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ENGINEER'S REPORT

MONTEREY PARK GEOLOGIC HAZARD ABATEMENT DISTRICT

1688 WEST GARVEY AVENUE CITY OF MONTEREY PARK, CALIFORNIA

Prepared for

Phoenix Civil Engineering, Inc.

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Santa Paula, CA 93060

Prepared by

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Project Number: SC0982A

September 9, 2021

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ENGINEER'S REPORT

Geologic Hazard Abatement District – City of Monterey Park

(Pursuant to the Public Resources Code of the State of California, Section 26500 et seq.)

CERTIFICATE OF FILING

The Geologic Hazard Abatement District (GHAD) provides monitoring and maintenance of improvements related to geologic hazard management and other responsibilities as a landowner, within APN 5254-002-031 of the Monterey Park (MPK) GHAD and levies and collects assessments in order to perform its activities.

The improvements, which are the subject of this report, are defined as any activity necessary or incidental to the prevention, mitigation, abatement, or control of a geologic hazard, construction, maintenance, repair, or operation of improvement; or the issuance and servicing of bonds issued to finance any of the foregoing (Section 26505).

This report is comprised of eight parts, as follows:

1. Introduction
2. Background
3. Geologic Hazard Abatement District Boundaries
4. Service Levels
5. Description of the Improvements Maintained by the MPK GHAD
6. Assessment Method
7. Assessment (Limit) – Budget Projection
8. Property Owner or Developer Responsibilities

The undersigned respectfully submits the enclosed Engineer's Report.

Date: 9/9/2021

By: Geosyntec Consultants, Inc.



_____, GE
Bora Baturay

I HEREBY CERTIFY that the enclosed Engineer's Report was filed on the 10th day of September, 2021.

Clerk of the Board
MPK Geologic Hazard Abatement District
Monterey Park, California

I HEREBY CERTIFY that the enclosed Engineer's Report was approved and confirmed by the MPK GHAD Board on the 15th day of September, 2021.

President of the Board
MPK Geologic Hazard Abatement District
Monterey Park, California

APPROVED September 15, 2021

1. INTRODUCTION

The City of Monterey Park formed the Monterey Park (MPK) Geologic Hazard Abatement District (GHAD) on August 18, 2021 under the authority of the California Public Resources Code, Division 17, Section 26500 et seq. with the approval of City of Monterey Park Resolution No. 12267. Members of the Monterey Park City Council act as the Board of Directors of the MPK GHAD.

2. BACKGROUND

Geologic Hazard Abatement Districts (GHADs) are governmental districts formed to address geologic hazards. GHADs may be formed for the purpose of prevention, mitigation, abatement or control of a geologic hazard and can also be formed for mitigation or abatement of structural hazards that are partly or wholly caused by geologic hazards (Public Resources Code [“Pub. Res. Code”] § 26525). A “geologic hazard” is broadly defined as an actual or threatened landslide, land subsidence, soil erosion, earthquake, fault movement or any other natural or unnatural movement of land or earth (Pub. Res. Code §§ 26507).

The MPK GHAD’s responsibility is to permanently monitor and maintain MPK GHAD improvements. This Engineer’s Report describes the establishment of an assessment level to fund MPK GHAD activities necessary or incidental to geologic hazard mitigation, abatement and control.

A Plan of Control has been prepared and submitted to allow the District to permanently monitor and maintain MPK GHAD improvements. The establishment of an assessment level to fund the MPK GHAD responsibilities is described in this Engineer’s Report.

The MPK GHAD Board of Directors approved the MPK GHAD Plan of Control (“Plan of Control”) to allow the MPK GHAD to permanently monitor and maintain MPK GHAD improvements.

3. GEOLOGIC HAZARD ABATEMENT DISTRICT BOUNDARIES

The boundaries for the MPK GHAD are shown in the Boundary Map (Exhibit A) and Legal Parcel Description (APN Number- Exhibit B).

4. SERVICE LEVELS

The MPK GHAD’s activities are those that are necessary or incidental to the prevention, mitigation, abatement, or control of geologic hazards including construction, maintenance, repair, or operation of any improvement; and the issuance and servicing of bonds issued to finance any of the foregoing.

The MPK GHAD provides for the administration and review of facilities within the budgeted limits, including the following services:

1. Oversight of MPK GHAD operations, including reporting to the MPK GHAD Board of Directors.
2. In conjunction with the County Assessor's Office, setting the annual levying of assessments on the property tax rolls.
3. Engagement of technical professionals to perform the monitoring duties as described in the MPK GHAD Plan of Control.
4. Performance of MPK GHAD maintenance activities in accordance with the MPK GHAD Plan of Control. These maintenance activities include:
 - a. Inspection and maintenance of developer or MPK GHAD-constructed retaining walls, including repair if structural integrity of a wall or adjacent structure(s) is threatened
 - b. Inspection, maintenance and repair of concrete-lined drainage ditches and splash walls
 - c. Inspection, maintenance and repair of subdrains and subdrain outlets
 - d. Inspection, maintenance and repair of storm drain inlets, CDS units, manholes, outfalls and pipelines
 - e. Erosion repairs (including sediment and erosion control)
 - f. Vegetation control (including trimming, revegetation, and hydroseeding)
5. The MPK GHAD will also have maintenance, monitoring and repair responsibilities for slopes, which will include natural, reconstructed or partially reconstructed slopes.
6. Preparation of annual MPK GHAD budgets for approval by the MPK GHAD Board of Directors.

5. DESCRIPTION OF THE IMPROVEMENTS MAINTAINED BY THE GHAD

The MPK GHAD-maintained improvements are described in the MPK Plan of Control dated August 2021. In general, these improvements include drainage systems, including concrete ditches; storm drain inlets and outlets; subdrains and outlets; retaining walls; tiebacks; soil anchors; and reconstructed slopes.

6. ASSESSMENT METHOD

The MPK GHAD-maintained improvements mentioned in Section 5 are distributed within the MPK GHAD boundaries. Maintenance and protection of these improvements provide a special benefit to all residential property owners within the MPK GHAD boundaries, and there is no benefit for properties outside of the MPK GHAD boundaries. The Engineer hereby finds that these properties within the MPK GHAD boundaries receive approximately equal special benefit from the work and improvements within the MPK GHAD. As a result, the MPK GHAD assessment is distributed among all owners of parcels which are buildable with habitable space.

Single-family residential lots will be assessed as one unit. The total number of residential units is then divided into the annual District budget to develop the annual assessment amount.

A financial analysis was performed to provide a framework for an operating budget for the on-going abatement, mitigation, prevention and control of geologic hazards within the MPK GHAD boundaries. In preparation of the budget, several factors were considered including:

1. Site Geology
2. Proposed Remedial Grading
3. Proximity of Geologic Hazards to Proposed Residences, Improvements or Structures
4. Site Access Considerations
5. Elements Requiring Routine Maintenance, including:
 - Retaining Walls
 - Graded Slopes
 - Surface Drainage Facilities
 - Subsurface Drainage Facilities
 - Vegetation Control

7. ASSESSMENT (LIMIT) – BUDGET PROJECTION

Based on the estimated expenses for on-going operations, and to include allowances for the possibility of a larger (approximately \$689,000) repair event at 10-year intervals, a budget was prepared for the purpose of estimating initial assessment levels (Exhibit C). In order to establish a reasonable reserve in the early years of the MPK GHAD, there will be an initial deferral of GHAD expenses as described in Section VII of the Plan of Control.

The Engineer recommends an annual assessment limit of \$17,190 per residential unit, (Fiscal Year 2021 dollars). The proposed initial assessment level will be adjusted annually to reflect the percentage change in the Los Angeles metropolitan area Consumers Price Index (CPI) for All Urban Consumers. The assessment limit will be adjusted annually using an initial date of November 3, 2021 for the CPI. Each subsequent annual adjustment will be calculated using the 12-month period beginning with July of each following year. The residential assessments are to be levied in conjunction with the issuance of a Final Map for the area containing the habitable structures.

8. PROPERTY OWNER OR DEVELOPER RESPONSIBILITIES

The property owner or developer of any improvement is responsible for managing and maintaining any portion of the MPK GHAD until the MPK GHAD accepts responsibility for the MPK GHAD Improvements as set forth in the Plan of Control. In addition, the property owner or developer is responsible for funding any necessary GHAD functions or business undertaken for the MPK GHAD that the MPK GHAD Officers or Board of Directors determine are necessary

before the MPK GHAD accepts the MPK GHAD Improvements. If the property owner or developer fails to fund all or a portion of these costs, these costs shall be covered by the funds generated by and for the MPK GHAD (i.e., through the assessment) and the developer shall be required to reimburse the MPK GHAD for such costs before the MPK GHAD can accept monitoring and maintenance responsibilities for the MPK GHAD Improvements.

The MPK GHAD may utilize funds generated by or for the MPK GHAD to conduct any necessary MPK GHAD functions or business for the MPK GHAD before the MPK GHAD accepts the MPK GHAD improvements. Such functions and business can include periodic reporting to the MPK GHAD Board of Directors and work performed by MPK GHAD Officers to verify the maintenance is implemented in accordance with the Plan of Control and GHAD Law. Such an undertaking does not render the MPK GHAD liable or responsible for the MPK GHAD improvements during this period of time. The MPK GHAD only becomes responsible for maintenance once the MPK GHAD improvements are accepted by the MPK GHAD in accordance with the requirements set forth in the Plan of Control.

EXHIBIT A

GHAD Boundary Map

5254 2
SCALE 1" = 100' & 200'

2002
PARCEL MAP
P. M. 303-32-33
TRACT NO. 1329
M.B. 27-43-44

TRACT NO. 24666
M. B. 668 - 43-45
T. 1 S., R. 12 W.

CODE
1840
12385

FOR PREV. ASSM'T. SEE:
5254 - 2

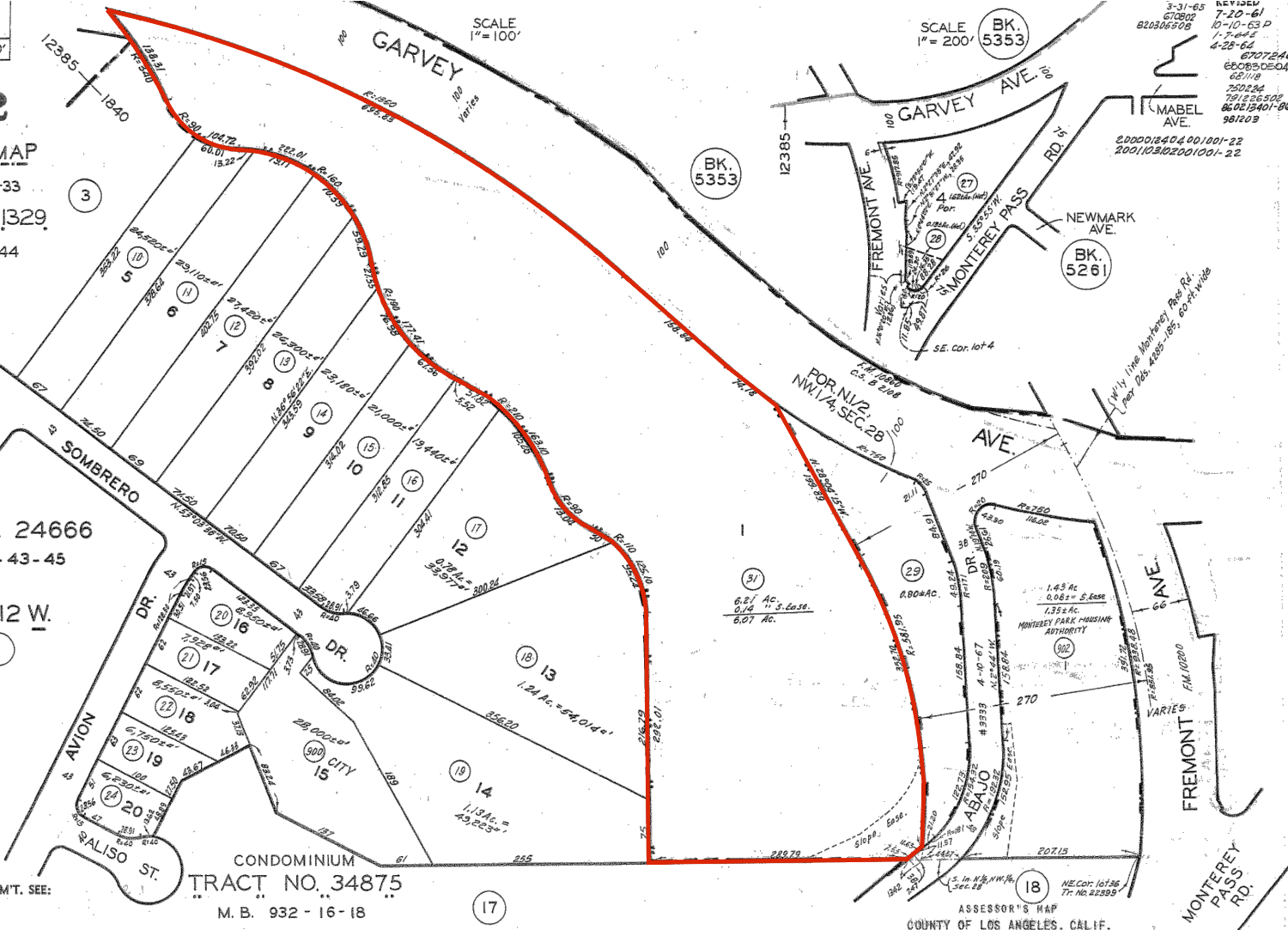
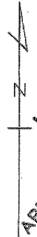
LEGEND

 GHAD BOUNDARY

SCALE 1" = 100'

SCALE 1" = 200' (BK. 5353)

3-31-65 REVISOR
670802 7-20-61
820306508 10-10-63 P
1-1-64
4-28-64 67072460
680650504
687119
750224
781226202
860219401-86
981203




GHAD BOUNDARY MAP GOODVIEWS MONTEREY PARK, CALIFORNIA	
	
PROJECT NO: SC0982A	AUGUST 2021
FIGURE 1	

EXHIBIT B

Monterey Park GHAD

Legal Parcel Description:

Assessor's Parcel Number: 5254-002-031

EXHIBIT C
GHAD Budget

Project: 1688 Garvey Ave. Plan B2
 Project No.: SC0982A
 Date: September 9, 2021

EXHIBIT C
 MPK GHAD Budget
 for Site Slope Restoring Improvement - B2
 Monterey Park, CA



Assumptions

Total No. of Single Family Residential Units	16
Annual Assessment per Unit (current \$)	\$ 17,190
Annual Adjustment in Assessment (estimated)	3.0%
Inflation (estimated)	3.0%
Investment Earning (estimated)	5.0%
Frequency of Large-Scale Repair (years)	10
Cost of Large-Scale Repair (current \$)	\$ 689,000

Estimated Annual Expenses in FY 2021 Dollars

Administration and Accounting	\$ 36,000
Geotechnical & Stormwater GHAD Monitoring Program (Per Table 1 in POC)	\$ 20,000
Erosion Repair	\$ 18,300
Slope Stabilization	\$ 36,800
Drainage Ditch and Storm Drain Pipe Repair & Replacement (excludes public right-of-way)	\$ 19,000
Wall, Anchors, and Sidewalk Repair	\$ 35,100
Revegetation & Vegetation Control (firebreak mowing, weeding, and hydroseeding)	\$ 3,200
CDS, Subdrain and Outfall Inspection/Maintenance & Sediment/Debris Removal (excludes public right-of-way)	\$ 12,700
Major Repair (Annualized)	\$ 68,900
Miscellaneous & Contingency (10%)	\$ 25,000
TOTAL	\$ 275,000