

# Olivehurst Public Utility District



## Agenda Item Staff Report

**Meeting Date: 01/16/2025**

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

OPUD was requested for Kule Loklo Park reimbursable which were developed per the Parks Development Agreement via OPUD and Cresleigh Homes Incorporation signed October 30<sup>th</sup>, 2020, and reviewed by Russ Powell from Economic & Planning Services (EPS). It was deemed per 2003 nexus, amount reimbursable is \$858,200.72. With escalation of cost and based on outdated nexus study, it's recommended Cresleigh be reimbursed the reconciled reimbursement of \$1,244,696.34. The developer met all requirements within the agreement and are refundable via reimbursements in the amount of **\$1,244,696.34**.

### **Fiscal Analysis:**

Will reduce \$1,244,696.34 from the existing Neighborhood funds of which are collected from each lot that's developed and collected for future parks. The requested amount is within existing amount remaining in the neighborhood parks funding account and is within the allotted amount for this park.

### **Employee Feedback**

n/a

### **Sample Motion:**

Once OPUD approves and accepts Grant Deed for this park site, Authorize John Tilltonson (General Manager) approval to reimburse Cresleigh Homes Incorporation for development of Kule Loklo Park in the amount of \$1,244,696.34.

Prepared by: Swarnjit Boyal, Public Work Manager

# **ATTACHMENT A – Kule Loklo Park Improvement Reimbursement**

*The Economics of Land Use*



## **MEMORANDUM**

To: Swarnjit Boyal  
From: Russ Powell  
Subject: Cresleigh Village 5 Park Fee Reimbursement;  
EPS #252004  
Date: January 10, 2025

The Olivehurst Public Utility District (District) engaged Economic & Planning Systems, Inc. (EPS) to review and verify materials submitted by Cresleigh Homes Corporation (Developer) for reimbursement of park development impact fees after completing park construction obligations for the District. The Developer entered into an agreement with the District to develop a 2.161-acre neighborhood park.

The park has been constructed and accepted by the District as a complete project. The Developer has submitted electronic files to the District and EPS showing invoices and verification of payment of the submitted invoices in support of a requested **\$1,260,396.22** reimbursement from the District park development impact fee fund. The electronic files serve as an alternative to a hard copy of supporting materials in the form of a project binder.

EPS reviewed and verified the invoices and payments submitted. The Developer did not provide all invoices supporting reimbursement requests for subcontractors Sam Harned Landscaping and Youngdahl Geotech. The Developer acknowledged the omissions and requested reimbursement for these subcontractors based on verified invoices that have been paid to date. The adjusted total reimbursement developed by EPS is **\$1,244,696.34**

EPS reviewed cost assumptions for park development and park features included in the Nexus Study, which supports and authorizes the park fee program. The Developer is allowed a reimbursement of actual park construction costs, or the parks costs established in the Nexus Study, escalated to current year dollars, whichever is less.

The **\$1,244,696.34** reconciled reimbursement is greater than the park costs established in the Nexus Study, escalated to current year dollars (**\$858,200.72**).

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The table below shows adjustments made by EPS in the reconciliation of reimbursement requests by the Developer.

**Village 5-Park Reimbursement for Cresleigh Homes Corp**

	Cresleigh Submission	EPS Reconciliation
Cultivated Landscaping	\$1,183,173.77	\$1,183,173.77
The Handen Company	\$43,250.00	\$43,250.00
Sam Harned Landscaping	\$23,362.57	\$15,687.57
Youngdahl-geotech	\$10,609.88	\$2,585.00
<b>Total reimbursement of</b>	<b>\$1,260,396.22</b>	<b>\$1,244,696.34</b>

The calculations of park costs established in the Nexus Study are shown below.

<u>Cost Category</u>	<u>Acres</u>	<u>Cost/Acre</u>	<u>Amount</u>
Park Development	2.161	\$ 154,479.99	\$ 333,831.26
Play Apparatus			\$ 223,137.76
Picnic Area			\$ 85,822.22
Misc. Improvements			\$ 43,769.33
<b>Subtotal</b>			<b>\$ 686,560.57</b>
Soft Costs		25%	\$ 171,640.14
<b>Total Costs</b>			<b>\$ 858,200.72</b>

The Developer has stated that there are no liens placed by subcontractors against the Developer for nonpayment of invoices. EPS has not independently verified this information.

To the extent park development impact fee funds are available, the Developer is eligible for reimbursement of **\$858,200.72**, based on the park construction costs established in the Nexus Study in 2003 (escalated to 2025 dollars). The Board of Directors, at their discretion, can choose to reimburse the Developer full park construction costs of **\$1,244,696.34**.