

**MEMORANDUM  
DEPARTMENT OF FACILITY SERVICES  
COUNTY OF PLACER**

To: **BOARD OF SUPERVISORS**

Date: **NOVEMBER 5, 2013**

From: <sup>MMD</sup> **MARY DIETRICH / BILL ZIMMERMAN** 

Subject: **FIRST AMENDMENT TO THE DRY CREEK REIMBURSEMENT AGREEMENT**

**ACTION REQUESTED/RECOMMENDATION:**

1. Adopt a Resolution authorizing the Chair to execute the First Amendment to the Reimbursement Agreement with Dry Creek-West Placer CFD #1 Property Owners to confirm unreimbursed costs and equivalent dwelling units subject to the Agreement, to establish a uniform reimbursement fee and to modify the term of the Agreement, at no net county cost.

**BACKGROUND:** On October 24, 2001, Placer County and the Dry Creek-West Placer CFD #1 property owners (Owners) entered into a Reimbursement Agreement (Agreement) for construction of sewer facilities and a reclaimed water line to serve properties located within the Dry Creek West Placer Community Plan (now County Service Area 173 – Dry Creek Sewer). The Owners consist of the developers of the Dry Creek area including: Morgan Creek Residential, LLC; Riolo Green Partnership; Doyle Family Trust; and The Forecast Group, LP. The Agreement specifically stated that the amount of reimbursement was an estimate to be amended as necessary upon County review and approval of the final costs. The improvements were accepted as complete by the County on July 8, 2003. At the request of the Owners to finalize the amount of reimbursement, County staff and the Owners negotiated the First Amendment that updates the original Agreement in a fair and equitable manner based upon the revised buildout projections and the final accounting.

The original Agreement used a zone configuration for reimbursement based upon dividing the cost of construction of sewer infrastructure for a zone over the projected number of equivalent dwelling units (EDUs) served by said infrastructure. This resulted in each zone paying different reimbursement amounts, currently ranging from \$4,047/EDU to \$6,648/EDU. Other terms of the Agreement included a 20-year reimbursement period and annual Consumer Price Index (CPI) adjustments on the unpaid balance.

The First Amendment incorporates four major changes to the original Agreement as detailed below. The remainder of the original Agreement remains in full force and effect.

**Unreimbursed Costs**

Pursuant to the original Agreement, the estimated amount to be reimbursed was \$3,367,363 (without CPI adjustment). Upon determination of the actual construction costs, costs of district formation and debt issuance less the total amount received by Owners from the CFD 2001-1 bond sales, it was agreed that the total fair share/benefit portion to be reimbursed to Owners as of April 22, 2013 is \$4,504,698, including the CPI adjustment for the period from 2004 through July 2012.

**Number of EDUs**

The original Agreement estimated that 814 equivalent dwelling units (EDUs) of new development which did not contribute toward the original infrastructure would be served by the improvements. Upon examination of the proposed development in the greater Dry Creek area, the parties agreed that a reasonable number of EDUs from the new development would be 2,068 including portions of Riolo Vineyards and Placer Vineyards projects.

**Reimbursement Fee**

Based upon the changes to the number of EDUs available from new development, as well as the actual unreimbursed cost, the First Amendment establishes a single, uniform fair share Reimbursement Fee for new development in the amount of \$2,723 per EDU.

**Agreement Extension**

The original Agreement expiration date was October 21, 2021. The First Amendment extends the original term of the Agreement to October 21, 2025. Additionally, due to the economic downturn and the slower than anticipated growth in CSA 173, it was further agreed that upon a showing of good cause and justification, the Owners may request one additional ten year term, extending the Agreement to October 21, 2035.

**ENVIRONMENTAL CLEARANCE:** Approval of this First Amended Agreement is not a project as defined in the California Environmental Quality Act.

**FISCAL IMPACT:** Approval of this First Amended Agreement does not result in any fiscal impact to CSA 173 or the County General Fund. It does lower the cost of reimbursement per EDU for future customers of County Service Area 173. Approval of the First Amendment results in no net County cost.

MD/BZ/KK/LM

ATTACHMENTS: RESOLUTION  
AGREEMENT

CC: COUNTY EXECUTIVE OFFICE

T:\FAC\BSMEMO2013\EE\DRY CREEK AMENDMENT TO CFD.DOC

# Before The Board of Supervisors County of Placer, State Of California

In the matter of: A RESOLUTION AUTHORIZING THE CHAIR  
TO EXECUTE THE ATTACHED FIRST AMENDMENT  
TO REIMBURSEMENT AGREEMENT WITH DRY  
CREEK-WEST PLACER CFD #1 PROPERTY OWNERS

Resolution No. \_\_\_\_\_

The following \_\_\_\_\_ RESOLUTION \_\_\_\_\_ was duly passed by the Board of Supervisors  
of the County of Placer at a regular meeting held \_\_\_\_\_, by the following  
vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Attest:  
Clerk of said Board

\_\_\_\_\_  
Chair, Board of Supervisors

\_\_\_\_\_  
**BE IT HEREBY RESOLVED** by the Board of Supervisors, County of Placer, State of California, that  
this Board approves the attached First Amendment to Reimbursement Agreement for Construction of  
Sewer Facilities and Reclaimed Water Line with the Dry Creek-West Placer CFD #1 Property Owners,  
and

**BE IT FURTHER RESOLVED** that the Chair of the Board is hereby authorized and directed to execute  
said First Amendment to Reimbursement Agreement for Construction of Sewer Facilities and  
Reclaimed Water Line on behalf of the County of Placer.

ATTACHMENTS: AGREEMENT

**FIRST AMENDMENT TO  
REIMBURSEMENT AGREEMENT  
FOR CONSTRUCTION OF SEWER FACILITIES AND  
RECLAIMED WATER LINE**

This First Amendment to Reimbursement Agreement ("AMENDMENT") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2013, by and between the County of Placer, State of California, (the "COUNTY") and the undersigned Dry Creek-West Placer CFD #1 property owners (the "OWNERS").

WHEREAS, on October 24, 2001, COUNTY and OWNERS entered into the Reimbursement Agreement for Construction of Sewer Facilities and Reclaimed Water Line (the "ORIGINAL AGREEMENT"), which required OWNERS to install sewer facilities and a reclaimed water line from the Roseville Regional Wastewater Treatment Plant to serve properties located within the Dry Creek West Placer Community Plan (the "Improvements"), and

WHEREAS, OWNERS have installed the Improvements in accordance with the Acquisition and Disclosure Agreement as contemplated in the ORIGINAL AGREEMENT and on July 8, 2003, COUNTY accepted the Improvements as complete, and

WHEREAS the ORIGINAL AGREEMENT entitled OWNERS to reimbursement from Non-CFD Participants (i.e. non-OWNERS) for oversizing the Improvements for the benefit of the Non-CFD Participants' property that will be served by the Improvements, and

WHEREAS, the ORIGINAL AGREEMENT estimated 814 equivalent dwelling units ("EDUs) of new development could occur on land owned by Non-CFD Participants that would benefit from the Improvements constructed and paid for by OWNERS, and

WHEREAS, the ORIGINAL AGREEMENT estimated the fair share/benefit portion of the cost of the Improvements to be reimbursed by the Non-CFD Participants' was anticipated to be Three Million Three Hundred Sixty Seven Thousand Three Hundred and Sixty Three Dollars (\$3,367,363.00), and

WHEREAS, the parties now agree that additional EDUs from new development on Non-Participants' properties could benefit from the Improvements, up to possible total of 2,068 EDUs as shown on Exhibit A, attached hereto and incorporated herein by reference, and

WHEREAS, the actual unreimbursed costs have been reviewed and it is agreed by the parties that as of July 8, 2003, the total to be reimbursed to OWNERS amounts to Four Million Eighteen Thousand Fifty Eight Dollars (\$4,018,058.00), and

WHEREAS in keeping with the intent of the ORIGINAL AGREEMENT to establish an equitable basis for reimbursing the OWNERS for oversizing the Improvements to accommodate future development by the Non-CFD Participants, COUNTY and OWNERS desire to amend the ORIGINAL AGREEMENT to reflect increases in the EDUs of the Non-

CFD Participants and the agreed-upon actual costs of construction of the Improvements incurred by the OWNERS, and to establish a single, uniform fair share Reimbursement Fee to be utilized for all of the EDUs associated with the future development by the Non-CFD Participants.

NOW, THEREFORE, COUNTY and OWNERS agree as follows:

A. Article 2 of the ORIGINAL AGREEMENT is deleted in its entirety and shall be replaced as follows:

- 2.1 Entitlement to Reimbursement – Reimbursement Amount. OWNERS shall be entitled to reimbursement from the Non-CFD Participants for oversizing of the Improvements to benefit the Non-CFD Participants as set forth herein. OWNERS shall not be entitled to reimbursement for oversizing the Improvements for existing residents and the proposed public school which oversizing has been calculated as sufficient capacity to serve 366 EDUs. The parties agree that the fair share/benefit portion of the cost of the Improvements to be reimbursed from Non-CFD Participants as of July 8, 2003 was Four Million Eighteen Thousand Fifty Eight Dollars (\$4,018,058.00) (the "Reimbursement Amount"). OWNERS and COUNTY agree that the Reimbursement Amount is based upon a final review of the submittal by OWNERS of the actual costs of construction of the Improvements, district formation, debt issuance, and of the total amount received by OWNERS under the Acquisition and Disclosure Agreement and otherwise reimbursed from CFD 2001-2 bond sales, and is not subject to further adjustment except as provided in Section 2.2 below.
- 2.2 Adjustment of Reimbursement Amount. The Reimbursement Amount shall be subject to adjustment from July 2003, in accordance with this Section 2.2. In lieu of interest, the unpaid balance of the Reimbursement Amount as of June 30 of each year shall be subject to adjustment each year effective on July 1 by the percentage equal to the change over the prior twelve (12) months in the "State of California Department of Industrial Relations Consumer Price Index (CPI)-California for All Urban Consumers". The parties agree that as of the date of execution of this Agreement, the adjusted Reimbursement Amount is Four Million Five Hundred and Four Thousand, Six Hundred Ninety Eight Dollars (\$4,504,698.00), as delineated on Exhibit B, The CPI Adjustment Calculation, attached hereto and incorporated herein by this reference. The next adjustment of the unpaid balance shall occur on July 1, 2013, and each year thereafter.
- 2.3 Reimbursement Fee. OWNERS agree that they shall be reimbursed solely through payment by Non-CFD Participants of a fair share fee for the future development by Non-CFD Participants who benefit from the oversizing of the Improvements (the "Reimbursement Fee"). The parties agree that the total number of EDUs associated with Non-CFD Participants as of the date of the AMENDMENT is 2,068, as set forth on Exhibit A. The Reimbursement Fee shall be established as Two Thousand Seven Hundred Twenty Three Dollars (\$2,723.00) per EDU (adjusted by the CPI from \$2,430.00 in 2004 through

July 2012; please see Exhibit B, the CPI Adjustment Calculations). For purposes of this Agreement, an EDU is equal to the amount of sewer capacity required to service one (1) single family home. The Reimbursement Fee may be adjusted at the sole discretion of COUNTY utilizing Section 13.12.400 of the Placer County Code when COUNTY adjusts its sewer service fees in accordance therewith.

- 2.4 Payment of Reimbursement Fee. A Non-CFD Participant shall pay the Reimbursement Fee to COUNTY as the earliest time allowable by law.
- 2.5 Transfer of Reimbursement Funds to Owners. Within sixty days after the end of each calendar quarter in which COUNTY collects Reimbursement Fees, COUNTY shall remit to OWNERS the funds generated through collection of the Reimbursement Fees. Each reimbursement amount shall be paid to the OWNERS in a single check made payable to "Dry-Creek-West Placer CFD Planning Group" unless COUNTY is notified in writing of another single payee in accordance with paragraph 4.5, below, and the reimbursement amount shall be deemed delivered when deposited, postage paid, in the U.S. Mail to:

Morgan Creek Residential, LLC  
c/o Resmark Equity Partners  
Attn: Mike Wagner  
10880 Wilshire Blvd., Suite 1420  
Los Angeles, CA 90024

In no event shall COUNTY be required to issue more than one check, nor shall said one check be payable to more than one payee, it being the obligation of the payee therein named to distribute the reimbursement funds to the proper party. COUNTY'S only obligation is to issue the quarterly reimbursement check to the payee identified herein. COUNTY shall have no obligation to undertake any efforts to locate OWNER or OWNER's assignee(s) or successor(s)-in-interest, in the event OWNER or said party fails to keep COUNTY informed as to any change in said party's address.

- 2.6 Reimbursement Rights. The parties hereto agree that the right to reimbursement hereunder is personal to OWNERS and does not run with the real property that comprises the Projects. COUNTY agrees not to pay any proceeds from the Reimbursement Fees to any subsequent purchaser or encumbrancer of any portion of the Projects.

B. Section 4.3 of Article 4 of the ORIGINAL AGREEMENT is deleted in its entirety and shall be replaced as follows:

4.3 Term. This Agreement shall terminate and neither party shall have any further rights or obligations hereunder on October 21, 2025; provided, however, no earlier than October 21, 2024, OWNERS may, upon a showing of good cause and justification therefore, request COUNTY extend this Agreement for one additional ten (10) year term to October 21, 2035, which request COUNTY shall not unreasonably deny, at which point this

Agreement shall terminate forever regardless of any circumstances that may occur. Notwithstanding the foregoing, nothing herein shall be interpreted to prohibit COUNTY from continuing to charge the Reimbursement Fee for development by the Non-CFD Participants after the termination of this Agreement and applying such proceeds for other purposes, e.g., redemption of Mello-Roos Bonds issued by the Revised District.

C. Section 4.5 of Article 4 of the ORIGINAL AGREEMENT is deleted in its entirety and shall be replaced as follows:

4.5 Notices. All notices, demands, or other communications required or permitted under this Agreement shall be in writing, sent by personal delivery, overnight delivery service, certified mail, return receipt requested, regular U.S. mail or e-mail. Notices shall be given as follows:

OWNERS:

c/o Morgan Creek Residential, LLC  
Attn: Mike Wagner  
10880 Wilshire Blvd., Suite 1420  
Los Angeles, CA 90024

COUNTY:

County of Placer  
Department of Facility Services  
Attn: Director  
11476 C Avenue  
Auburn, CA 95603

with a copy to:

County of Placer  
County Executive Office  
Attn: CEO  
175 Fulweiler Avenue  
Auburn, CA 95603

D. Each party represents that it has the legal authority to enter into this AMENDMENT and to perform its obligations hereunder.

E. This AMENDMENT may be signed in counterpart and all counterparts together constitute one document.

F. Except as otherwise expressly provided herein, capitalized terms used herein shall have the meanings given to them in the ORIGINAL AGREEMENT.

G. To the extent there is conflict between the terms of this AMENDMENT and the ORIGINAL AGREEMENT, the terms of this AMENDMENT shall control.

H. Except as amended or modified herein or to the extent inconsistent with this AMENDMENT, the ORIGINAL AGREEMENT remains in full force and effect.

Approved this \_\_\_\_\_ day of \_\_\_\_\_ 2013, by the Board of Supervisors of Placer County

**"OWNERS"**

**MORGAN CREEK RESIDENTIAL, LLC**

a Delaware limited liability company

By: **OMCR MANAGER, LLC**  
a Delaware limited liability company, its manager

By: **ORA CALIFORNIA II, LLC**  
a Delaware limited liability company, its manager

By: **RESMARK EQUITY PARTNERS, LLC**  
a Delaware limited liability company, its manager

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Robert N. Goodman  
President

**RIOLO GREENS PARTNERSHIP**

By: **TOWNE DEVELOPMENT OF SACRAMENTO, INC.**  
A California corporation, its successor in interest

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Jeff Pemstein  
General Manager

**DOYLE FAMILY TRUST, THOMAS E. DOYLE, ROBERT DOYLE, AND KATHERINE SREDNICK, TENANTS IN COMMON**

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Kirk Doyle  
Attorney in Fact

**FORECAST GROUP, LP**

By: **K HOVNANIAN FORECAST HOMES NORTHERN, INC.**  
a California corporation

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Joseph Killinger  
Division President

**"COUNTY"**

**PLACER COUNTY BOARD OF SUPERVISORS**

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Chair, Board of Supervisors

**APPROVED AS TO FORM**

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
County Counsel

Approved this \_\_\_\_\_ day of \_\_\_\_\_ 2013, by the Board of Supervisors of Placer County

**"OWNERS"**

**MORGAN CREEK RESIDENTIAL, LLC**

a Delaware limited liability company

By: **OMCR MANAGER, LLC**  
a Delaware limited liability company, its manager

By: **ORA CALIFORNIA II, LLC**  
a Delaware limited liability company, its manager

By: **RESMARK EQUITY PARTNERS, LLC**  
a Delaware limited liability company, its manager

By: \_\_\_\_\_ Dated: 6-25-13  
Robert N. Goodman  
President

**RIOLO GREENS PARTNERSHIP**

By: **TOWNE DEVELOPMENT OF SACRAMENTO, INC.**  
A California corporation, its successor in interest

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Jeff Pemstein  
Division President

**DOYLE FAMILY TRUST, THOMAS E. DOYLE, ROBERT DOYLE, AND KATHERINE SREDNICK, TENANTS IN COMMON**

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Kirk Doyle  
Attorney in Fact

**FORECAST GROUP, LP**

By: **K HOVNIANIAN FORECAST HOMES NORTHERN, INC.**  
a California corporation

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Joseph Killinger  
Division President

**"COUNTY"**

**PLACER COUNTY BOARD OF SUPERVISORS**

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Chair, Board of Supervisors

**APPROVED AS TO FORM**

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
County Counsel

Approved this \_\_\_\_\_ day of \_\_\_\_\_ 2013, by the Board of Supervisors of Placer County

**"OWNERS"**

**MORGAN CREEK RESIDENTIAL, LLC**

a Delaware limited liability company

By: **OMCR MANAGER, LLC**  
a Delaware limited liability company, its manager

By: **ORA CALIFORNIA II, LLC**  
a Delaware limited liability company, its manager

By: **RESMARK EQUITY PARTNERS, LLC**  
a Delaware limited liability company, its manager

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Robert N. Goodman  
President

**RIOLO GREENS PARTNERSHIP**

By: **TOWNE DEVELOPMENT OF SACRAMENTO, INC.**  
A California corporation, its successor in interest

By: \_\_\_\_\_ Dated: 6-24-13  
Jeff Demstein  
Division President

**DOYLE FAMILY TRUST, THOMAS E. DOYLE, ROBERT DOYLE, AND KATHERINE SREDNICK, TENANTS IN COMMON**

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Kirk Doyle  
Attorney in Fact

**FORECAST GROUP, LP**

By: **K HOVNANIAN FORECAST HOMES NORTHERN, INC.**  
a California corporation

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Joseph Killinger  
Division President

**"COUNTY"**

**PLACER COUNTY BOARD OF SUPERVISORS**

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Chair, Board of Supervisors

**APPROVED AS TO FORM**

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
County Counsel

Approved this \_\_\_\_\_ day of \_\_\_\_\_ 2013, by the Board of Supervisors of Placer County

**"OWNERS"**

**MORGAN CREEK RESIDENTIAL, LLC**

a Delaware limited liability company

By: **OMCR MANAGER, LLC**  
a Delaware limited liability company, its manager

By: **ORA CALIFORNIA II, LLC**  
a Delaware limited liability company, its manager

By: **RESMARK EQUITY PARTNERS, LLC**  
a Delaware limited liability company, its manager

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Robert N. Goodman  
President

**RIOLO GREENS PARTNERSHIP**

By: **TOWNE DEVELOPMENT OF SACRAMENTO, INC.**  
A California corporation, its successor in interest

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Jeff Pemstein  
Division President

**DOYLE FAMILY TRUST, THOMAS E. DOYLE, ROBERT DOYLE, AND KATHERINE SREDNICK, TENANTS IN COMMON**

By: Kirk Doyle Dated: 6/26/13  
Kirk Doyle  
Attorney in Fact

**FORECAST GROUP, LP**

By: **K HOVNIANIAN FORECAST HOMES NORTHERN, INC.**  
a California corporation

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Joseph Killinger  
Division President

**"COUNTY"**

**PLACER COUNTY BOARD OF SUPERVISORS**

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Chair, Board of Supervisors

**APPROVED AS TO FORM**

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
County Counsel

Approved this \_\_\_\_\_ day of \_\_\_\_\_ 2013, by the Board of Supervisors of Placer County

**"OWNERS"**

**MORGAN CREEK RESIDENTIAL, LLC**

a Delaware limited liability company

By: **OMCR MANAGER, LLC**  
a Delaware limited liability company, its manager

By: **ORA CALIFORNIA II, LLC**  
a Delaware limited liability company, its manager

By: **RESMARK EQUITY PARTNERS, LLC**  
a Delaware limited liability company, its manager

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Robert N. Goodman  
President

**RIOLO GREENS PARTNERSHIP**

By: **TOWNE DEVELOPMENT OF SACRAMENTO, INC.**  
A California corporation, its successor in interest

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Jeff Pemstein  
Division President

**DOYLE FAMILY TRUST, THOMAS E. DOYLE, ROBERT DOYLE, AND KATHERINE SREDNICK, TENANTS IN COMMON**

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Kirk Doyle  
Attorney in Fact

**FORECAST GROUP, LP**

By: **K HOYMANIAN FORECAST HOMES NORTHERN, INC.**  
a California corporation

By: \_\_\_\_\_ Dated: 2/12/12  
Joseph Killinger  
Division President

**"COUNTY"**

**PLACER COUNTY BOARD OF SUPERVISORS**

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Chair, Board of Supervisors

**APPROVED AS TO FORM**

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
County Counsel

## Exhibit A

### Dry Creek West Placer CFD #1 Sewer System Unreimbursed Cost Sharing By Equivalent Dwelling Units Per Development

Development Name	Total EDUs	Paying EDUs	Reimbursing EDUs
<b><u>CFD Participants</u></b>			
Sun Valley Oaks	75	75	0
Doyle Ranch	126	126	0
Morgan Creek	579	579	0
Riolo Greens	117	117	0
<b>Subtotal, CFD Participants</b>	<b>897</b>	<b>897</b>	<b>0</b>
<b><u>Potential Non-CFD Participants [1]</u></b>			
Willow Park Estates	76	0	76
Winding Creek Estates	11	0	11
Fong Property	90	0	90
Doyle Property	355	0	355
Riolo Vineyards	933	0	933
Whisper Creek	104	0	104
Silver Creek	78	0	78
Brookwood	16	0	16
Morgan Place (SE Corner Walerga/PFE)	90	0	90
Miscellaneous Users (PV Shed B)	315	0	315
<b>Subtotal, Non-CFD Participants</b>	<b>2,068</b>	<b>0</b>	<b>2,068</b>
<b>Total CFD &amp; Non-CFD Participants</b>	<b>2,965</b>	<b>897</b>	<b>2,068</b>
<b><u>Non-Contributing Benefiting Participants [2]</u></b>			
Existing residences	286	0	0
Public School	80	0	0
<b>Subtotal, Benefiting Participants</b>	<b>366</b>	<b>0</b>	<b>0</b>
<b>Total EDUs, All Participants</b>	<b>3,331</b>	<b>897</b>	<b>2,068</b>
<b>Total Unreimbursed Construction Costs [3]</b>			<b>\$4,018,058</b>
<b>Reimbursement Fee per EDU [4]</b>	<b>\$2,430</b>		

[1] Estimated EDU yield from currently proposed development projects.

[2] Existing residences and public school are parcels of public benefit. The CFD bore the full cost share assigned to these parcels, therefore they are non-contributors.

[3] First Amendment to Reimbursement Agreement for Construction of Sewer Facilities and Reclaimed Water Line as of 7/2003.

[4] Estimated at 80% buildout of non-CFD Participants Projects benefitting from CFD's improvement oversizing as of 7/2003.

## EXHIBIT B

### CPI CALCULATOR FOR DRY CREEK REIMBURSEMENT AGREEMENT

Year	Starting Amount to be Reimbursed	Payments Made	CPI Increase	CPI Adjustment	Ending Amount to be Reimbursed
07/03-06/04	\$4,018,058.00	\$387,207.00	1.9%	\$68,986.17	\$3,699,837.17
07/04-06/05	\$3,699,837.17	\$15,183.00	3.3%	\$121,593.59	\$3,806,247.76
07/05-06/06	\$3,806,247.76	\$0.00	4.2%	\$159,862.41	\$3,966,110.16
07/06-06/07	\$3,966,110.16	\$0.00	3.4%	\$134,847.75	\$4,100,957.91
07/07-06/08	\$4,100,957.91	\$0.00	3.4%	\$139,432.57	\$4,240,390.48
07/08-06/09	\$4,240,390.48	\$0.00	1.3%	\$55,125.08	\$4,295,515.55
07/09-06/10	\$4,295,515.55	\$0.00	0.7%	\$30,068.61	\$4,325,584.16
07/10-06/11	\$4,325,584.16	\$0.00	1.7%	\$73,534.93	\$4,399,119.09
07/11-06/12	\$4,399,119.09	\$0.00	2.4%	\$105,578.86	\$4,504,697.95

**Unpaid Balance as of 4/22/2013**

\$4,504,697.95

**80% of Available**

**EDUs**

1,654.40

**Reimbursement Fee Adjusted to  
2013**

\$2,723