

CITY COUNCIL AGENDA: APRIL 2, 2013

SUBJECT: ANNUAL ADJUSTMENT OF FEES BY APPLICATION OF THE ENR COST INDEX

SOURCE: PUBLIC WORKS DEPARTMENT – Engineering Division

COMMENT: On April 17, 2012, City Council per MO # 09-041712, suspended the Engineering News Record (ENR) Cost Index automatic development impact fee increase for fiscal year 2012/2013. On April 19, 2011, City Council, per MO #13-041911, suspended the same for fiscal year 2011/2012. On April 6, 2010, City Council, per MO #20-040610, suspended the same for fiscal year 2010/2011. In addition, the Council received a report (attached) regarding Water, Sewer, Treatment Plant, and Storm Drain Impact Fees on December 21, 2010, that provided a direct correlation of Master Plan improvement costs versus collection of impact fees. The report summarized fees collected, Master Plan improvement costs and Master Plan debt service expenditures from the date of the individually adopted Master Plans to December of 2010.

In light of the current economic climate and the continued sluggish development activity within the community, staff recommends that the City Council consider not implementing the ENR Cost Index auto escalator for fiscal year 2013/2014. However, if the City Council elects to raise development impact fees, a Public Hearing can be set for May 7, 2013. Staff would, in turn, notify the Home Builders Association within the necessary period.

This will be the fourth ENR Cost Index auto escalator suspension should Council approve staff's proposal. The following is a summary of those fiscal year suspensions in percentages:

Fiscal Year	Yearly ENR Cost Index auto escalator per City Municipal Code (%)
2010/2011	1.7
2011/2012	4.0
2012/2013	2.7
2013/2014	2.0

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Item No. 14

The following table illustrates the number of new building permits issued each fiscal year over the last five (5) years:

Fiscal Year	New Structure Building Permit Issuances
2008/2009	123
2009/2010	91
2010/2011	51
2011/2012	40
2012/2013*	32

\* Partial Year

The new structure permit data presented above provides a clear indication that the building industry has yet to move in a positive direction.

**RECOMMENDATION:** That City Council provide direction.

**ATTACHMENTS:** Summary of Development Impact Fees  
Water Capital Improvement Cost  
Sewer Capital Improvement Cost  
Waste Water Treatment Facility Capital Improvement Cost  
Storm Drain Capital Improvement Cost  
Transportation Improvement Cost

City of Porterville  
 Summary of Development Impact Fee

Master Plan and/or CIP Facilities Category	Water (1)	Sewer (1)	Wastewater Treatment Facility (WWTF) (1)	Storm Drain (1)	Transportation (1) (3)
ENR Adjusted Engineer's Estimate	\$9,181,137.66	\$1,371,541.33	\$6,423,461.00	\$3,819,102.79	\$17,892,018.54
Construction Cost	\$8,502,243.90	\$806,476.07	\$5,744,960.20	\$5,429,146.22	\$21,076,728.19
Pending Master Plan Improvements in 10/11 CIP Budget	\$8,176,935.00	\$617,000.00	\$533,000.00	\$953,000.00	\$5,510,435.00
Fees Collected	\$2,635,050.00	\$1,340,082.00	\$7,485,607.00	\$5,622,200.00	\$5,173,088.00
Difference between Expenditures vs. Appropriations	-\$15,043,118.90	-\$63,394.07	\$1,107,646.90	-\$769,946.22	-\$21,414,074.19
COP Principal Payments (2)	\$3,125,000.00	\$3,335,000.00	\$4,085,000.00	\$0.00	\$4,735,000.00
COP Interest Payments (2)	\$3,861,650.00	\$4,146,350.00	\$6,139,980.00	\$0.00	\$11,160,459.73
Difference between Expenditures vs. Appropriations with COP payments included	-\$22,029,768.90	-\$7,554,744.07	-\$9,117,333.20	-\$769,946.22	-\$37,309,533.92
CIEDB WWTF Loan Principal Debt			\$5,356,000.00		
CIEDB Water Loan Principal Debt	\$8,257,500.00				
Difference between Expd. vs. Approp. with COP payments & CIEDB Principal Debt Included	-\$30,287,268.90		-\$14,473,333.20		

Notes: (1) Water, Sewer and WWTF evaluated from 2001 to 2010. Storm Drain evaluated from 1994 to 2010. Transportation evaluated from 1988 to 2010  
 (2) COP debt service for projects that pre-date the Master Plans. However, the payments associated with Transportation's COP issuances relates to projects under this evaluation (1988 to 2010).  
 (3) Transportation related projects indicates some irregularities in the evaluation methodology and requires a more a thorough review of project finances.



City of Porterville  
Sewer Capital Improvement Cost

Project Name	Contractor	Project Bid Date	Council Acceptance Date	Project ENR Date (1)	Project ENR	2001 MP Pipe Length (ft)	2001 MP Pipe Cost Estimate (\$)	01 MP Estimate of Pipe Constructed to Total Project (\$)	2001 MP ENR	ENR Update of 01 MP Estimate of Pipe Constructed	Actual Length of Pipe Constructed in Total Project (ft)	Cost of Total Project (\$)	Portion of Facility Constructed in Total Project (ft) (6)	Cost of 01 MP Pipe Constructed in Total Project (\$)	Differential Between Actual Cost & 01 MP Cost (\$)	(%)
Pioneer Ave - ext. Mathew St to Newcomb St (2) (4)	Veritas Development	7/12/2005	4/4/2006	Jul-06	0238	2840	\$280,000.00	\$275,227.27	6318.2	\$276,445.82	2595	\$46,767.00	2595	\$46,767.00	\$229,678.82	83%
Henderson Ave. Reconstruction	Helopoff & Sons	6/9/2005	7/18/2006	2005	7309	1500	\$160,000.00	\$162,180.00	6318.2	\$163,953.87	4305	\$265,164.76	1630	\$92,340.55	\$91,593.32	50%
Westfield Ave. LS Storage Pipe (Williams Ranch 1) (6)	Ennis Homes	3/12/2005	N/A	2005	7309	0	\$0.00	\$0.00	6318.2	\$0.00	220	\$13,167.00	220	\$13,167.00	-\$13,167.00	0%
Alport Inter-Tie Water & Sewer	Helopoff & Sons	4/27/2000	10/2/2000	2000	6236.1	2100	\$233,772.00	\$245,671.92	6318.2	\$230,808.32	2206	\$110,466.76	2206	\$110,466.76	\$112,348.57	49%
Newcomb St - Hope Dr. to Scriabin Ave. (2)	Helopoff & Sons	4/27/2000	10/2/2000	2000	6236.1	1320	\$121,865.00	\$164,004.18	6318.2	\$120,349.66	1776	\$91,656.25	1776	\$91,656.25	\$68,294.41	49%
Newcomb St - Hope Dr. - South (2)	Helopoff & Sons	11/29/2005	12/4/2007	2006	7690	1320	\$293,865.00	\$611,447.22	6318.2	\$367,692.95	4098	\$555,992.54	2745	\$338,374.06	\$19,318.90	5%
Scriabin Ave - Newcomb St to ext of Crystal St.	Helopoff & Sons	11/29/2005	12/4/2007	2006	7690	1800	\$186,221.00	\$92,346.00	6318.2	\$292,316.70	1046	\$135,912.46	1000	\$135,912.46	\$65,998.24	33%
Scriabin Ave - ext of Crystal St to Hwy 99	Helopoff & Sons	11/29/2005	12/4/2007	2006	7690	1800	\$186,221.00	\$1,254,773.00	6318.2	\$1,371,541.33	1371	\$686,476.07	1000	\$686,476.07	\$685,985.28	41%
										1371541.33				\$686,476.07		

Notes: (1) Assumed Project ENR to be City Council Award Date  
(2) The development of Orchard Ridge subdivision and Castle Woods subdivision generated a Mathew Street alignment instead of what was proposed by the Pioneer Avenue western extension from Newcomb St. Cost of this line will be compared to the Pioneer Avenue Segment.  
(3) The Newcomb Street Segment was constructed by the Forest Service for the purpose of providing sewer services to the Air Alcock Base at the City of Porterville Municipal Airport.  
(4) Northern portion of this 10" master plan sewer pipe (627' total length) has yet to be formally requested for reimbursement by the developer of Meadow Breeze Phases 2 & 3.  
(5) Developer has yet to formally request a reimbursement for this Sewer Master Plan Facility.  
(6) "All" assumed the total pipe constructed met the MP objectives of the pipes shown on the MP even though it may have taken a different route or was not the same length.



City of Porterville  
Storm Drain Capital Improvement Cost  
1984 to 2010

Project Name	Project ID	Contractor	Project Start Date	Project End Date	Project EIR	1984 MP Pipe Length (ft)	1984 MP Pipe or Facility Cost Estimate (\$)	1984 MP Pipe or Facility Constructed in Total Project (\$)	1984 MP EIR	1984 MP Estimate of Pipe Constructed	Actual Length of Pipe Constructed in Total Project (ft)	Cost of Total Project (\$)	Portion of 1984 MP Pipe Constructed in Total Project (10/10)	Cost of Facility Constructed in Total Project (\$)	Other than 1984 MP Actual Cost Estimate (\$)	Other than 1984 MP Actual Cost Estimate %
Grainite Hills High School Project - Construction of new Reservoir (5933)	91/2001	PUSD	12/01/1998	07/21/1999	1999	3684	\$250,575.00	\$149,192.00	5417.89	\$250,575.00	3684	\$250,575.00	100%	\$250,575.00	\$2,181,044.39	0%
Grainite Hills High School Project - Enhancement of Ex. Reservoir (5933) by capacity increase of 65,973 (or required increase)	91/2001	PUSD	09/27/1998	04/29/2001	2001	5956.94	\$16,085.00	\$16,085.00	5417.89	\$16,085.00	5956.94	\$16,085.00	100%	\$16,085.00	\$51,406.55	-266%
Grainite Hills Streets Project Phase 1 (aka 162)	91/2001	Mich Brown	09/27/1998	04/29/2001	2001	6318.2	\$206,553.00	\$206,553.00	5417.89	\$206,553.00	6318.2	\$206,553.00	100%	\$206,553.00	\$24,074.32	-11%
Continual Drainage Reservoir No. 23 (77,736cy or required)	91/2001	Mich Brown	09/27/1998	04/29/2001	2001	6318.2	\$206,553.00	\$206,553.00	5417.89	\$206,553.00	6318.2	\$206,553.00	100%	\$206,553.00	\$14,000.00	0%
Purchase of Drainage Reservoir No. 20 Orchard Ridge Phase 1	91/2001	By Developer	11/11/1997	04/29/2006	1997	5600.4	\$70,740.00	\$70,740.00	5417.89	\$70,740.00	5600.4	\$70,740.00	100%	\$70,740.00	\$0.00	0%
Orchard Ridge Phase 1 (250,000cy or 54,000cy capacity)	91/2001	By Developer	11/11/1997	04/29/2006	1997	5600.4	\$70,740.00	\$70,740.00	5417.89	\$70,740.00	5600.4	\$70,740.00	100%	\$70,740.00	\$0.00	0%
Orchard Ridge Phase 2 (250,000cy or 54,000cy capacity)	91/2001	By Developer	08/11/1999	04/29/2006	1999	6038.2	\$13,794.00	\$13,794.00	5417.89	\$13,794.00	6038.2	\$13,794.00	100%	\$13,794.00	\$14,689.55	9%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	11/20/2000	04/29/2006	2000	5238.1	\$6,897.00	\$6,897.00	5417.89	\$6,897.00	5238.1	\$6,897.00	100%	\$6,897.00	\$671.95	11%
Orchard Ridge Phase 3 (167,000cy or 54,000cy capacity)	91/2001	By Developer	08/11/1999	04/29/2006	1999	6038.2	\$13,794.00	\$13,794.00	5417.89	\$13,794.00	6038.2	\$13,794.00	100%	\$13,794.00	\$14,689.55	9%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	11/20/2000	04/29/2006	2000	5238.1	\$6,897.00	\$6,897.00	5417.89	\$6,897.00	5238.1	\$6,897.00	100%	\$6,897.00	\$16,851.25	42%
Orchard Ridge Phase 4 (167,000cy or 54,000cy capacity)	91/2001	By Developer	08/11/1999	04/29/2006	1999	6038.2	\$13,794.00	\$13,794.00	5417.89	\$13,794.00	6038.2	\$13,794.00	100%	\$13,794.00	\$36,954.04	68%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	11/20/2000	04/29/2006	2000	5238.1	\$6,897.00	\$6,897.00	5417.89	\$6,897.00	5238.1	\$6,897.00	100%	\$6,897.00	\$49,554.04	141%
Orchard Ridge Phase 5 (167,000cy or 54,000cy capacity)	91/2001	By Developer	08/11/1999	04/29/2006	1999	6038.2	\$13,794.00	\$13,794.00	5417.89	\$13,794.00	6038.2	\$13,794.00	100%	\$13,794.00	\$4,387.64	8%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	11/20/2000	04/29/2006	2000	5238.1	\$6,897.00	\$6,897.00	5417.89	\$6,897.00	5238.1	\$6,897.00	100%	\$6,897.00	\$17,091.33	25%
Orchard Ridge Phase 6 (167,000cy or 54,000cy capacity)	91/2001	By Developer	08/11/1999	04/29/2006	1999	6038.2	\$13,794.00	\$13,794.00	5417.89	\$13,794.00	6038.2	\$13,794.00	100%	\$13,794.00	\$41,083.54	80%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	11/20/2000	04/29/2006	2000	5238.1	\$6,897.00	\$6,897.00	5417.89	\$6,897.00	5238.1	\$6,897.00	100%	\$6,897.00	\$10,359.11	55%
Orchard Ridge Phase 7 (167,000cy or 54,000cy capacity)	91/2001	By Developer	08/11/1999	04/29/2006	1999	6038.2	\$13,794.00	\$13,794.00	5417.89	\$13,794.00	6038.2	\$13,794.00	100%	\$13,794.00	\$15,721.27	28%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	11/20/2000	04/29/2006	2000	5238.1	\$6,897.00	\$6,897.00	5417.89	\$6,897.00	5238.1	\$6,897.00	100%	\$6,897.00	\$24,660.40	37%
Orchard Ridge Phase 8 & 9	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$22,607.75	31%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$2,057.65	2%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$0.00	0%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$119,346.29	151%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$189,201.00	239%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$50,630.00	64%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$22,833.25	29%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$9,550.35	12%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$29,541.05	37%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$33,128.33	42%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$80,252.50	103%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$12,259.46	16%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$39,397.00	51%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$54,714.00	71%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$11,875.00	15%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$169,201.00	214%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$50,630.00	64%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$22,833.25	29%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$9,550.35	12%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$29,541.05	37%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$33,128.33	42%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$80,252.50	103%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$12,259.46	16%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$39,397.00	51%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$54,714.00	71%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$11,875.00	15%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$169,201.00	214%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$50,630.00	64%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$22,833.25	29%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$9,550.35	12%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$29,541.05	37%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$33,128.33	42%
Excavate Drainage Reservoir 20 (5)	91/2001	By Developer	10/12/1995	10/23/2000	1995	5431.55	\$79,042.46	\$79,042.46	5417.89	\$79,042.46	5431.55	\$79,042.46	100%	\$79,042.46	\$80,252.50	103%
Excavate Drainage Reservoir 20 (5)	91/															

