

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

1112 I Street Suite 100  
Sacramento, California 95814  
(916) 874-6458

November 4, 2009

TO: Sacramento Local Agency Formation Commission  
FROM: Peter Brundage, Executive Officer  
RE: Proposed Arden Arcade Incorporation Status Report

**RECOMMENDATION:**

1. Receive and File Status Report
2. Policy Consideration:
  - A. Transfer \$8,525 of the \$14,400 EIR contingency to cover partial payment of the February 1, 2010 contingency payment in the amount of \$25,000, or
  - B. Refund \$8,525 to the Arden Arcade Incorporation Committee.

**DISCUSSION:**

On October 1, 2009, the Arden Arcade Incorporation Committee deposited the required payment in the amount of \$20,453 to cover the completion of the Draft Environmental Impact Report (EIR) and Comprehensive Fiscal Analysis (CFA). Of this amount, \$14,400 was attributable to an EIR contingency due to previous project delays. An additional contingency in the amount of \$25,000 is due by February 1, 2010.

Currently, it appears that only \$5,875 of the \$14,400 EIR contingency will be needed to complete the Draft EIR. This increase is related to additional work required to update the climate change section (greenhouse gas emissions) of the Draft EIR. The public review period on the Draft EIR is estimated to be complete by the middle of January, 2010. If the comments received on the Draft EIR are not complex and extensive, it will not likely be necessary to amend the EIR budget. However, if the interested party comments are complex and extensive additional funds may be required to complete the Final EIR.

The February 1, 2010 contingency payment in the amount of \$25,000 was intended to cover this type of situation as well as other costs such as legal, filing fees, public and agency comments received on the Draft CFA. The contingency in the amount of \$25,000

is only an estimate and it is not known if the actual costs will be either higher or lower at this time.

The Arden Arcade Incorporation Committee is requesting that the \$8,575 be returned to them rather than be retained by LAFCo and applied towards the \$25,000 Contingency payment due February 1, 2010.

### Summary of Project Schedule

#### Draft Environmental Impact Report (EIR)

The Draft EIR is currently on schedule. Staff has received the Administrative Draft EIR for internal review and comments. LAFCo comments are due back to the Consultant by October 30, 2009. The Draft EIR for public review is scheduled to be released by approximately December 1, 2009. During the 45-day public review period, LAFCo will hold a workshop on the Draft EIR for public comments and to inform the Commission on environmental issues related to the Arden Arcade Incorporation proposal.

#### EIR Budget

The Consultant was able to reduce the reproduction costs budgeted in the original estimate and reallocate a portion of those funds to cover some of the increased costs related to the delay. The estimated savings from this transfer covered the recirculation of the Notice of Preparation and costs related to updating data used in the EIR.

However, the consultant has used \$5,875 of the \$14,400 contingency to address Air Quality and Climate Change impacts to analyze greenhouse gas impacts pursuant to SB 375. This adjustment was required because of recent changes in legislation. Also, recent litigation and lawsuits related to greenhouse gas emissions have made environmental documents more vulnerable to challenge.

The balance in the amount of \$8,575 of the \$14,400 EIR Contingency may not be needed unless comments received during the 45-day comment period are extensive and complex in nature. These funds would be rolled over to cover a portion of the required General Contingency payment in the amount of \$25,000 due February 1, 2010.

### Comprehensive Fiscal Analysis (CFA)

At this time, the CFA schedule has slipped by approximately 1 to 2 weeks. The County of Sacramento has indicated that it will provide the financial data to LAFCo by Monday, October 26, 2009. Our original schedule assumed that the data would be provided by September 30, 2009. The CFA consultant has agreed to split the difference as a result of this delay in order to minimize the impacts on the CFA schedule.

The CFA has also benefited from the Municipal Service Reviews completed for recreation and park districts, Sacramento Metropolitan Fire District and Del Paso Manor Water District located within the Arden Arcade community.

Sincerely,

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

A handwritten signature in cursive script that reads "Peter Brundage". The signature is written in black ink and is positioned above the printed name and title.

Peter Brundage  
Executive Officer