

# Olivehurst Public Utility District



## Agenda Item Staff Report

**Meeting Date: 9/19/24**

### **Item description/summary:**

Consider Reimbursing remaining balance for development of Bill Pinkerton Park to Lennar Homes.

Olivehurst Public Utility District (OPUD) received binder and invoices with receipts for the final Bill Pinkerton Park (park) back in 2008. After due process and coordination of disputes on reimbursable amounts, OPUD board approved reimbursable to Lennar for the development of park for a total of \$696, 481.87 back in 2012. At the time of park development, Homes for this region were not fully developed (Remaining Rio Del Oro Village 15 & 16) and proper amount of funds were not yet collected in order to reimburse Lennar. On July 25<sup>th</sup>, 2012, a check for \$176, 571.76 was submitted to Lennar based on amount collected at time, with a remaining balance of \$519,910.11 still owed to Lennar Homes. To date, Rio Del Oro Village 15 & 16 have been fully developed and proper funds have been collected for this park in order to reimburse Lennar the remaining balance that is owed to them.

### **Fiscal Analysis:**

n/a

### **Employee Feedback**

n/a

### **Sample Motion:**

Reimburse Lenar Homes for remaining balance of \$519,910.11 owed for the development of Bill Pinkerton Park.

Prepared by: Swarnjit Boyal, Public Work Engineer

# **ATTACHMENT A – Supporting Documents**

Voucher: VR 00019781

001 PINKERTON REIMB #1  
07/25/2012 7 2012

BILL PINKERTON PARK REIMBURSEMENT #1  
33.59600.03.0

07/25/2012 01 048683 07/27/2012 176,571.76  
CAPITAL OUTLAY - PLUMAS PARKS

Voucher: VR 00019781 Totals: 176,571.76

# Olivehurst Public Utility District



## Agenda Item Staff Report

**Meeting Date: July 19, 2012**

**Item description/summary:**

**Establish reimbursable amount for the construction of Bill Pinkerton Park by Lennar Homes:**

Following the construction of Bill Pinkerton Park, in accordance with the park development agreement, Lennar Homes submitted a binder documenting the construction cost. As required, OPUD required an independent review of cost, which was undertaken by Economic and Planning Systems (EPS). The original independent review by EPS in April 2008 concluded that approximately \$60K of construction costs claimed by Lennar were ineligible expenses. Lennar disputed the EPS findings and wanted to appeal to the OPUD Board of Directors. The item was placed on the regular meeting agenda on May 15, 2008, but was pulled from the agenda at the meeting at the request of Lennar. No activity toward dispute resolution was requested by either party until a few months ago. Recently, upon request of OPUD from Lennar, EPS was asked to re-review the Lennar submittal. Lennar and EPS reconciled the disputed amounts, and the Memo from EPS, dated June 18, 2012 recommends a reimbursement amount which Lennar has accepted.

**Fiscal Analysis:**

The memo from EPS dated June 2012 summarized the fiscal impact associated with this item. However, it is worthy to note that Lennar can only be reimbursed from the available funds associated with building permits pulled by Lennar in Rio Del Oro village 15. The remaining amount of reimbursement will be deferred until village 15 and village 16 are developed.

**Sample Motion/Staff Recommendation:**

Move to approve the reimbursable amount, \$696,481.87 (2012 dollars), detailed in the EPS memo dated June 18, 2012.

Prepared by:

Timothy R. Shaw, General Manager

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# **ATTACHMENT B – PARK DEVELOPMENT AGREEMENT**

## **MEMORANDUM**

To: Tim Shaw, Olivehurst Public Utility District  
From: Jamie Gomes  
Subject: Olivehurst Public Utility District Park Development Cost Reimbursement for Bill Pinkerton Park (Village 15 Park)—Lennar Communities; EPS #122088  
Date: June 18, 2012

*The Economics of Land Use*



This document updates an original development cost reimbursement memorandum prepared on April 2, 2008, by Economic & Planning Systems, Inc. (EPS). EPS submitted the original memorandum to Olivehurst Public Utility District (OPUD) and Lennar Communities (Lennar) for review and comment. In May 2008, Lennar responded to the memorandum requesting that additional items be considered reimbursable. EPS has reviewed the letter and discussed the disputed items with OPUD. The contents of this memorandum summarize the findings of the park reimbursement request review.

In 2008, EPS and KLM Accounting (KLM) reviewed the documentation and request for reimbursement of the construction costs for the Rio Del Oro Village 15 park site submitted by Lennar. The reimbursement request was made by Lennar pursuant to its Park Development Agreement for Rio Del Oro Village 15 (now Bill Pinkerton Park) with OPUD, dated December 15, 2005. EPS and KLM reviewed the documentation for allowable costs and the contracts and change orders for Stantec Consulting, Inc.; American Landscape & Concrete; and several smaller miscellaneous contractors.

Lennar submitted the reimbursement request for a total amount of \$621,133.14. Based on Lennar's May 27, 2008, response to the previous cost reimbursement memorandum, as well as analysis of the submitted contracts, invoices, and other materials in the binder, EPS yielded the following observations:

1. The amount shown in Lennar's reimbursement request binder totals \$621,133.14, but a summary of verified payments totaled \$621,288.01. This is due to a slight error in summing invoice amounts in the reimbursement request binder. Please note that this amount does not include approximately \$9,000 in retention payments to American Landscape & Concrete that were for another job and were not billed to Bill Pinkerton Park.

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Sacramento*

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2. Of the total reimbursement requested, the analysis concludes that \$609,421.86 (in 2008 \$) would be reimbursable, according to the terms of the executed Park Development Agreement.
3. The reimbursable amount, escalated to 2012 dollars, equals \$696,481.87. The reimbursement amount has been escalated by the same factor OPUD uses annually to adjust park development fees. The adjustment factor is based on the 2012 adjustment forwarded to Yuba County for a July 2012 implementation.

The following text and attached tables support the observations noted above. For total reimbursement-amount purposes, only the totals have been escalated to 2012 dollars, rather than each individual line item or invoice.

**Table 1** summarizes the total amount invoiced for park improvements, as well as the portion of costs that is reimbursable. Please note that the reimbursable improvement costs do not include the approximately \$9,000 in additional retention payments made by Lennar to American Landscape & Concrete. These were for another job and were not billed to Bill Pinkerton Park.

**Table 2** shows the invoice detail for American Landscape & Concrete. Each invoiced amount is split into three categories to show the portion that is reimbursable, non-reimbursable, and the amount held as retention.

**Table 3** shows the detail for each non-reimbursable item included in the American Landscape & Concrete scope of work. Reasons that items in **Table 3** were considered non-reimbursable are as follows:

- **Offhaul of Excess Dirt:** Lennar agrees this cost is non-reimbursable.
- **Remove/Replace Sidewalk:** Lennar agrees this cost is non-reimbursable.

**Table 4** summarizes the documented retention payments paid by Lennar to American Landscape & Concrete. Again, please note that it appears as though Lennar paid approximately \$9,000 more than necessary in retention payments. Lennar has stated this payment was for another job and was not billed to Bill Pinkerton Park.

**Table 5** shows the invoice detail for Stantec Consulting, Inc. All invoiced amounts were determined to be reimbursable.

**Table 6** shows the invoice detail for several contractors with smaller invoiced amounts. Non-reimbursable items include the amount for Scott & Sons Weed Control, which was for the cost of removing weeds from the park site so work in completing the Final Park Improvements could commence. OPUD also considers the temporary park signage cost, to Seal Signs, as a non-reimbursable cost.

**Table 7** shows the total maximum park development cost that would be reimbursable based on the "Olivehurst Public Utility District Park Development Fee Nexus Study—Plumas Lake Specific Plan and North Arboga Study Area," dated June 16, 2005. The costs shown have been inflated to 2012 dollars. Reimbursable items and quantities shown are based on Exhibit B of the Park Development Agreement (Rio Del Oro Village 15—now Bill Pinkerton Park), dated December 15, 2005. **Table 7** was completed because the reimbursement to developers for constructed park facilities is equal to the lesser of actual park construction costs (of eligible items) or scheduled

costs. In this instance, the actual reimbursable park construction cost of \$696,482 is less than the scheduled cost of \$999,247 (in 2012 \$).

**Table 8** shows the annual escalation factor used to adjust the OPUD park development fee.

If you have no further comments to this information, please consider this memorandum a summary of the reimbursable amount owed to Lennar for completion of Bill Pinkerton Park. The terms of reimbursement to Lennar are identified in the Park Development Agreement.

Please call (916) 649-8010 if you have questions regarding this memorandum.



**Table 1**  
**Bill Pinkerton Park Reimbursement - Lennar Communities, Inc.**  
**Total Reimbursable Costs**

Item	Reference	Total Invoice Amount	Non Reimbursable Improvements	Reimbursable Improvement
<b>Hard Cost</b>				
American Landscape Contract # 6814006	Tables 2 & 4 [1]	\$531,067.76	\$8,521.00	\$522,546.76
<b>Soft Costs (Stantec)</b>				
Stantec Engineering Contract # 3769417	Table 5	\$64,403.97	\$0.00	\$64,403.97
Stantec Engineering Contract # 6814144	Table 5	\$9,500.00	\$0.00	\$9,500.00
<b>Subtotal Soft Costs (Stantec)</b>		<b>\$73,903.97</b>	<b>\$0.00</b>	<b>\$73,903.97</b>
<b>Miscellaneous Costs</b>				
Scott & Sons Weed Control	Table 6	\$450.00	\$450.00	\$0.00
PG&E	Table 6	\$203.25	\$0.00	\$203.25
Seal Signs	Table 6	\$2,895.15	\$2,895.15	\$0.00
Wallace Kuhl Associates	Table 6	\$1,052.88	\$0.00	\$1,052.88
Agency Fees (OPUD)	Table 6	\$11,715.00	\$0.00	\$11,715.00
<b>Subtotal Miscellaneous Costs</b>		<b>\$16,316.28</b>	<b>\$3,345.15</b>	<b>\$12,971.13</b>
<b>Total (2008 \$)</b>		<b>\$621,288.01</b>	<b>\$11,866.15</b>	<b>\$609,421.86</b>
<b>Total (inflated to 2012 \$)</b>	<b>Table 8</b>			<b>\$696,481.87</b>

"overall"

[1] Lennar paid an additional \$8,974.89 in retention payments. See Table 4.

Source: Lennar Communities

**Table 2**  
**Bill Pinkerton Park Reimbursement - Lennar Communities, Inc.**  
**American Landscape Costs**

Invoice Number	Invoice Date	Invoice Amount	Check Number	Non-Reimbursable Amount	Reimbursable Amount	Retention Amount
<b>Contract # 6814006 American Landscape &amp; Concrete</b>						
4740	1/31/07	\$333,997.32	678308	\$0.00	\$333,997.32	\$37,110.81
4781	2/23/07	\$54,226.01	678308	\$0.00	\$54,226.01	\$6,025.11
4832 [1]	3/30/07	\$24,729.41	706734	\$0.00	\$24,729.41	\$2,747.71
4852	4/24/07	\$13,151.52	736536	\$0.00	\$13,151.52	\$1,461.28
4831 CO#1	3/31/07	\$29,718.00	746698	\$0.00	\$29,718.00	\$3,302.00
4885	5/24/07	\$4,317.48	768162	\$0.00	\$4,317.48	\$479.72
4985 CO#2	7/25/07	\$1,674.90	774546	\$0.00	\$1,674.90	\$186.10
4978 CO#3	7/10/07	\$8,073.86	774546	\$0.00	\$8,073.86	\$897.10
5135 CO#4	10/31/07	\$8,969.43	812770	\$8,521.00	\$448.43	\$0.00
<b>Subtotal</b>		<b>\$478,857.93</b>		<b>\$8,521.00</b>	<b>\$470,336.93</b>	<b>\$52,209.83</b>
<b>Retention</b>		<b>\$52,209.83</b>				
<b>Total Payments (progress + retention)</b>		<b>\$531,067.76</b>				

"American"

[1] No Invoice backup detail provided

Source: Lennar Communities

Table 3  
Bill Pinkerton Park Reimbursement - Lennar Communities, Inc.  
Non-Reimbursable Amount Detail - American Landscape & Concrete

Invoice Number	Item Number	Quantity	Unit	Unit Price	Total Cost	Nonreimbursable Amount	Comment
<b>Contract # 6814006 American Landscape &amp; Concrete</b>							
5135	1 - CO#4	1	LS	\$7,587.00	\$7,587.00		Offhaul excess dirt
		1		\$934.00	<u>\$934.00</u>		Remove and replace sidewalk to locate sewer stub
						<u>\$8,521.00</u>	
<b>Grand Total</b>						<b>\$8,521.00</b>	<b>Total Non-Reimbursable Improvements</b>

"American 2"

Source: Lennar Communities

**Table 4**  
**Bill Pinkerton Park Reimbursement - Lennar Communities, Inc.**  
**Lennar Retention Payments**

Invoice Number	Invoice Date	Invoice Amount	Retention Payments	Check Number
<b>Contract # 6814006 American Landscape &amp; Concrete</b>				
Retention	3/31/07	\$52,296.92	\$52,296.92	757311
Retention	12/7/07	\$8,887.80	\$8,887.80	815137
<b>Subtotal Retention [1]</b>		<b>\$61,184.72</b>	<b>\$61,184.72</b>	

*"retention"*

[1] Lennar paid an additional \$8,974.89 in retention payments for another project.

Source: Lennar Communities

**Table 5**  
**Bill Pinkerton Park Reimbursement - Lennar Communities, Inc.**  
**Stantec Engineering Invoice Summary**

Invoice Number	Invoice Date	Invoice Amount	Non-Reimbursable Amount	Invoice Amount (Reimbursable)	Check Number
<b>Contract # 3769417</b> Stantec Engineering					
106997 [1]	8/18/06	\$39,333.60	\$0.00	\$39,333.60	582646
117384 [2]	11/3/06	\$16,312.56	\$0.00	\$16,312.56	621940
139232	3/29/07	\$572.36	\$0.00	\$572.36	732384
135873	3/8/07	\$4,331.24	\$0.00	\$4,331.24	732384
121442	2/12/07	\$2,644.61	\$0.00	\$2,644.61	732384
149760	5/31/07	\$1,209.60	\$0.00	\$1,209.60	736563
<b>Total Contract Amounts</b>		\$64,403.97	\$0.00	<b>\$64,403.97</b>	
<b>Contract # 6814144</b> Stantec Engineering					
125500	12/28/06	\$2,150.00	\$0.00	\$2,150.00	781755
154053	6/22/07	\$5,468.00	\$0.00	\$5,468.00	781755
138141	3/23/07	\$982.00	\$0.00	\$982.00	781755
167064-1	9/6/07	\$900.00	\$0.00	\$900.00	812863
<b>Total Contract Amounts</b>		\$9,500.00	\$0.00	<b>\$9,500.00</b>	
<b>Total Reimbursement Stantec</b>		<b>\$73,903.97</b>	<b>\$0.00</b>	<b>\$73,903.97</b>	

"Stantec"

[1] Electrical plans are part of initial improvements

[2] Electrical plans and structural plans are part of initial improvements

Source: Lennar Communities

**Table 6**  
**Bill Pinkerton Park Reimbursement - Lennar Communities, Inc.**  
**Miscellaneous Costs Summary**

Contractor	Invoice Numbers	Total Invoice Amounts	Non-Reimbursable Amount	Invoice Amount (Reimbursable)	Check Numbers
Scott & Sons Weed Control	7196	\$450.00	\$450.00	\$0.00	590825
PG&E	Jun 07-Oct 07	\$203.25	\$0.00	\$203.25	750734, 757335, 799637
Seal Signs	16595 & 16648	\$2,895.15	\$2,895.15	\$0.00	694709, 706760
Wallace Kuhl Associates	02662, 03412, 04759	\$1,052.88	\$0.00	\$1,052.88	746729, 781758, 790366
Agency Fees (OPUD)		\$11,715.00	\$0.00	\$11,715.00	
<b>TOTAL</b>		<b>\$16,316.28</b>	<b>\$3,345.15</b>	<b>\$12,971.13</b>	

"misc costs"

Source: Lennar Communities.

**Table 7**  
**Bill Pinkerton Park Reimbursement - Lennar Communities, Inc.**  
**Estimate of Reimbursable Park Development Costs [1]**

Description	Quantity		2008 Per-Unit Cost [1]	Total Cost
<b>Hard Costs</b>				
Basic Park Improvements (Mini-Park) [2]	2.8	ac	\$170,999	\$478,798
Passive Site Furnishings (Mini-Park) [3]	1	ea	\$26,719	\$26,719
Play Structure, Tot (2-5 yr) or Children's (5-12 yr)	1	ea	\$106,875	\$106,875
Park Sign	1	ea	\$9,084	\$9,084
Drinking Fountain	1	ea	\$4,809	\$4,809
Concrete paved social gathering space (25'x25' min) [4]	1	ea	\$21,375	\$21,375
<b>Subtotal Hard Costs</b>				<b>\$647,660</b>
<b>Soft Costs</b>				
Bonds			2%	\$12,953
Insurance			1%	\$6,477
Project Mobilization			3%	\$19,430
Contingency			15%	\$97,149
Design			8%	\$51,813
Utilities			2%	\$12,953
Plan Check & Inspection			4%	\$25,906
<b>Subtotal Soft Costs</b>				<b>\$226,681</b>
<b>Total (2008 \$)</b>				<b>\$874,341</b>
<b>Total (2012 \$) Dec. 2007 - May 2012 Adjustment</b>			<b>14.3%</b>	<b>\$999,247</b>

"reimb est"

[1] Estimated park development cost based on Olivehurst Public Utility District Park Development Fee Nexus Study - Plumas Lake Specific Plan and North Arboga Study Area dated June 16, 2005. Reimbursable items and quantities shown based on Exhibit B of Park Development Agreement (Rio Del Oro Village 15) dated December 15, 2005. Unit costs are inflated to 2008 dollars and total costs have been inflated to 2012 dollars.

[2] Includes funding for open turf areas, trees, concrete mow bands, and buffer planting along residential fences adjacent to the park.

[3] Passive site furnishings include funding for benches in shade areas, trash receptacles, and other miscellaneous passive improvements.

[4] Assumes small group picnic area (8 persons).

[5] May 2012 values have been recommended to Yuba County for the July 2012 fee adjustment.

**Table 8**  
**Bill Pinkerton Park Reimbursement - Lennar Communities, Inc.**  
**OPUD Park Fee Adjustment - December 2007 - May 2012**

Date	Index Value	
	20-City CCI	San Francisco CCI
<b><u>Current Year Inflation Adjustment</u></b>		
December 2007	8,089	9,132
May 2012	9,290	10,386
Percentage Change (Dec 2007 - May 2012)	14.84%	13.73%
<i>Average of Percentage Changes</i>		<i>14.29%</i>
		<i>"inflation"</i>

Source: Engineering News Record Construction Cost Index.





Economic &  
Planning Systems

*Public Finance*  
*Real Estate Economics*  
*Regional Economics*  
*Land Use Policy*

## MEMORANDUM

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**To:** Tim Shaw; *Olivehurst Public Utilities District*

**From:** Jamie Gomes and Rosanne Helms

**Subject:** Olivehurst Public Utility District Park Development Cost Reimbursement for Lennar Communities; EPS #14401

**Date:** April 2, 2008

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In accordance with your request, Economic & Planning Systems, Inc., (EPS) and KLM Accounting (KLM) reviewed the documentation and request for reimbursement of the construction costs for the Rio Del Oro Village 15 park site submitted by Lennar Communities. The reimbursement request was made by Lennar Communities pursuant to its Park Development Agreement for Rio Del Oro Village 15 with Olivehurst Public Utility District (OPUD) dated December 15, 2005. EPS and KLM reviewed the documentation for allowable costs and the contracts and change orders for Stantec Consulting, Inc., American Landscape & Concrete, and several smaller miscellaneous contractors.

Lennar Communities submitted the reimbursement request for a total amount of \$621,133.14. Analysis of the submitted contracts, invoices, and other materials in the binder yielded the following observations:

1. The amount shown in Lennar Communities' reimbursement request binder totals \$621,133.14, but a summary of verified payments totaled \$621,288.01. This is due to a slight error in summing invoice amounts in the reimbursement request binder. Please note that this amount does not include approximately \$9,000 in extra retention payments to American Landscape & Concrete; and
2. Of the total \$621,133 requested, the analysis concludes that \$551,965 would be reimbursable according to the terms of the executed Park Development Agreement.

**SACRAMENTO**

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The following text and attached tables support the observations noted above.

**Exhibit A-1** summarizes the total amount invoiced for the park improvements, as well as the portion of costs that is reimbursable. Please note that the reimbursable improvement costs do not include the approximate \$9,000 in additional retention payments made by Lennar Communities to American Landscape & Concrete.

**Exhibit A-2** shows the invoice detail for American Landscape & Concrete. Each invoiced amount is split into three categories to show the portion that is reimbursable, non-reimbursable, and the amount that was held as retention.

**Exhibit A-3** shows the detail for each non-reimbursable item that was included in the American Landscape & Concrete scope of work.

**Exhibit A-4** summarizes the documented retention payments paid by Lennar Communities to American Landscape & Concrete. Again, please note that it appears as though Lennar Communities paid approximately \$9,000 more than necessary in retention payments.

**Exhibit A-5** shows the invoice detail for Stantec Engineering. Each invoiced amount is split into two categories to show the portion that is reimbursable and the portion that is non-reimbursable.

**Exhibit A-6** shows the invoice detail for several contractors with smaller invoiced amounts. Each invoiced amount is split into two categories to show the portion that is reimbursable and the portion that is non-reimbursable. The contractors include Scott & Sons Weed Control, PG&E, Seal Signs, Wallace Kuhl Associates, and OPUD.

**Exhibit A-7** shows the total maximum park development cost that would be reimbursable based on the Olivehurst Public Utility District Park Development Fee Nexus Study – Plumas Lake Specific Plan and North Arboga Study Area dated June 16, 2005. The costs shown have been inflated to 2008 dollars. Reimbursable items and quantities shown are based on Exhibit B of the Park Development Agreement (Rio Del Oro Village 15) dated December 15, 2005. **Exhibit A-7** was completed because the reimbursement to developers for constructed park facilities is equal to the lesser of actual park construction cost (of eligible items) or scheduled costs. In this instance, the actual park construction cost of \$552,000 is less than the scheduled cost of \$874,000.

As you will see in the attached exhibits, many of the non-reimbursable costs are items that are classified as “Initial Park Improvements” per the Park Development Agreement. If you have no further comments to this information, please consider this memorandum

a summary of the reimbursable amount owed to Lennar Communities for completion of the Rio Del Oro Village 15 park. The terms of reimbursement to Lennar Communities are identified in the Park Development Agreement.

Please call (916) 649-8010 if you have any questions.

# DRAFT

Exhibit A-1  
 Rio Del Oro Park - Village 15  
 Cumulative Costs  
 Park Reimbursement - Lennar Communities, Inc.

Item	Reference	Total Invoice Amount	Non Reimbursable Improvements	Reimbursable Improvement
<b>Hard Cost</b>				
American Landscape Contract # 6814006	A-2, A-4 [1]	\$531,067.76	\$60,478.03	\$470,589.73
<b>Soft Costs (Stantec)</b>				
Stantec Engineering Contract # 3769417	A-5	\$64,403.97	\$5,745.60	\$58,658.37
Stantec Engineering Contract # 6814144	A-5	\$9,500.00	\$0.00	\$9,500.00
<b>Subtotal Soft Costs (Stantec)</b>		<b>\$73,903.97</b>	<b>\$5,745.60</b>	<b>\$68,158.37</b>
<b>Miscellaneous Costs</b>				
Scott & Sons Weed Control	A-6	\$450.00	\$0.00	\$450.00
PG&E	A-6	\$203.25	\$203.25	\$0.00
Seal Signs	A-6	\$2,895.15	\$2,895.15	\$0.00
Wallace Kuhl Associates	A-6	\$1,052.88	\$0.00	\$1,052.88
Agency Fees (OPUD)	A-6	\$11,715.00	\$0.00	\$11,715.00
<b>Subtotal Miscellaneous Costs</b>		<b>\$16,316.28</b>	<b>\$3,098.40</b>	<b>\$13,217.88</b>
<b>Total</b>		<b>\$621,288.01</b>	<b>\$69,322.03</b>	<b>\$551,965.98</b>

[1] Lennar paid an additional \$8,974.89 in retention payments. See Exhibit A-4.

Source: Lennar Communities

# DRAFT

Exhibit A-2  
 Rio Del Oro Park - Village 15  
 American Landscape Costs  
 Park Reimbursement - Lennar Communities, Inc.

Invoice Number	Invoice Date	Invoice Amount	Check Number	Non-Reimbursable Amount	Reimbursable Amount	Retention Amount
<b>Contract # 6814006 American Landscape &amp; Concrete</b>						
4740	1/31/07	\$333,997.32	678308	\$28,137.81	\$295,859.51	\$37,110.81
4781	2/23/07	\$54,226.01	678308	\$1,800.00	\$52,426.01	\$6,025.11
4832 [1]	3/30/07	\$24,729.41	706734	\$0.00	\$24,729.41	\$2,747.71
4852	4/24/07	\$13,151.52	736536	\$0.00	\$13,151.52	\$1,461.28
4831 CO#1	3/31/07	\$29,718.00	746698	\$6,750.00	\$22,968.00	\$3,302.00
4885	5/24/07	\$4,317.48	768162	\$0.00	\$4,317.48	\$479.72
4985 CO#2	7/25/07	\$1,674.90	774546	\$0.00	\$1,674.90	\$186.10
4978 CO#3	7/10/07	\$8,073.86	774546	\$5,269.22	\$2,804.64	\$897.10
5135 CO#4	10/31/07	\$8,969.43	812770	\$8,521.00	\$448.43	\$0.00
<b>Subtotal</b>		<b>\$478,857.93</b>		<b>\$60,478.03</b>	<b>\$418,379.90</b>	<b>\$52,209.83</b>
<b>Retention</b>		<b>\$52,209.83</b>				
<b>Total Payments (progress + retention)</b>		<b>\$531,067.76</b>				

[1] No Invoice backup detail provided

Source: Lennar Communities

# DRAFT

Exhibit A-3  
 Rio Del Oro Park - Village 15  
 Park Reimbursement  
 Lennar Communities, Inc.

Invoice Number	Item Number	Quantity	Unit	Unit Price	Total Cost	Amount Per Invoice	Comment
<b>Contract # 6814006 American Landscape &amp; Concrete</b>							
4740	14	119,309	SF	\$0.03	\$3,579.27		Mobilization - Part of Grading - Initial Park Improvements
	15	1	LS	\$800.00	\$800.00		Temporary Construction Fencing - Initial Improvements
	16	119,309	SF	\$0.06	\$7,158.54		Grading - Initial Park Improvements
	17	1	LS	\$9,700.00	\$9,700.00		Installation of drainage facilities - Initial Park Improvements
	18	1	LS	\$700.00	\$700.00		Installation of sewer facilities - Initial Park Improvements
	32	0.9	LS	\$18,000.00	\$16,200.00	\$38,137.81	Site electrical - Initial Park Improvements
4781	32	0.1	LS	\$18,000.00	\$1,800.00	\$1,800.00	Site electrical - Initial Park Improvements
4831	1 - CO#1	1	LS	\$7,500.00	\$6,750.00	\$6,750.00	CO-#1 item 1 Additional Grading due to elevation changes - Initial Park Improvements
4978	1 - CO#3	1	LS	\$3,709.22	\$3,709.22	\$3,709.22	Cost of Orange Fencing - Initial Park Improvements
				\$1,560.00	\$1,560.00	\$5,269.22	Removal of temporary fence, relocating stop sign, removal of temp park sign - Initial Park Improvements
5135	1 - CO#4	1	LS	\$7,587.00	\$7,587.00		Offhaul excess dirt - Initial Park Improvements
		1		\$934.00	\$934.00	\$8,521.00	Remove and replace sidewalk to locate sewer stub - Initial Park improvements
<b>Grand Total</b>						<b>\$60,478.03</b>	<b>Total Non Reimbursable Improvements</b>

Source: Lennar Communities

# DRAFT

**Exhibit A-4  
Rio Del Oro Park - Village 15  
Park Reimbursement  
Lennar Retention Payments  
Lennar Communities, Inc.**

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<b>Invoice Number</b>	<b>Invoice Date</b>	<b>Invoice Amount</b>	<b>Retention Payments</b>	<b>Check Number</b>
<b>Contract # 6814006 American Landscape &amp; Concrete</b>				
Retention	3/31/07	\$52,296.92	\$52,296.92	757311
Retention	12/7/07	\$8,887.80	\$8,887.80	815137
<b>Subtotal Retention [1]</b>		<b>\$61,184.72</b>	<b>\$61,184.72</b>	

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[1] Lennar paid an additional \$8,974.89 in retention payments.

Source: Lennar Communities

# DRAFT

Exhibit A-5  
Rio Del Oro Park - Village 15  
Stantec Engineering  
Park Reimbursement - Lennar Communities, Inc.

Invoice Number	Invoice Date	Invoice Amount	Non-Reimbursable Amount	Reimbursable Amount	Check Number
<b>Contract # 3769417</b> Stantec Engineering					
Invoice Number	Invoice Date	Invoice Amount	Non-Reimbursable Amount	Reimbursable Amount	Check Number
106997 [1]	8/18/06	\$39,333.60	\$1,965.60	\$37,368.00	582646
117384 [2]	11/3/06	\$16,312.56	\$3,780.00	\$12,532.56	621940
139232	3/29/07	\$572.36	\$0.00	\$572.36	732384
135873	3/8/07	\$4,331.24	\$0.00	\$4,331.24	732384
121442	2/12/07	\$2,644.61	\$0.00	\$2,644.61	732384
149760	5/31/07	\$1,209.60	\$0.00	\$1,209.60	736563
<b>Total Contract Amounts</b>		\$64,403.97	\$5,745.60	<b>\$58,658.37</b>	
<b>Contract # 6814144</b> Stantec Engineering					
125500	12/28/06	\$2,150.00	\$0.00	\$2,150.00	781755
154053	6/22/07	\$5,468.00	\$0.00	\$5,468.00	781755
138141	3/23/07	\$982.00		\$982.00	781755
167064-1	9/6/07	\$900.00		\$900.00	812863
<b>Total Contract Amounts</b>		\$9,500.00	\$0.00	<b>\$9,500.00</b>	
<b>Total Reimbursement Stantec</b>		<b>\$73,903.97</b>	<b>\$5,745.60</b>	<b>\$68,158.37</b>	

[1] Electrical plans are part of initial improvements

[2] Electrical plans and structural plans are part of initial improvements

Source: Lennar Communities



# DRAFT

Exhibit A-6  
 Rio Del Oro Park - Village 15  
 Park Reimbursement  
 Miscellaneous Costs  
 Lennar Communities, Inc.

Contractor	Invoice Numbers	Total Invoice Amounts	Non-Reimbursable Amount	Reimbursable Amount	Check Numbers
Scott & Sons Weed Control	7196	\$450.00		\$450.00	590825
PG&E [1]	Jun 07-Oct 07	\$203.25	\$203.25		750734, 757335, 799637
Seal Signs [2]	16595 & 16648	\$2,895.15	\$2,895.15		694709, 706760
Wallace Kuhl Associates [3]	02662, 03412, 04759	\$1,052.88		\$1,052.88	746729, 781758, 790366
Agency Fees (OPUD)		\$11,715.00		\$11,715.00	
<b>TOTAL</b>		<b>\$16,316.28</b>	<b>\$3,098.40</b>	<b>\$13,217.88</b>	

[1] PG&E - Initial Park Improvements  
 [2] Temporary Signs - Initial Park Improvements  
 [3] Soil Testing - Initial Park Improvements

Source: Lennar Communities

# DRAFT

**Exhibit A-7**  
**Rio Del Oro Park - Village 15**  
**Estimate of Reimbursable Park Development Costs (2008 \$) [1]**

Description			2008	Total Cost
	Quantity		Per-Unit Cost [1]	
<b>Hard Costs</b>				
Basic Park Improvements (Mini-Park) [2]	2.8	ac	\$170,999	\$478,798
Passive Site Furnishings (Mini-Park) [3]	1	ea	\$26,719	\$26,719
Play Structure, Tot (2-5 yr) or Children's (5-12 yr)	1	ea	\$106,875	\$106,875
Park Sign	1	ea	\$9,084	\$9,084
Drinking Fountain	1	ea	\$4,809	\$4,809
Concrete paved social gathering space (25'x25' min) [4]	1	ea	\$21,375	\$21,375
<b>Subtotal Hard Costs</b>				<b>\$647,660</b>
<b>Soft Costs</b>				
Bonds			2%	\$12,953
Insurance			1%	\$6,477
Project Mobilization			3%	\$19,430
Contingency			15%	\$97,149
Design			8%	\$51,813
Utilities			2%	\$12,953
Plan Check & Inspection			4%	\$25,906
<b>Subtotal Soft Costs</b>				<b>\$226,681</b>
<b>Total</b>				<b>\$874,341</b>

"reimb\_est"

- [1] Estimated park development cost based on Olivehurst Public Utility District Park Development Fee Nexus Study - Plumas Lake Specific Plan and North Arboga Study Area dated June 16, 2005. Reimbursable items and quantities shown based on Exhibit B of Park Development Agreement (Rio Del Oro Village 15) dated December 15, 2005. Costs have been inflated to 2008 dollars.
- [2] Includes funding for open turf areas, trees, concrete mow bands, and buffer planting along residential fences adjacent to the park.
- [3] Passive site furnishings include funding for benches in shade areas, trash receptacles, and other miscellaneous passive improvements.
- [4] Assumes small group picnic area (8 persons).

May 27, 2008

Tim Shaw  
Olivehurst Public Utility District  
P.O. Box 670  
Olivehurst, CA 95691

**RE: Rio Del Oro Village 15 Park Development Cost Reimbursement**

Dear Tim:

Lennar submitted a request for reimbursement for the development costs for Rio Del Oro Village 15 Park on January 11, 2008. On April 2, 2008, EPS prepared a Memorandum entitled "Olivehurst Public Utility District Park Development Cost Reimbursement for Lennar Communities; EPS #14401".

The EPS Memorandum identifies \$69,322 of Non-Reimbursable Improvements out of the total of \$621,288 invoiced by Lennar for reimbursement. We want to take this opportunity to dispute the determination that \$69,322 of the park development costs is non-reimbursable. We believe most of the items identified as Non-Reimbursable are authorized as reimbursable pursuant to the Park Development Agreement dated December 15, 2005 (the Agreement) between Olivehurst Public Utility District (District) and Lennar.

The Agreement defines park improvements as either Initial Improvements or Final Improvements. Initial Improvements are to be installed by the Developer without refund or reimbursement. The Initial Improvements include the following:

1. All necessary street frontage improvements including utilities, curb, gutter and sidewalks.
2. Utility stubs into the park site, including water, electric and gas.
3. Rough grading of the park site.
4. Installation of drainage facilities to the boundary of the park.
5. Installation of a six foot fence along the park where it abuts any residential lot.

The Initial Park improvements, as described above, were installed in 2005-2006. Review of the Rio Del Oro Unit 7A Improvement Plans confirms that Initial Park improvements were included on the plans except for the wood fence adjacent to the residential lots. The wood fence was installed concurrent with the construction of the adjacent homes.

The Final Improvements were installed in 2007 and included finish grading of the site, soil preparation, installation of on-site drainage and irrigation systems, planting of landscape material, installation of play equipment, shade structure, drinking fountain, barbeques, picnic tables, benches and trash receptacles. The Final Improvements also included installation of temporary fencing around the completed park to keep the public from using the park prior to the opening of the park.

The EPS Memorandum identified several items as Non-Reimbursable on the American Landscape & Concrete Contractors invoices. Items identified as Non-Reimbursable include mobilization, temporary construction fencing, finish grading, installation of drainage facilities, installation of sewer facilities, site electrical, additional grading due to elevation change, temporary park signage, off-haul excess dirt and remove and replace sidewalk to locate sewer stub.

Our response to each of these items is as follows:

Mobilization- Mobilization was for American Landscape to mobilize their resources to construct Final Park improvements and was unrelated to Initial Park improvements.

Temporary Construction Fencing- Fencing was installed for safety and security purposes during construction of Final Improvements. Cost for installation of orange fencing and metal fencing and costs for removal of fencing were Final Improvement costs. The site was not fenced during Initial Park improvements.

Grading- This grading was finish grading to adjust park site grades to match park improvement plans including grading of berms and other site specific features. It is typical for finish grading to occur after rough grading as part of Final Site improvement.

Installation of Drainage Facilities- These drainage improvements were onsite 8 inch and 6 inch drain pipes and catch basins related to Final Park improvements that connected to the 12 inch drain pipe that was stubbed to the site as part of the Initial Park improvements.

Installation of Sewer Facilities- This was installation of a 4 inch sewer line to serve the drinking fountain from the existing sewer stub installed during Initial Park improvements.

Site Electrical- This was install onsite electrical equipment including booster pump and controllers. Electrical service was stubbed to the site during installation of Initial Park improvements.

Additional grading due to elevation change- Similar to finish grading, grading occurred during Final Park improvements to match up rough grading to design grade.

Temporary Park Signage- Signs were installed during construction of Final Park improvements notifying the public of the progress of construction.

Replace sidewalk to locate sewer stub- Apparently the sewer stub that was installed as part of Initial Park improvements was located under the sidewalk. We agree that this cost can be classified as Non-Reimbursable.

Off-haul excess dirt- Apparently dirt was placed on the site after rough grading from adjacent homebuilding activities. We agree that this cost can be classified as Non-Reimbursable.

The next items classified as Non-Reimbursable in the EPS Memorandum were Stantec Invoices. There were two items listed as Non-Reimbursable: Electrical Plans and Structural Plans. The electrical plans were for design of onsite electrical uses including the booster pump, irrigation controller and meter service that are Final Park improvements not related to stubbing an electrical service to the site. The structural plans were for design of the shade structure footings and structural approval from the manufacturer. The structural plans are a Final Park improvement item.

The next items classified as Non-Reimbursable were miscellaneous items from Scott & Sons Weed Control, PG&E and Seale Signs. The Scott & Sons invoice was to cut weeds from the site prior to construction of the Final Park Improvements. The site was rough graded in 2005 however; the Final Improvements were not constructed until 2007. Weeds grew on the site and they needed to be cleared prior to construction of Final Park improvements. This cost is attributed to Final Park improvements. The PG&E invoices are for electrical service to the park site prior to the park being turned over to OPUD for maintenance. These costs are attributed to completion of the Final Park improvements. The final item is several invoices from Seale Signs. The signs were placed on the park during completion of the Final Park improvements to notify the public of the status of the construction and to warn people to stay out of the park until it opened. Again, these costs are attributed to completion of Final park improvements.

Based on the information presented above, all items identified as Non-Reimbursable in the EPS Memorandum are actually reimbursable as defined as Final Park improvements in the Agreement with the exception of \$8,521.00

attributed to off-haul of excess dirt and remove and replace sidewalk to locate sewer stub. We therefore wish to modify our reimbursement request to delete \$8,521.00 from the reimbursement request of \$621,288.01. The revised reimbursement request is \$612,767.01. The EPS Memorandum identified an extra \$9,000 in retention payments to American Landscape and Contract however, please note that those retention payments were for another job and they were not billed to Rio Del Oro Park.

If you have any questions or comments, please feel free to contact me.

Respectfully,

Lennar

A handwritten signature in black ink that reads "Don Barnett". The signature is written in a cursive, flowing style.

Don Barnett  
Senior Community Planning Manager

cc: Eric Johnson- Lennar  
Jamie Gomes- EPS