ENGINEER'S REPORT

for

ANNEXATION OF THE JORDAN RANCH DEVELOPMENT INTO THE FALLON VILLAGE GEOLOGIC HAZARD ABATEMENT DISTRICT DUBLIN, CALIFORNIA

October 20, 2011

TABLE OF CONTENTS

Page

CERTIFICATION OF FILING 1
I. INTRODUCTION 3
II. BACKGROUND 3
III. GEOLOGIC HAZARD ABATEMENT DISTRICT BOUNDARIES 3
IV. SERVICE LEVELS 3
V. DESCRIPTION OF THE IMPROVEMENTS TO BE MAINTAINED BY THE GHAD 4
VI. ASSESSMENT METHOD 4
VII. ASSESSMENT AMOUNT 6

EXHIBIT A GEOLOGIC HAZARD ABATEMENT DISTRICT BOUNDARY LEGAL DESCRIPTION (TRACT 8024)

EXHIBIT B GEOLOGIC HAZARD ABATEMENT DISTRICT BOUNDARY MAP (TRACT 8024)

EXHIBIT C FALLON VILLAGE GEOLOGIC HAZARD ABATEMENT DISTRICT BUDGET – JORDAN RANCH ANNEXATION

EXHIBIT D FALLON VILLAGE GEOLOGIC HAZARD ABATEMENT DISTRICT PRO FORMA BUDGET – JORDAN RANCH ANNEXATION

ENGINEER'S REPORT

FALLON VILLAGE GEOLOGIC HAZARD ABATEMENT DISTRICT
JORDAN RANCH ANNEXATION

CERTIFICATION OF FILING

This report is presented at the direction of the Fallon Village Geologic Hazard Abatement District ("GHAD") Board of Directors. The GHAD is charged with responsibilities related to monitoring and maintenance of drainage facilities and associated improvements within the Fallon Village GHAD in order to prevent, mitigate, abate and control geologic hazards. The GHAD also levies and collects assessments in order to perform its activities.

The undersigned respectfully submits the enclosed Engineer's Report.

Date: October 20, 2011 By: ENGEO Incorporated

_____, GE

I HEREBY CERTIFY that the enclosed Engineer's Report was filed on the 1ST day of November 2011.

_____
Clerk of the Board
Fallon Village Geologic Hazard Abatement District
Dublin, California

I HEREBY CERTIFY that the enclosed Engineer's Report was approved and confirmed by the GHAD Board on the 20th day of DECEMBER 2011.

_____
President of the Board
Fallon Village Geologic Hazard Abatement District
Dublin, California

APPROVED _____

ENGINEER'S REPORT

for

ANNEXATION OF THE JORDAN RANCH DEVELOPMENT INTO THE FALLON VILLAGE GEOLOGIC HAZARD ABATEMENT DISTRICT

for the

ESTABLISHMENT OF AN ASSESSMENT LIMIT

I. INTRODUCTION

The Fallon Village Geologic Hazard Abatement District ("GHAD") was formed under the authority of the California Public Resources Code, Division 17, Section 26500 et seq. The "Plan of Control" referred to within this Engineer's Report is the approved final Plan of Control for the Jordan Ranch development on file with the City of Dublin City Clerk.

II. BACKGROUND

The City of Dublin formed the Fallon Village Geologic Hazard Abatement District ("GHAD" or "District") on December 4, 2007. The developer of the Jordan Ranch residential project has submitted a Plan of Control that describes the GHAD's responsibilities to permanently monitor and maintain GHAD improvements and the Plan of Control was adopted by the Fallon Village GHAD Board of Directors on May 3, 2011. This Engineer's Report describes the establishment of an assessment level to fund GHAD activities necessary or incidental to geologic hazard mitigation, abatement and control.

III. GEOLOGIC HAZARD ABATEMENT DISTRICT BOUNDARIES

A written description of the Jordan Ranch Annexation Area is provided in Exhibit A. The boundaries of the land to be annexed to the Fallon Village GHAD ("Jordan Ranch Annexation Area") are shown in the diagrams attached hereto as Exhibit B.

IV. SERVICE LEVELS

To establish the appropriate assessment level, ENGEO has assumed the GHAD will undertake the following activities, as described in the Plan of Control:

1. Oversight of GHAD operations.

2. In conjunction with the County Assessor's Office, setting of the annual levying of assessments on the property tax rolls.

3. Engagement of technical professionals to perform the required monitoring duties as described in the Plan of Control.

4. Performance of GHAD maintenance activities in accordance with the GHAD Plan of Control. These maintenance activities include:

   - Slopes
   - Restored and unaltered creek channels
   - Existing and proposed wetlands and riparian features
   - Water quality basin
   - Debris benches
   - Maintenance roads
   - Developed trails including footbridge
   - Fencing
   - Concrete-lined drainage ditches
   - Storm drain system improvements
   - Retaining walls
   - Subdrains and subdrain outlets
   - Fuel management
   - Annual report to the City of Dublin on implementation of the Plan of Control

5. Preparation of annual GHAD budgets.

The GHAD Board of Directors is responsible for approving the GHAD's annual budget and Engineer's Report, and levying the annual assessment. The GHAD's day-to-day activities, and preparation of the annual budget and Engineer's Report, may be delegated to the GHAD Manager, as specified by the Board of Directors.

V. DESCRIPTION OF THE IMPROVEMENTS TO BE MAINTAINED BY THE GHAD

The GHAD shall maintain the improvements described in the Plan of Control, Section 2.3.

VI. ASSESSMENT METHOD

The GHAD-maintained improvements described in Plan of Control, Section 2.3 are distributed within the GHAD boundaries. Maintenance and protection of these improvements provide a special benefit to all residential, commercial, and school property owners within the Jordan Ranch portion of the Fallon Village GHAD. As a means of protection from the Geologic Hazards described in Section 2.0 of the Plan of Control, including slope instability, seismically induced ground shaking, and expansive soil, the proposed improvements will provide protection to improvements within the GHAD and, therefore, will provide a special benefit to property owners within the GHAD. These improvements are special benefits conferred on all the assessed parcels

in the GHAD – they affect the assessed property in a way that is particular and distinct from their effect on other parcels and in a way that real property in general and the public at large do not share.

There is no special benefit for properties outside of the district. Like most assessments, special benefits conferred by the improvement have the effect of creating general benefits (i.e., an improved open space with a trail that the public may use). This effect does not transform the special benefits into general benefits. The general benefits are incidental to the improvements and are not being assessed. The subject parcels are only being assessed for the reasonable costs of the proportional specific benefits conferred on that parcel. As a result, the GHAD assessment is distributed among all owners of parcels, which are buildable with habitable space. Habitable square footage is space, "*used or intended for supporting or sheltering any use or occupancy, which is expected to have a human occupancy rate of more than 2,000 person-hours per year" (Adapted from California Code of Regulations, Title 14, Division 2, Section 3601)*.

The Engineer hereby finds that residential properties within the GHAD receive substantially equal special benefit based on the average lot size for each detached residential product type and on the average lot size divided by the number units for the attached residential product types:

Product Type (showing average lot size per unit)	Assessment Ratio	Number of Units (Currently Approved)	Number of Units (Proposed)
Single Family (5,200 SF), Detached	1.00	80	80
Single Family (4,000 SF), Detached	0.77	172	172
Single Family (3,600 SF) - Four Unit Clusters, Detached	0.69	111	111
Single Family (3,000 SF) - Small Alley Lot, Detached	0.58	94	94
Single Family (3,200 SF), Detached	0.62	0	56
Three Story Townhomes (2,420 SF)	0.47	126	126
Three Story Townhomes with Flats (2,360 SF)	0.45	183	112
Lofts over Retail (2,490 SF)	0.48	14	0
	Total Units	780	751

The non-residential properties within the GHAD also receive substantially equal special benefit based on the habitable space.

To develop the annual assessment amount for the GHAD, a pro forma budget (Exhibit D) was prepared. The pro forma budget includes estimated income, projected expenses and an appropriate reserve. The assessment level for each of the assessed entities, residential units and non-residential units, was set at a level that provides for the budgeted GHAD expenses.

Based on experience managing and budgeting for over 25 GHADs over a 25-year period and general experience performing geologic monitoring and maintenance activities, ENGEO performed a financial analysis to establish an operating budget for the on-going abatement, mitigation, prevention and control of geologic hazards within the Jordan Ranch development portion of the Fallon Village GHAD. In preparation of the budget, ENGEO considered salient factors which can affect GHAD management, including:

- Site geology
- Proposed remedial grading
- Proximity of geologic hazards to proposed residences, improvements or structures
- Site access considerations
- Size and number of elements requiring routine maintenance, including:
  1. Surface drainage facilities
  2. Graded slopes
  3. Trail

ENGEO also considered the assessed facilities (residences and non-residential buildings with habitable space), inflation and investment earnings, the estimated frequency of large-scale repairs and an appropriate reserve amount. The budget also includes a 10-percent add-on for miscellaneous, unanticipated costs (Exhibit C). Exhibit D shows a seven-year pro-forma budget for the Jordan Ranch portion of the Fallon Village GHAD. Seven years is the planned absorption period for residential units with the Jordan Ranch development.

Given the political difficulty of raising assessment levels once they are set, it was assumed that the annual assessment level must be set at a level which will fund the GHAD's activities in perpetuity, and which will only increase each year in accordance with inflation. The currently approved residential unit count is 780. The developer has proposed the construction of 751 units. Due to the differences in residential units types planned under each of the two scenarios, the equivalent unit count used to establish the assessment limit does not vary significantly; therefore, the assessment limit in this report remains valid regardless of which alternative residential unit count is used. To calculate the assessment limit in Section VII, the 751-unit count alternative was used in this Engineer's Report.

VII. ASSESSMENT AMOUNT

The purpose of this initial Engineer's Report is to establish the assessment level and the apportionment of the assessment within the GHAD as required under Proposition 218. Although the recommended assessment levels will not change, except as adjusted for the Consumers Price Index as described below, the annual Engineer's Report in each subsequent fiscal year will apprise the GHAD Board of Directors of the estimated GHAD budget for the upcoming year.

Based on the estimated expenses for on-going operations, and allowing for larger (approximately $500,000) geologic events at 10-year intervals, ENGEO prepared a budget for the purpose of estimating initial assessment levels (Exhibit C). In order to establish a reasonable reserve in the early years of the Jordan Ranch portion of the Fallon Village GHAD, there will be an initial deferral of GHAD expenses to the developer, as described in Plan of Control.

The Engineer recommends an annual assessment limit for the Jordan Ranch GHAD Annexation Area of $541 per residential unit ($0.104038 per square foot for the average lot size of the product type) in Fiscal Year 2011/2012 dollars. The proposed initial assessment level per unit will be adjusted annually to reflect the percentage change in the San Francisco-Oakland-San Jose Consumer Price Index (CPI) for All Urban Consumers. The assessment limit will be adjusted annually using an initial date of December 2011 for the CPI for both the residential and non-residential assessment limit. Each subsequent annual adjustment will be calculated using the 12-month period from December to December. The Engineer also recommends an annual assessment limit of $0.055 per square foot of habitable non-residential space. The residential and non-residential assessments are to be levied in conjunction with the issuance of a building permit for the assessed parcel.

While the assumptions and estimated expenses listed in Exhibit C were used to determine the GHAD assessment levels, they do not represent the actual budget for any one year of the GHAD's operation, since assessment of the individual parcels will be based on the issuance of building permits, which will occur over a number of years. In addition, ENGEO anticipates that the projected expense amounts will be reached over time and that these amounts will be inflation-adjusted in the year that the expenses occur.

Pursuant to the schedule set forth in of the Plan of Control, the GHAD reserve at the time of transfer will be, at a minimum, $50,000. The reserve amount will include cash and receivables from the Alameda County Tax Collector. The funds contributed by the developer of the Jordan Ranch Project shall be provided to the Fallon Village GHAD prior to its acceptance of the monitoring and maintenance responsibilities within the Jordan Ranch Project. Funds collected from the levy of assessments during the period that the developer of the Jordan Ranch site is responsible for performing monitoring and maintenance activities may be applied to meet the required funding amount.

EXHIBIT A

LEGAL DESCRIPTION

EXHIBIT A

98388140
City of Dublin
County of Alameda

Exhibit "A"
Legal Description

Real property situate in the City of Dublin, County of Alameda, State of California, being a portion of the parcel described in the deed recorded in document 98388140 Official Records of Alameda County, described as follows:

Beginning at the northeastern corner of said parcel, said point being the Quarter Corner of Sections 34 and 35, Township 2 South, Range 1 East, Mount Diablo Base and Meridian; thence along the eastern line of said first parcel, South 01°29'39"West, 224.44 feet; thence South 00°46'42"West, 2709.61 feet to the southeastern corner of said parcel; thence leaving said eastern line and along the southern line of said parcel, North 88°30'52"West, 2597.08 feet to the southwestern corner of said parcel, said point being on a non-tangent curve to the left having a radial which bears North 62°31'08" East, a radius of 399.94 feet, a delta of 10°23'53"; thence leaving said southern line, northwesterly along the western line of said parcel and said curve an arc length of 72.58 feet; thence North 37°52'45"West, 324.96 feet to a non-tangent curve to the right, having a radial which bears South 71°30'09" West, having a radius of 1288.00 feet, a delta of 00°06'47"; thence leaving said western line and northwesterly along said curve an arc length of 2.54 feet; thence North 71°36'56"East, 1.00 feet to a non-tangent curve to the right, having a radial which bears South 71°36'56" West, a radius of 1287.00 feet, a delta of 00°02'14"; thence northwesterly along said curve an arc length of 0.84 feet to a compound curve having a radius of 87.00 feet, a delta of 14°59'25"; thence along said curve an arc length of 22.76 feet; thence North 03°21'25"West, 16.40 feet to a curve to the left having a radius of 238.00 feet, a delta of 11°12'15"; thence along said curve an arc length of 46.54 feet to a reverse curve having a radius of 1275.00 feet, a delta of 06°06'50"; thence along said curve an arc distance of 136.05 feet to a compound curve having a radius of 1317.00 feet, a delta of 03°00'09"; thence along said curve an arc length of 69.02 feet; thence North 05°55'52"West, 167.36 feet to a non-tangent curve to the right having a radial which bears North 88°12'38" West, a radius of 1329.00 feet, a delta of 04°31'54"; thence northeasterly along said curve an arc length of 105.11 feet; thence North 06°19'16"East, 464.02 feet; thence North 03°35'25"East, 95.16 feet to a non-tangent curve to the left having a radial which bears South 88°38'03" East, a radius of 1213.00 feet, a delta of 11°24'55"; thence northwesterly along said curve an arc length of 241.67 feet to a non-tangent curve to the left having a radial which bears North 79°57'02" West having a radius of 1065.00 feet, a delta of 00°52'34"; thence along said curve an arc length of 16.28 feet to a reverse curve having a radius of 212.00 feet, a delta of 09°15'24"; thence along said curve an arc distance of 34.25 feet to a reverse curve having a radius of 238.00 feet, a delta of 03°44'38"; thence along said curve an arc distance of 15.55 feet; thence South 84°35'14"West, 1.00 feet to a non-tangent curve to the left having a radial which bears North 84°35'14" East, a radius of 237.00 feet, a delta of 01°10'03"; thence northwesterly along said curve an arc length of 4.83 feet; thence

98388140
City of Dublin
County of Alameda

Exhibit "A"
Legal Description

North 06°19'16"East, 258.07 feet to a non-tangent curve to the right having a radial which bears South 83°40'20" East, having a radius of 800.55 feet, a delta of 03°30'57"; thence along said curve an arc length of 49.12 feet to a non-tangent curve to the left having a radial which bears South 38°51'59" East, a radius of 466.00 feet, a delta of 28°46'15"; thence northeasterly along said curve an arc length of 234.00 feet; thence North 22°21'46"East, 687.66 feet to the northern line of said parcel; thence along said northern line, South 89°51'52"East, 2470.35 feet to the **Point of Beginning**.

Charles Sellman L.S. 5186

10-20-2010
Date

Created on 10/19/2010 3:21 PM
G:\Admin\Jobs-08\081001\SURVEY\GHAD.doc

Project: 081001 Wed October 20 10:48:01 2010
Parcel Map Check

Parcel name: GHAD PARCEL

North: 445756.2541 East : 612260.8222
Line Course: S 01-29-39 W Length: 224.44
North: 445531.8904 East : 612254.9699
Line Course: S 00-46-42 W Length: 2709.61
North: 442822.5304 East : 612218.1624
Line Course: N 88-30-52 W Length: 2597.08
North: 442889.8595 East : 609621.9553
Curve Length: 72.58 Radius: 399.94
Delta: 10-23-53 Tangent: 36.39
Chord: 72.48 Course: N 32-40-49 W
Course In: S 62-31-08 W Course Out: N 52-07-15 E
RP North: 442705.3047 East : 609267.1433
End North: 442950.8672 East : 609582.8189
Line Course: N 37-52-45 W Length: 324.96
North: 443207.3605 East : 609383.2941
Curve Length: 2.54 Radius: 1288.00
Delta: 0-06-47 Tangent: 1.27
Chord: 2.54 Course: N 18-26-28 W
Course In: N 71-30-09 E Course Out: S 71-36-56 W
RP North: 443615.9956 East : 610604.7528
End North: 443209.7715 East : 609382.4901
Line Course: N 71-36-56 E Length: 1.00
North: 443210.0869 East : 609383.4391
Curve Length: 0.84 Radius: 1287.00
Delta: 0-02-14 Tangent: 0.42
Chord: 0.84 Course: N 18-21-57 W
Course In: N 71-36-56 E Course Out: S 71-39-10 W
RP North: 443615.9956 East : 610604.7528
End North: 443210.8804 East : 609383.1756
Curve Length: 22.76 Radius: 87.00
Delta: 14-59-25 Tangent: 11.45
Chord: 22.70 Course: N 10-51-07 W
Course In: N 71-39-10 E Course Out: S 86-38-35 W
RP North: 443238.2658 East : 609465.7531
End North: 443233.1714 East : 609378.9024
Line Course: N 03-21-25 W Length: 16.40
North: 443249.5433 East : 609377.9421
Curve Length: 46.54 Radius: 238.00
Delta: 11-12-15 Tangent: 23.35
Chord: 46.47 Course: N 08-57-32 W
Course In: S 86-38-35 W Course Out: N 75-26-20 E
RP North: 443235.6069 East : 609140.3505
End North: 443295.4431 East : 609370.7059
Curve Length: 136.05 Radius: 1275.00
Delta: 6-06-50 Tangent: 68.09
Chord: 135.99 Course: N 11-30-15 W
Course In: N 75-26-20 E Course Out: S 81-33-10 W
RP North: 443615.9940 East : 610604.7530

Project: 081001 Wed October 20 10:48:01 2010

Parcel Map Check

End North: 443428.6986 East : 609343.5847
Curve Length: 69.02 Radius: 1317.00
Delta: 3-00-09 Tangent: 34.51
Chord: 69.00 Course: N 06-56-46 W
Course In: N 81-33-10 E Course Out: S 84-33-19 W
RP North: 443622.1637 East : 610646.2973
End North: 443497.1997 East : 609335.2394
Line Course: N 05-55-52 W Length: 167.36
North: 443663.6638 East : 609317.9456
Curve Length: 105.11 Radius: 1329.00
Delta: 4-31-54 Tangent: 52.58
Chord: 105.08 Course: N 04-03-19 E
Course In: S 88-12-38 E Course Out: N 83-40-44 W
RP North: 443622.1636 East : 610646.2975
End North: 443768.4872 East : 609325.3772
Line Course: N 06-19-16 E Length: 464.02
North: 444229.6862 East : 609376.4661
Line Course: N 03-35-25 E Length: 95.16
North: 444324.6594 East : 609382.4251
Curve Length: 241.67 Radius: 1213.00
Delta: 11-24-55 Tangent: 121.24
Chord: 241.27 Course: N 04-20-30 W
Course In: N 88-38-03 W Course Out: N 79-57-02 E
RP North: 444353.5725 East : 608169.7697
End North: 444565.2385 East : 609364.1593
Curve Length: 16.28 Radius: 1065.00
Delta: 0-52-34 Tangent: 8.14
Chord: 16.28 Course: N 10-29-15 W
Course In: S 79-57-02 W Course Out: N 79-04-28 E
RP North: 444379.3982 East : 608315.4990
End North: 444581.2513 East : 609361.1951
Curve Length: 34.25 Radius: 212.00
Delta: 9-15-24 Tangent: 17.16
Chord: 34.21 Course: N 06-17-50 W
Course In: N 79-04-28 E Course Out: S 88-19-52 W
RP North: 444621.4324 East : 609569.3525
End North: 444615.2582 East : 609357.4424
Curve Length: 15.55 Radius: 238.00
Delta: 3-44-38 Tangent: 7.78
Chord: 15.55 Course: N 03-32-27 W
Course In: S 88-19-52 W Course Out: N 84-35-14 E
RP North: 444608.3268 East : 609119.5434
End North: 444630.7774 East : 609356.4821
Line Course: S 84-35-14 W Length: 1.00
North: 444630.6831 East : 609355.4866
Curve Length: 4.83 Radius: 237.00
Delta: 1-10-03 Tangent: 2.41
Chord: 4.83 Course: N 05-59-47 W
Course In: S 84-35-14 W Course Out: N 83-25-11 E
RP North: 444608.3268 East : 609119.5434
End North: 444635.4859 East : 609354.9821
Line Course: N 06-19-16 E Length: 258.07
North: 444891.9869 East : 609383.3957

Project: 081001 Wed October 20 10:48:01 2010

Parcel Map Check

Curve Length: 49.12 Radius: 800.55
Delta: 3-30-57 Tangent: 24.57
Chord: 49.12 Course: N 08-05-09 E
Course In: S 83-40-20 E Course Out: N 80-09-23 W
RP North: 444803.7533 East : 610179.0685
End North: 444940.6150 East : 609390.3041
Curve Length: 234.00 Radius: 466.00
Delta: 28-46-15 Tangent: 119.52
Chord: 231.55 Course: N 36-44-54 E
Course In: N 38-51-59 W Course Out: S 67-38-14 E
RP North: 445303.4479 East : 609097.8861
End North: 445126.1490 East : 609528.8399
Line Course: N 22-21-46 E Length: 687.66
North: 445762.0925 East : 609790.4736
Line Course: S 89-51-52 E Length: 2470.35
North: 445756.2479 East : 612260.8167

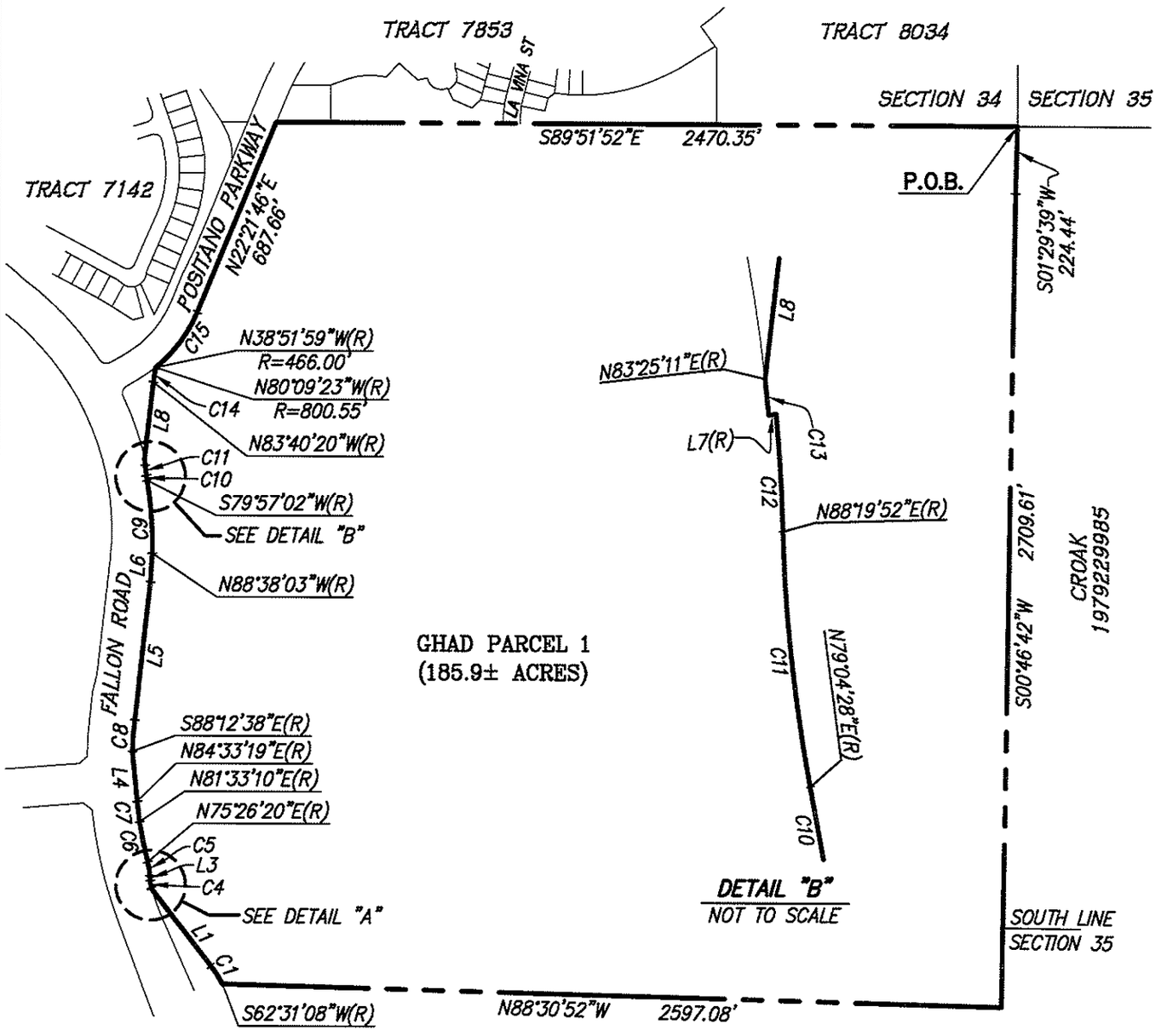
Perimeter: 11068.27 Area: 8,095,476 sq.ft. 185.85 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.0083 Course: S 41-38-31 W
Error North: -0.00619 East : -0.00550
Precision 1: 1,333,524.10

EXHIBIT B

GHAD BOUNDARY

EXHIBIT B



LINE TABLE		
LINE	BEARING	DISTANCE
L1	N37°52'45"W	324.96'
L2	N71°36'56"E	1.00'
L3	N03°21'25"W	16.40'
L4	N05°55'52"W	167.36'
L5	N06°19'16"E	464.02'
L6	N03°35'25"E	95.16'
L7	S84°35'14"W	1.00'
L8	N06°19'16"E	258.07'

CURVE TABLE			
CURVE	RADIUS	DELTA	LENGTH
C1	399.94'	10°23'53"	72.58'
C2	1288.00'	00°06'47"	2.54'
C3	1287.00'	00°02'14"	0.84'
C4	87.00'	14°59'25"	22.76'
C5	238.00'	11°12'15"	46.54'
C6	1275.00'	06°06'50"	136.05'
C7	1317.00'	03°00'09"	69.02'
C8	1329.00'	04°31'54"	105.11'
C9	1213.00'	11°24'55"	241.67'
C10	1065.00'	00°52'34"	16.28'
C11	212.00'	09°15'24"	34.25'
C12	238.00'	03°44'38"	15.55'
C13	237.00'	01°10'03"	4.83'
C14	800.55'	03°30'57"	49.12'
C15	466.00'	28°46'15"	234.00'

N

0 500 1000

(IN FEET)

1 inch = 500 ft.

LEGEND

P.O.B. POINT OF BEGINNING

EXHIBIT B

PLAT TO ACCOMPANY LEGAL DESCRIPTION FOR GHAD

CITY OF DUBLIN, ALAMEDA COUNTY, CALIFORNIA

G:\Job2008\081001\MAPPING\PLATS\GHAD.dwg 10/20/2010 10:48:14 AM PDT

RUGGERI-JENSEN-AZAR
ENGINEERS ▪ PLANNERS ▪ SURVEYORS
4690 CHABOT DRIVE, SUITE 200 PLEASANTON, CA 94588
PHONE: (925) 227-9100 FAX: (925) 227-9300

SCALE:	DATE:	JOB NO.:
1"=500'	10-20-10	081001

EXHIBIT C

FALLON VILLAGE GHAD BUDGET – JORDAN RANCH ANNEXATION

EXHIBIT C

EXHIBIT C

Fallon Village Geologic Hazard Abatement District
Jordan Ranch Annexation

Budget

ASSUMPTIONS & REVENUES

Total No. of Residential Units - Actual	751
Equivalent Assessment Units	488
Annual Assessment per Unit (current $)	$541
Approximate Total Habitable Non-Residential Building Area (square feet)	88,000
Annual Assessment per nonresidential (square feet)	$0.055
Annual Adjustment in Assessment (estimated)	2.0%
Inflation (estimated)	2.0%
Investment Earnings (estimated)	3.0%
Frequency of Large-Scale Repair (years)	10
Cost of Large-Scale Repair (current $)	$500,000

ESTIMATED ANNUAL EXPENSES IN 2011/2012 DOLLARS

Administration and Accounting		$ 58,990
Professional Services		$ 17,000
Maintenance and Operation		$ 33,200
Slope Stabilization and Erosion Protection		$ 40,000
Detention Basin Maintenance and Repair		$ 17,500
Capital Improvements		$ 35,050
Major Repair (Annualized)		$ 50,000
Miscellaneous & Contingency (10%)		$ 20,174
	TOTAL	$271,914

EXHIBIT D

FALLON VILLAGE GEOLOGIC HAZARD ABATEMENT DISTRICT
JORDAN RANCH ANNEXATION

Pro Forma Budget

EXHIBIT D

EXHIBIT D

Fallon Village Geologic Hazard Abatement District - Jordan Ranch Annexation

Estimated Budget - Revised October 20, 2011

FISCAL YEAR (STARTING JULY 1)	2011	2012	2013	2014	2015	2016	2017
Cumulative Equivalent Units	0	0	72	143	328	443	488
A. INCOME							
Assessment	-	-	41,281	83,628	195,654	269,537	302,855
B. PROJECTED EXPENSES							
1. Administration and Accounting	-	-	-	$30,051	$47,547	$59,085	$64,289
County Fees	-	-	317	381	540	648	699
2. Professional Services	-	-	-	18,041	18,401	18,769	19,145
3. Maintenance & Operation	-	-	-	10,324	24,154	33,275	37,389
4. Slope Stabilization and Erosion Protection	-	-	-	12,439	29,101	40,091	45,046
5. Detention Basin	-	-	-	5,442	12,732	17,540	19,708
6. Major Repair	-	-	-	-	-	-	-
7. Capital Improvement	-	-	-	32,638	34,096	35,058	35,492
8. Miscellaneous Expenses	-	-	-	6,273	14,677	20,220	22,719
SUBTOTAL - EXPENSES	-	-	317	115,589	181,250	224,686	244,486
RESERVE	-	-	40,964	(31,961)	14,404	44,851	58,368
EARNINGS	-	-	-	1,229	307	748	2,116
CUMULATIVE RESERVE	-	-	40,964	10,232	24,943	70,541	131,026

ASSUMPTIONS

Equivalent Assessment Units	488	
Absorption Period (yrs)	9	
Annual Assessment per Unit	$541	
Total Non-Residential Building Area (sq.ft.)	88,000	50,000 sf school and 38,000 retail
Annual Assessment per non-res sq. foot	$0.055	
Annual Increase in Assessment	2.0%	
Inflation	2.0%	
Investment Earnings	3.0%	
Initial Seed Fund	$0	
Amount Financed	$0	
Borrowing Rate	8.0%	
Term of Loan (yrs)	10	
Frequency of Large-Scale Repair (yrs)	10	
Cost of Large-Scale Repair (current $)	$500,000	
Assessment Cap (per residential unit)	999999	
Expense Deferral Period (Yrs)	3	

ESTIMATED ANNUAL EXPENSES IN DECEMBER 2011 DOLLARS		PROFORMA CATEGORY
Administration & Accounting	$42,000	Administration & Accounting
Administration & Accounting - Outside Services	$16,990	Administration & Accounting
GHAD Monitoring Program	$17,000	Professional Services
Subdrain Outfall Maintenance	$400	Maintenance and Operation
Sediment/Debris Removal, Concrete Structures	$11,000	Maintenance and Operation
Fire Suppression -Vegetation Control, Fence, Trails	$21,800	Maintenance and Operation
Slope Stabilization (incl. minor landsliding)	$20,000	Slope Stabilization and Erosion Protection
Erosion Protection (including scour at the culvert)	$20,000	Slope Stabilization and Erosion Protection
Detention Basin Maintenance	$17,500	Detention Basin
Swale Replacement	$12,500	Capital Improvement
Open Space Storm Drain Facilities Replacement	$1,400	Capital Improvement
Fence and Retaining Wall Replacement	$16,000	Capital Improvement
Maintenance/Access Roadway Replacement	$1,650	Capital Improvement
Concrete lined drainage ditch Replacement	$3,500	Capital Improvement
Major Repair (Annualized)	$50,000	Major Repair
Misc & Contingency (10%)	$20,174	Miscellaneous Expenses
TOTAL	$271,914	

7828.000.000
10/21/2011