



**Department of Public Works  
Special Districts**

**Discussion to Consider  
Bond Approval for  
Assessment District 2018-1  
Snowdrop Road Project**

Brendon Biggs, Director  
April 6, 2021  
Item #60



# Assessment District 2018-1 (Snowdrop Road Project)

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**- Project Location -  
Snowdrop Rd**

**North of Rancho Cucamonga in  
unincorporated County**

**Archibald to Haven Avenue**

**2.1 Miles**



## MAJOR PROJECT DELIVERABLES

- 2.1 miles of road replacement with new asphalt allowing fire access and providing sufficient width for two-way traffic.
- Drainage infrastructure for proper drainage throughout the Project
- Guardrails as necessary for safer driving conditions
- Retaining walls to protect soil slopes
- Environmental monitoring and mitigation measures as per CEQA requirements



## PROJECT BACKGROUND

- 2010 - Initial request by property owners to form assessment district
- March 2018 AD 2018-1 Snowdrop Road was formed
- November 2019 Project Design plans completed by Webb Associates
- November 2020 addendum to environmental study was approved
- January 5, 2021 project re-advertised for bidding
- February 16, 2021 Lowest bid received – Trinity Construction, no bid protest were received
- March 9, 2021 Western Alliance Bank committed to funding Series A Bond
- March 18, 2021 DAC approved bond issuance
- March 22, 2021 Western Alliance Interest Rate locked at 3.97%

Budget Item	Estimated Cost
Total Construction + Contingency	3,973,741.00
Design, Engineering, Planning, Permits, Surveyor, Geotech, Environmental)	1,215,000.00
Mitigation Expenses	117,000.00
Easement Purchases	162,051.00
Bond Costs	581,342.00
Total Estimated Cost	\$6,049,133

Uses of Funds	Amount
Improvement Fund	5,474,679.71
Debt Service Reserve Fund	194,202.89
Capitalized Interest Fund	85,043.64
Cost of Issuance	281,271.41
Bank Origination Fee	14,072.57
Total Uses	\$6,049,270.22

Sources of Funds	Fund Amount
Series 2021A Bond Proceeds	5,629,026.07
Cash Collection	420,244.15
Total Sources	\$6,049,270.22

## **WHAT IF CONSTRUCTION EXCEEDS BUDGET?**

- Construction Contingency of ~\$360k (10%)
- Finite funding, critical to monitor budget throughout project
- Department will work diligently to reduce budget impacts
- Technical site conditions may result in unanticipated issues

If Contingency is exceeded:

- Return to owners for supplemental assessment
- Series B bonding

## PROPOSED SCHEDULE

- April 6, 2021 Recommend bond approval
- April 15, 2021 Proposed closing date of escrow for bond issuance
- April 20, 2021 Recommend Award construction contract to Trinity Construction
- May 2021 begin construction – 318 days contract duration
- Spring 2022 construction completion

## RECOMMENDATION

1. Authorize a bond issuance not to exceed \$5,629,026 to fund the Snowdrop Road project
  - \$420,244.15 prepayments received
  - Series A Bond Issuance
    - Private sale at 3.97% interest rate
    - 57 of 59 parcels bonded against
    - Assessments will remain on Series A parcels within AD for 22 years to pay principal and interest
  - Series B Bond Issuance
    - To be issued at later date as necessary
    - Reduce assessment for all parcels or add to improvement fund for ongoing maintenance
2. Approve service agreements pertaining to bond sale
  - Fieldman, Rolapp & Associates, Inc
  - Webb Municipal Finance
  - Stradling, Yocca, Carlson & Rauth