues generated between 2002 and 2017. As shown, actual revenues exceeded EPS's revenue projections by about \$2.1 million over a cumulative 15-year period. Please see the attached table and chart in Attachment 2 for more details.

The current fund balance in the MC&FP Fund is approximately \$7.3 M as of Fiscal Year 2019-20.

Based on the cash flow analysis provided in Appendix A of the Financing Plan, the MC&FP Fund is assumed to fund some of the cost of the Diamond Springs Parkway Phase 1A and 1B, as well as a few other roadway improvements, through Fiscal Year 2022-23 (estimated completion).

- 3) Why was the increase in property tax excluded from the phase II calculations?
The Draft Financing Plan excludes property tax increment from Phase II development, based on direction from County Counsel. Although new Phase II development will generate new property tax revenue for the County, it is uncertain at this time whether a portion of this property tax revenue will be available to fund MC&FP improvements. In 2016, voters approved Measure E. In July 2017, the El Dorado County Superior Court issued a decision that nullified portions of Measure E, including a provision of the measure that would have restricted the County BOS's ability to use county tax revenue to build road capacity improvements to offset the impacts of new development, this ruling has been appealed. Since the outcome of the appeals process is unknown at this time, the cash flow analysis assumes no property tax increment is available from new development (from 2020 through 2040) to fund MC&FP Phase II projects.
- 4) Should the Industrial Drive signal be charged to the Sheriff's Facility project since it was a mitigation measure for that project?
The Industrial Drive signal is included in the MC&FP Phase II Public Facilities Financing Plan (PFFP) because this improvement was identified in the traffic analysis as a future need based on projected development in the MC&FP project boundary. Currently, the County's CIP project does not identify MC&FP funding, as the Phase II has not been approved by the Board. The funding is therefore County Funds.
- 5) The traffic studies done for this project show that the Enterprise Dr intersection will operate at an acceptable level of service, yet DOT is designing this project with the intention of building it right now as a high priority project. Given the fact that the Industrial signal is being installed now as part of the Sheriff's facility, wouldn't it be best to see how the system operates for a couple years before spending the money to construct the Enterprise signal?
The County had previously identified the Enterprise Drive intersection as a needed improvement in our intersection needs analysis. It was decided it made more sense to build both intersections at the same time for economies of scale.
- 6) Is lower Missouri Flat Rd going to be widened with curb, gutter, sidewalk and bike lanes?
Yes, the Active Transportation Plan (EDCTC 2019) indicates lower Missouri Flat Road will be improved with Class II bike lanes. The TIM Fee program has a widening project from China Garden to SR 49 (CIP #72142/36105027) which would include the curb, gutter, sidewalk and bike lanes.
- 7) The report indicates that there were several meetings with stakeholders. Please provide a list of those stakeholders. I have been with DSEDAC since 2016, and I don't recall ever receiving an invite to a stakeholders meeting. Perhaps it was sent directly to one of our members.
Randy has been a member of the stakeholder group since its inception in 2017. A summary of the stakeholder group membership and meetings is available in the attached memorandum (Attachment 3).
- 8) Are there specific significant users that have committed to the Crossings project, or is it all just speculative? Who are the significant parties in interest that will step up to provide up front funding, or form a CFD to fund infrastructure?
At this time, County staff knows of the gym that will be relocating to Phase I of the Crossings project. The developer may be able to provide more detailed information on the remaining questions.

- 9) Headington Rd is clearly intended as the access into that commercial development. As such it will include all underground water, sewer, power, and communications facilities. Also, absent the commercial development, it would appear that existing El Dorado Rd is adequate to accommodate traffic volumes. Therefore, it would seem appropriate that the commercial developer be responsible for the design and construction of Headington Rd, and the cost of the roadway portion be reimbursed to the developer from the sales and property tax revenue generated from that project.

Headington Road is included in the TIM Fee Program. The developer will be required to design and build the roadway.

- 10) Shouldn't the El Dorado Rd Interchange improvements be included in the RTIP/STIP programs for State and Federal funding? Since it is an interchange on a federal highway, I would think it would be eligible for that kind of funding.

With all improvements in the MC&FP, grant funding may be used in the future to offset project costs. The interchange costs are included in the TIM Fee program. At this time, State and Federal funding do not place interchanges at a high priority. The priorities have changed and non-auto projects have higher priority.

- 11) The report indicates that for the final phase of Missouri Flat Rd Interchange improvements to work Mother lode Dr must be relocated to the south. Has it been determined where it will be relocated to, and what is the feasibility of that relocation?

Diagrams of possible improvements which modify the intersection of Mother Lode Drive with Missouri Flat Road are included in the Technical Memorandum (TM) 1-8 Missouri Flat Road Interchange Capacity Threshold Phasing Analysis and Alternative Screening Evaluation. The Financing Plan includes the most conservative alternative for analytical purposes. This alternative included the realignment of Mother Lode Drive and a diverging diamond interchange.

- 12) I think that the MCFP analysis does too little to identify impacts to the existing surrounding community, and a number of additional projects should be considered to be included in the MCFP to improve overall circulation, and to address ongoing impacts to the existing community, including:

- Extend Industrial Dr to Forni Rd to improve overall accessibility to the Sheriff's Facility, and to the surrounding industrial area.
- Complete the easterly section of the Diamond Springs Parkway consistent with the Diamond Springs Mobility Plan to intersect with Pleasant Valley Rd somewhere east of Diamond Springs.
- A considerable amount of vacant developable properties exist south of Pleasant Valley Rd and west of Missouri Flat Rd. Missouri Flat Rd should be extended south of Pleasant Valley Rd to connect to a new east/west collector road south of Pleasant Valley Rd that would provide parallel capacity to Pleasant Valley Road around downtown Diamond Springs, and ultimately provide a direct connection to Union Mine High School and on to Hwy 49 south of El Dorado.

The time horizon on the MC&FP Phase II is set to 2040. While these future connections may be viable at some point in the future, the traffic analysis for this project and development applications received by the County indicate that level of service deficiencies will not occur within the next 20 years.

- 13) The reports indicate that based upon projected growth rates in the county, the MCFP area can accommodate 550,000 additional square feet of commercial, industrial and office space. And yet elsewhere in the PFFP it states that there is very little projected new residential development. Also, if the projected growth under the General Plan is predominantly in the El Dorado Hills/ Bass Lake area, that demand will be met in the El Dorado Hills/Folsom commercial areas. Demand tends to flow downhill, not up, and an old developer truism is that you need the residential rooftops before you can support new commercial. I have not seen a substantial amount of residential development in our area in the last 10 years, so does the demand exist for an additional 550,000 square ft of commercial/industrial space?

Potential space for development is not the same as demand. The report projects demand, which is growth within the MC&FP boundary at a rate consistent with the General Plan and adopted by the Board of Supervisors. This action takes into consideration the historic growth.

- 14) The total cost for all the listed projects is shown as \$84.5 million in 2019 dollars. However, the tables indicate that those are only construction dollars. My experience is that the soft costs associated with these kinds of projects (including design, administration, CEQA, construction administration, inspection and testing, and right of way) can run anywhere from 35% to 45% of the construction cost. So, the real project cost for the MCFP in 2019 could range from \$114 million to \$123 million. As you project that out to 2040 assuming a 1.5% inflation rate the cost will range from \$153 million to \$166 million. It would seem that there will be a significant shortfall in the projected funding for these projects. Is there a plan for a projected shortfall, and would a CFD will be necessary to provide additional funding?

Response to Question 14 was updated April 20, 2020 to add clarity.

The total cost is derived from the County's Capital Improvement Program (CIP), and includes design, environmental and right-of-way costs. The PFFP cost is the share of the total cost that is in the financing plan. It was calculated by totaling the CIP project costs which remain between FY2019 and 2039.

The County's Civil Engineering Consultant, Quincy Engineering, did include a 30% contingency in the cost estimate for future improvements.

Please see table on next page.

** Please note CIP projects 71359 and 71346 were built during the MC&FP Phase 1. What remains of these projects (environmental monitoring) was carried forward into the MC&FP Phase 2.*

*** For example: CIP project 72375, The Diamond Springs Parkway Phase 1A, is underway. The total CIP project cost is \$15,528,000. The 2019 CIP reports \$4,973,000 spent in prior year, so \$10,554,000 remain to be included in the PFFP.*

CIP	Missouri Flat MC&FP Project List	From 2019/2020 CIP		Planning Amount
		Total Project Cost CIP (includes prior costs)	Remaining Project Cost CIP (excludes prior costs)	Project Cost Included in the PFFP
*71359	Missouri Flat Road Interchange Phase 1B.2	\$2,203,000	\$3,000	\$3,000
*71346	Missouri Flat Interchange 1C Riparian	\$1,329,000	\$345,000	\$345,000
71375	Headington Road Extension/Missouri Flat Widening	\$6,958,000	\$6,254,000	\$6,254,000
**72375	Diamond Springs Parkway Phase 1A	\$15,528,000	\$10,554,000	\$10,554,000
72334	Diamond Springs Parkway Phase 1B	\$28,293,000	\$23,605,000	\$23,605,000
	Missouri Flat Road Interchange	\$17,515,000	\$17,515,000	\$17,515,000
71347	El Dorado Interchange Phase 1	\$5,673,000	\$5,491,000	\$5,491,000
71376	El Dorado Road Interchange Phase 2	\$11,555,000	\$11,555,000	\$11,555,000
	SR-49/Forni Road	\$3,500,000	\$3,500,000	\$3,500,000
	SR-49/Pleasant Valley Road	\$700,000	\$700,000	\$700,000
73365	Missouri Flat Road/Enterprise Drive	\$2,812,000	\$2,812,000	\$2,812,000
73366	Missouri Flat Road/Industrial Drive	\$2,370,000	\$2,195,000	\$2,195,000
	Total	\$98,436,000	\$84,529,000	\$84,529,000

15) Road maintenance continues to be a more and more challenging function. Should a Zone of Benefit be established to help fund the ongoing maintenance of the public roads that will be serving all this new commercial development?

Other Zones of Benefit exist in El Dorado County. They require a nexus and are organized through the Department of Transportation. We are not aware of any efforts to create a ZOB for this area.

I realize that this is a very extensive list of questions and comments, hopefully you will be able to answer as many as possible at our Thursday meeting, and hopefully with a follow-up written response.

Sincerely,

Randy Pesses, Chairman

cc: Supervisor Brian Veerkamp

(NP Received on April 10, 2020 at 4:31 pm via email)

Attachment 1

Project Status - Road Improvement Projects of MC &FP Phase I

CIP	Road Improvement Projects of MC &FP Phase I	Status	Original Estimated Cost	Original Cost Escalated	MC&FP Dollars Spent		CIP Total Project Cost	Total By Programmed Source			
					Prior FY 18/19	Prior + FY19/20 CIP		(rounded)	MC&FP	Tribe	TIM
71317	Missouri Flat Road Interchange 1A (MC&FP not used)	Complete	\$22,532,913	\$38,039,835	\$0	\$0	\$34,032,000	0%	0%	100%	0%
71336	Missouri Flat Road Interchange 1B	Complete			\$0	\$0	\$39,973,000	9%	0%	5%	86%
71359	Missouri Flat Road Interchange Phase 1B.2	Complete- Monitoring			\$1,132,250	\$1,134,486	\$2,203,000	51%	0%	0%	49%
71346	Missouri Flat Interchange 1C Riparian	Complete- Monitoring			\$984,780	\$1,078,516	\$1,329,000	100%	0%	0%	0%
72375	Diamond Springs Parkway Phase 1A- SR49	Under Construction	\$12,902,000	\$21,781,025	\$0	\$1,039,044	\$15,528,000	7%	78%	5%	10%
72334	Diamond Springs Parkway (Pleasant Valley Connector) Phase IB	PS&E			\$1,370,105	\$4,093,929	\$28,293,000	32%	19%	35%	14%
71347	El Dorado Interchange Phase 1	Not yet needed			\$0	\$0	\$5,673,000	0%	98%	0%	2%
71375	Headington Road Extension - Missouri Flat Road to El Dorado Road	Not yet needed			\$0	\$0	\$6,958,000	30%	0%	70%	0%
Totals					\$3,487,135	\$7,345,975	\$127,031,000				
Ending Balance MC&FP After Projects Deducted					\$7,289,878	\$4,957,269					

Prior FY 18/19 includes actual revenue and expenditures through 6/30/19

Original Cost Estimates Sourced from Missouri Flat Area CFD No. 2002-01 Financing Plan

**Missouri Flat MC&FP Sales & Property Tax
I/C 828402 & 828403
Updated to include FY 17/18**

Attachment 2

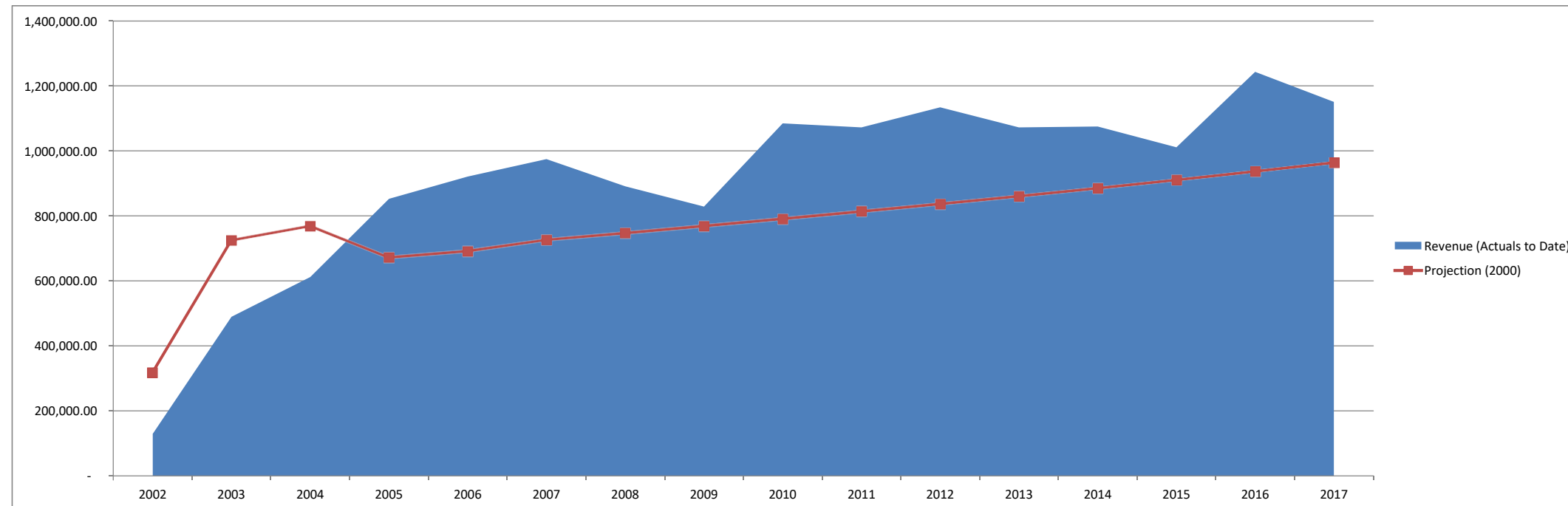
	Revenue (Actuals to Date)					Projection (2000)				Differences (Actual - Projection)		
	Sales Tax	Property Tax	Accounts Receivable Sales Tax	Interest	Total Revenue	Sales Tax	Property Tax	Interest	Total Revenue	Sales Tax	Property Tax	Total Revenue
Total for FY 02/03	219,554.14	9,909.00	(100,000.00)	-	129,463.14	318,374.00	-	-	318,374.00	(198,819.86)	9,909.00	(188,910.86)
Total for FY 03/04	503,533.00	15,608.00	(30,420.00)	548.00	489,269.00	636,748.00	87,537.00	-	724,285.00	(163,635.00)	(71,929.00)	(235,016.00)
Total for FY 04/05	515,741.00	40,701.00	46,695.00	8,773.00	611,910.00	674,846.00	93,223.00	-	768,069.00	(112,410.00)	(52,522.00)	(156,159.00)
Total for FY 05/06	833,701.00	46,008.00	(76,820.00)	49,958.00	852,847.00	590,828.00	80,824.00	-	671,652.00	166,053.00	(34,816.00)	181,195.00
Total for FY 06/07	784,750.00	53,090.00	(30,095.00)	112,912.00	920,657.00	608,553.00	82,441.00	-	690,994.00	146,102.00	(29,351.00)	229,663.00
Total for FY 07/08	766,907.00	71,210.00	13,557.00	123,264.00	974,938.00	626,809.00	98,929.00	-	725,738.00	153,655.00	(27,719.00)	249,200.00
Total for FY 08/09	754,520.00	81,641.00	(4,577.00)	59,512.00	891,096.00	645,613.00	100,907.00	-	746,520.00	104,330.00	(19,266.00)	144,576.00
Total for FY 09/10	738,130.00	78,580.00	(2,238.00)	13,768.00	828,240.00	664,982.00	102,925.00	-	767,907.00	70,910.00	(24,345.00)	60,333.00
Total for FY 10/11	1,078,765.00	84,226.00	(92,585.00)	14,178.00	1,084,584.00	684,931.00	104,984.00	-	789,915.00	301,249.00	(20,758.00)	294,669.00
Total for FY 11/12	967,728.00	85,198.00	4,472.00	14,614.35	1,072,012.35	705,479.00	108,084.00	-	813,563.00	266,721.00	(22,886.00)	258,449.35
Total for FY 12/13	1,032,093.00	89,357.00	1,219.00	11,677.14	1,134,346.14	726,644.00	109,225.00	-	835,869.00	306,668.00	(19,868.00)	298,477.14
Total for FY 13/14	1,003,039.00	61,913.00	(4,434.00)	11,860.00	1,072,378.00	748,443.00	111,410.00	-	859,853.00	250,162.00	(49,497.00)	212,525.00
Total for FY 14/15	975,860.00	82,220.00	1,801.00	15,038.00	1,074,919.00	770,896.00	113,638.00	-	884,534.00	206,765.00	(31,418.00)	190,385.00
Total for FY 15/16	935,629.00	81,488.00	(31,036.00)	25,237.00	1,011,318.00	794,023.00	115,911.00	-	909,934.00	110,570.00	(34,423.00)	101,384.00
Total for FY 16/17	957,178.00	89,591.00	153,801.00	42,951.00	1,243,521.00	817,844.00	118,229.00	-	936,073.00	293,135.00	(28,638.00)	307,448.00
Total for FY 17/18	975,024.00	89,749.00		86,034.91	1,150,827.91	842,379.00	120,594.00	-	962,973.00	132,645.00	(30,845.00)	187,854.91
Total	13,042,152.14	1,060,489.00	(150,660.00)	590,325.40	14,542,326.54	10,857,392.00	1,548,861.00	-	12,406,253.00	2,034,100.14	(488,372.00)	2,136,073.54 *

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15-Apr-20

Source for Projection: EPS Final Report Update: Missouri Flat Master Circulation and Funding Plan November 2000
Table 1 Financing Summary Table Missouri Flat Master Circulation and Financing Program

The Differences - Total Revenue Column includes
Revenue Sales Tax + Revenue Property Tax + Accounts Receivable and Interest
MINUS
Projection of Sales Tax and Projection of Property Tax (no interest approximated)





**COUNTY OF EL DORADO
DEPARTMENT OF TRANSPORTATION
INTEROFFICE MEMORANDUM**

Date: April 16, 2020
To: Diamond Springs and El Dorado Community Advisory Committee
From: Natalie K. Porter, Senior Traffic Engineer
Subject: Outreach Summary for the MC&FP Phase II Project

Stakeholder Group Membership

The Original MC&FP Phase II Stakeholder Group formed in 2017 through an email blast invitation by County staff. Original applicants to the group included: Randy Pesses; Terri Stratton; Bob Smart; Maria Samaniego Taylor; Laurel Brent-Bumb; Grant Johnson; Chuck Wolfe; Shaun Verner; Serna Texeira; Ryan Lara; Michael Doran; Patricia Harrington; Lucy Upton; Michelle Rangle; and, Marion Williams (now deceased). Later in 2017, this group's membership expanded before the first stakeholder meeting held on August 29, 2017. Additional members included: Dr. Richard Boylan; Sara Englebrekston; Jack Sweeney; Jim Davies; Leonard Grado; Chuck Wolfe; Sandra LeBaugh; and, Brian James.

In October 2019, this group was refreshed to include representatives from the Rich Development Company (Target) and one interested citizen. New members included: Tab Johnson; Chris Shane; El Dorado County Chamber; and Kris Payne.

In February 2020, the stakeholder group was expanded to include three members of the Diamond Springs Community Advisory Committee at the request of Randy Pesses. Additional members included: Meredith Stirling; Chris Whitaker; and Carl Hillendahl.

Summary of Stakeholder Meetings

The following table lists the Board meetings, mini-workshops, and public workshops that have been held for this project.

Attachment 3

Public Meeting	Date
El Dorado County Board Study Session: Retail Market Study	December 2015
Mini Workshops: Project Introduction	August 2017
Mini Workshops: Traffic Analysis/Alternative Screening Evaluation	November 2017
Public Workshop: Traffic Analysis/Alternative Screening Evaluation	November 2017
El Dorado County Board Study Session: Traffic Analysis/Alt. Screening Evaluation	February 2018
El Dorado County Board Study Session: Fiscal Impact Analysis and Environmental Findings	November 2019
El Dorado County Board Study Session: Financing Strategy and Cash Flow Analysis	February 2020
Mini Workshop: Fiscal Impact Analysis, Env. Findings, and Financing Strategy	February 2020
Public Workshop: Fiscal Impact Analysis, Env. Findings, and Financing Strategy	February 2020

The Stakeholder Group meeting that was held in February 2020 was originally scheduled to be held in Fall 2019. Specifically, the meeting was scheduled initially in October 2019, and then rescheduled three times (November 2019, January 2020, and finally in February 2020). The meetings were rescheduled in response to Board of Supervisors direction. With each change of date, emails were sent to stakeholder members indicating the meeting schedule and reasons for the delay. The County specifically had multiple email exchanges with Randy Pesses apprising him of the meeting schedule and reasons for the delay.

The October email went to hughes.net email address for Randy Pesses. It was received and an email exchange between Tia and Randy happened about why the meeting was being delayed.

On January 29, Randy sent Tia and Natalie his gmail address. Tia used this new email address to clarify for Randy that the meeting was set for February 20th, and she modified the calendar invite to include the new address.