

CFD 1992-1 “Serrano”

1999 Series

\$163,031.70

September 22, 1999



March 29, 2000

Mr. Randy Pesses, Deputy Director
Department of Transportation
El Dorado County
2859 Fairlane Court
Placerville, CA 95667

Dear Mr. Pesses:

Reference: CFD No. 1992-1 Reimbursement request, Incidental Expenses and
Bond Issuance Costs, Formation #2 Payment

As required by the County of El Dorado Guidelines for Special Districts Acquisition Projects and as authorized by the Acquisition Funding and Disclosure Agreement between the El Dorado Hills Development Company (now Serrano Associates, LLC) and the County of El Dorado, dated September 22, 1992, we are submitting this request for reimbursement of eligible project costs from District funds.

This request for reimbursement includes all out-of-pocket costs paid through February 29, 2000. The attached two (2) volumes labeled Mello-Roos Formation Costs #2 include all invoices and payment details. Also attached are exhibits "A" and "B". Exhibit A provides an itemized cost summary of all Serrano formation expenses, C.F.D. reimbursements to date and calculation of current amount due in this request. Exhibit B is a Serrano memorandum which explains cost adjustments due to past over payments or under payments.

The following is a summary and explanation for the requested reimbursement :

1. Engineering Services

These services included the preparation of the District engineering report and reimbursement Data Books.

Engineering Consulting	Albert Hazbun, P.E.	\$ 54,242.50
Engineering Services	Thorne Engineering	3,382.00
	Owen Engineering	3,489.10

2. County Review and Administration County and Consultants 277,061.16

These costs were paid directly to El Dorado County and include all Department of Transportation, Planning, Special Districts and their consultants.

3. Special Tax Consultant Services Economic & Planning Svcs 28,770.03

These services included all tax consulting, filing services plus preparation of documents for inclusion in the Official Statement.

4. Advance Funding
- | | | |
|-------------------------------|--------------------|------------|
| Real Estate Market Absorption | Empire Economics | 58,825.00 |
| Appraiser Services | David E. Lane | 150,814.56 |
| El Dorado County | Special Districts | 13,316.55 |
| Independent Financial Advisor | Fieldman, Rolapp | 80,639.82 |
| Other Consultants | Government Finance | 1,630.83 |
| | CA Municipal | 375.00 |
| | Economic Planning | 7,187.38 |

These costs were paid directly to the County for necessary services in conjunction with preparing the bonds for issuance.

5. CFD Legal Consultants
- | | | |
|--|------------------------|-----------|
| | Hefner, Stark & Marois | 58,602.79 |
| | McDonough, Holland | |
| | & Allen | 5,716.04 |
| | Weintraub, Genshlea | |
| | & Sproul | 2,770.10 |

These costs were paid to the legal firms for legal consultation that assisted County Counsel as well as Bond Counsel.

6. Disclosure Costs
- | | | |
|--|-------------------|----------|
| | C.L. Raffety, CPA | 480.00 |
| | KPMG Peat Marwick | 2,500.00 |

These payments were made by the Developer for disclosure of information in the Official Statement.

TOTAL COSTS SUBJECT TO REIMBURSEMENT \$749,802.86

Less: Amounts paid from bond proceeds at time of issuance (434,112.07)

Less: Correction of amount over reimbursed in prior facilities ~~(23,395.22)~~ 23,395.57

TOTAL REIMBURSEMENT REQUEST \$292,295.22

I certify that these costs are true, accurate, complete and eligible for C.F.D. reimbursement; and that there have been no duplication of claim or reimbursement from any other C.F.D. payment. The above costs do not include any payments to the developer's management or employees, or in-house consultants.

In accordance with Section 12 of the above-mentioned Acquisition Funding and Disclosure Agreement, Serrano Associates, LLC has provided written notification to each and every purchaser of residential homes or commercial property owner upon which a Special Tax will be levied as a result of work performed under this project.

Please see attachments for pertinent correspondence and documentation.

We hope that we have satisfied all of the requirements for receiving reimbursement for our costs associated with this work. We anticipate hearing from you no later than 30 days after you receive this package.

Please contact Raymond Ricks at (916) 939-4060 if you have any questions.

Sincerely,



William R. Parker

Enclosures: Attachment: 2 Volumes Invoices and Payment Summary

Cc: Dann Counihan
El Dorado County Special Districts
El Dorado County Counsel
El Dorado County Auditor

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03/24/2000

EL DORADO HILLS DEVELOPMENT COMPANY
SUMMARY OF MELLO-ROOS FORMATION 2 COSTS

		1994 Bond (RGMRF1) FORMATION 1	1999 Bond (RGMRF2) FORMATION 2	TOTAL AMOUNT	Reimbursed 9/7/99	Reimbursed 9/22/99	Over Reimbursed	Remaining
Engineering Services	Albert Hazbun	\$43,625.00	\$10,617.50	\$54,242.50				\$54,242.50
	Thorne Engineering	2,265.00	1,117.00	3,382.00				3,382.00
	Owen Engineering & Management	3,489.10	0.00	3,489.10				3,489.10
County Review and Administration	County of El Dorado- DOT	82,212.78	194,848.38	277,061.16		163,031.70	23,395.57	90,633.89
Special Tax Consultant Services	Economic & Planning Systems	7,306.54	21,463.49	28,770.03				28,770.03
Advanced Funding CFD	Empire Economics	0.00	58,825.00	58,825.00	54,325.00			4,500.00
-County of El Dorado	David E. Lane & Assoc	27,860.50	122,954.06	150,814.56	122,954.06			27,860.50
	Special Districts	0.00	13,316.55	13,316.55	12,690.51			626.04
	Fieldman, Rolapp & Assoc.	0.00	80,639.82	80,639.82	73,548.42			7,091.40
	Gov't Finance	0.00	1,630.83	1,630.83				1,630.83
	CA Municipal	0.00	375.00	375.00	375.00			0.00
	EPS	0.00	7,187.38	7,187.38	7,187.38			0.00
CFD Legal Consultants	Hefner Stark & Marois	10,498.43	48,104.36	58,602.79				58,602.79
Legal Services	McDonough, Holland & Allen	0.00	5,716.04	5,716.04				5,716.04
	Weintraub, Genshlea & Sproul	0.00	2,770.10	2,770.10				2,770.10
C.L. Raffety, CPA	POS Verification Report	0.00	480.00	480.00				480.00
Financial Services	KMPG Peat Marwick	0.00	2,500.00	2,500.00				2,500.00
TOTAL		\$177,257.35	\$572,545.51	\$749,802.86	\$271,080.37	\$163,031.70	\$23,395.57	\$292,295.22

EXHIBIT
A

The final schedule, schedule #4, indicates the total reimbursement request for the Formation Cost book. The schedule shows the adjustments to the total costs for the amounts reimbursed in September and the adjustment for the costs over-reimbursed per schedule #1.

I believe this is a complete accounting of the relevant costs for this book. Should you have questions I would be happy to discuss them.

EL DORADO HILLS SPECIFIC PLAN
SERRANO ASSOCIATES
PAYMENTS TO DOT REIMBURSED IN VARIOUS FACILITIES
PERTAINING TO FORMATION BOOK #1

FISCAL YEAR	Invoice Number	DOT Work	COUNIHAN TOTAL INVOICE AMOUNT	Total Invoice	COUNIHAN REIMBURSED "MELLO FORMATION" BOOK #1	DOT REIMB "MELLO FORMATION" BOOK #1	TOTAL "MELLO FORMATION" BOOK #1	Serrano East 1102	Serrano West 1002	Silva South So. 0702	Silva South 0602	Silva North 0402	Serrano East East 1202	EDH Blvd	REIMBURSED TO SERRANO TOTAL PROJECTS	/non reimbursables- Bass Lake Realignment	Glif Crse & village costs	Reimbursed & Non-Reimb TOTAL	Over/ (Under) Reimbursed
Deposit			20,000.00	0.00	20,000.00		20,000.00												
90/91	1-6	2,005.58	33,667.33	35,672.89	13,980.00	1,002.81	14,982.81	11,057.89	9,988.00	0.00	0.00	8,205.00	0.00		20,000.00			20,000.00	0.00
	7-8	4,050.25	18,528.35	22,578.60	7,722.85	1,583.65	9,306.50	8,999.30	6,322.00	0.00	0.00	5,193.07	0.00		44,233.70			44,233.70	8,560.81
	9-11	1,831.83	17,977.05	19,808.88	7,062.00	937.31	7,999.31	8,140.75	5,548.48	0.00	0.00	4,556.05	0.00		27,820.87			27,820.87	5,242.27
	12-14	8,543.43	18,048.85	26,592.28	4,332.00	1,448.35	5,780.35	8,243.60	7,445.84	0.00	0.00	6,116.22	0.00		24,242.59			24,242.59	4,433.71
	15-16	22,745.41	11,456.30	34,201.71	7,013.80	11,438.85	18,452.65	10,602.54	9,576.48	0.00	0.00	7,866.39	0.00		27,586.01			27,586.01	993.73
91/92	17	28,200.39	8,735.05	36,935.44	4,206.55	1,769.46	5,976.01	11,449.95	10,341.93	0.00	0.00	8,495.18	0.00		48,498.06			48,498.06	12,296.35
	18-19	18,716.02	7,473.20	26,189.22	2,638.45	926.04	3,564.49	8,119.35	7,332.98	0.00	0.00	6,022.83	0.00		36,263.07			36,263.07	(872.37)
	Other	15,918.38	0.00	15,918.38	0.00	211.73	211.73	4,934.70	4,457.15	0.00	0.00	3,661.23	0.00		25,039.65			25,039.65	(1,149.57)
	20	27,734.18	3,688.50	31,422.68	3,136.00	2,838.51	5,974.51	9,725.31	8,784.16	0.00	0.00	7,215.56	0.00		13,264.81			13,264.81	(2,653.57)
	21	10,782.24	7,727.50	18,509.74	2,527.50	261.61	2,789.11	5,738.01	5,162.73	0.00	0.00	4,257.24	0.00		31,697.54	50.69		31,748.23	325.55
	Other	13,001.50	0.00	13,001.50	0.00	65.40	65.40	2,186.75	1,957.05	0.00	0.00	1,607.58	0.00	6,012.02	17,967.09			17,967.09	(542.65)
	22-23	8,096.75	10,394.20	18,490.95	811.75	116.09	927.84	5,690.42	5,049.42	0.00	0.00	4,147.74	0.00		11,808.80			11,808.80	(1,192.70)
	24-25	9,363.94	7,298.45	16,662.39	3,527.45	784.84	4,312.29	3,972.00	3,588.30	0.00	0.00	2,944.00	2,461.56	406.62	16,122.04	50.69		16,172.73	(2,318.22)
	26	12,184.28	5,371.25	17,555.53	1,357.50	0.00	1,357.50	4,048.51	3,654.91	0.00	0.00	3,002.25	4,218.23		16,279.40	76.03	1,313.74	18,667.92	2,005.53
	27	8,558.97	2,656.50	11,215.47	1,520.00	392.42	1,912.42	2,296.78	2,074.54	0.00	0.00	1,704.09	2,119.92		16,279.40		284.05	16,563.45	(992.08)
															10,107.75	101.37	65.13	10,274.25	(941.22)
92/93	28-30	13,596.82	11,793.05	25,389.87	9,878.05	1,172.57	11,050.62	1,591.81	1,437.76	462.14	2,535.65	1,161.02	6,834.18	0.00	25,083.22			25,083.22	0.00
	31	1,759.91	4,919.30	6,679.21	4,919.30	451.08	5,370.36	303.02	257.72	85.54	200.40	218.60	243.57		6,679.21		296.65	6,975.86	0.00
	32	2,207.31	5,013.75	7,221.06	3,063.75	65.94	3,129.69	656.85	593.28	190.70	2,160.20	487.34	3.00		7,221.06			7,221.06	0.00
	Other	4,377.51	0.00	4,377.51	0.00	418.83	418.83	1,227.20	1,108.43	358.28	358.28	910.49			4,377.51			4,377.51	0.00
	33	Incl w/ 34	4,782.15	4,782.15	4,782.15		4,782.15								4,782.15			4,782.15	0.00
	34	2,656.26	7,491.50	10,147.76	7,491.50	545.92	8,037.42	654.20	590.89	189.93	189.93	485.39			10,147.76			10,147.76	(0.00)
	35	3,315.43	3,611.00	6,926.43	3,611.00		3,611.00	1,027.78	928.33	288.39	298.39	782.54			6,926.43			6,926.43	0.00
	36	1,498.48	162.50	1,660.98	162.50	65.94	727.50	444.07	401.12	128.93	128.93	329.49			1,660.98			1,660.98	0.00
	37	Incl w/ 38	747.50	747.50	747.50		747.50								747.50			747.50	0.00
	38	2,681.60	325.00	3,006.60	325.00		325.00	831.29	750.85	241.35	241.35	616.76			3,006.60			3,006.60	0.00
	39	Incl w/ 42	1,271.25	1,271.25	1,271.25		1,271.25								1,271.25			1,271.25	0.00
	40	Incl w/ 42	3,627.73	3,627.73	3,627.73		3,627.73								3,627.73			3,627.73	0.00
	41	824.65	3,993.25	4,817.90	3,993.25		3,993.25	233.70	211.08	67.85	67.85	173.39	70.78		4,817.90			4,817.90	0.00
	42	2,571.43	976.50	3,547.93	976.50		976.50	645.51	583.05	240.83	240.84	478.94	47.18		3,212.85			3,212.85	0.00
	43	Incl w/ 44	2,921.40	2,921.40	0.00	0.00	0.00								0.00		335.08	0.00	(2,921.40)
	44	2,042.09	1,733.50	3,775.59	0.00	0.00	0.00	294.58	0.00	85.52	160.98	0.00	220.26		761.34			761.34	0.00
	45	Incl w/ 46	7,419.30	7,419.30	7,419.30		7,419.30								5,935.65			5,935.65	2,921.40
	46	333.07	2,105.70	2,438.77	2,105.70		2,105.70	220.26							2,325.96			2,325.96	0.00
May 1994	47	1,231.66	6,741.60	7,973.26	6,741.60		6,741.60	140.01							6,968.43		1,004.83	7,973.26	0.00
June 1994	48	708.86	7,324.30	8,033.16	7,324.30		7,324.30				28.94		57.88		7,324.30		708.86	8,033.16	0.00
GRAND TOTALS		251,538.21	229,982.81	481,521.02	128,276.23	46,495.33	174,771.56	109,354.14	98,164.48	2,347.46	6,609.78	60,638.39	16,276.56	6,418.64	494,591.01	278.78	10,056.80	504,916.59	23,395.57

Notes:
 (1) Counihan billing #'s 43 and 44 were not reimbursed in the first Formation Cost book. These costs should be reflected in the second Formation Cost book. (\$2,921.40 + \$1,733.50 = \$4,654.90)
 (2) \$1,915.00 is being reclassified from the road to the Formation Costs.
 (3) \$1,950.00 is being reclassified from the road to the Formation Costs.

17011

FISCAL YEAR	INVOICE NUMBER	COUNIHAN TOTAL INVOICE AMOUNT	REIMBURSED BY SERRANO "MELLO FORMATION"	REIMBURSED BY SERRANO "VARIOUS PROJECTS"	REIMBURSED BY SERRANO "APPIAN WAY"	REIMBURSED BY SERRANO "PARK DR."	REIMBURSED BY SERRANO "UPLANDS"	NOT PAID BY SERRANO "APPIAN WAY"	TOTAL
	Jul 1994	49	6,767.50	6,767.50					
	Aug 1994	50	6,514.95	6,514.95					6,767.50
	Sep 1994	51	5,502.21	5,502.21					6,514.95
	Oct 1994	52	6,509.92	6,299.92					5,502.21
	Nov 1994	53	7,626.12	Incl w 54			210.00 Reim.w/ Phase 1		5,092.92
	Dec 1994	54	6,679.86	16,305.98					0.00
	Jan 1995	55	8,258.30	8,258.30					16,305.98
	Feb 1995	56	6,960.92	6,960.92					8,258.30
	Mar 1995	57	7,870.78	7,870.78					6,960.92
	April 1995	58	5,096.40	5,096.40					7,870.78
	May 1995	59	7,581.75	Incl w/ 60					5,096.40
	Jun 1995	60	6,377.07	13,958.62					0.00
			83,745.76	83,535.76	0.00	0.00	0.00	210.00	0.00
95/96	Jul 1995 95-1	4,558.18	Incl w/ 95-6						0.00
	Aug 1995 95-2	7,287.28	Incl w/ 95-6						0.00
	Sep 1995 95-3	6,074.04	Incl w/ 95-6						0.00
	Oct 1995 95-4	1,907.90	Incl w/ 95-6						0.00
	Nov 1995 95-5	5,108.62	Incl w/ 95-6						0.00
	Dec 95 95-6	5,485.84	27,856.86						0.00
	Jan 1996 95-7	5,389.70	Incl w/ 95-8			2,565.00 Per Dann--allocated			30,421.86
	Feb 1996 95-8	1,412.20	6,801.90						0.00
	Mar 1996 95-9	8,724.93	Incl w/ 95-9						6,801.90
	April 1996 95-10	5,551.38	12,276.31	0.00					0.00
	May 1996 95-11	4,761.95	Incl w/ 95-12						12,276.31
	June 1996 95-12	4,851.30	9,613.25						0.00
95/96 FY TOTALS		59,113.32	58,548.32	0.00	0.00	2,565.00	0.00	0.00	59,113.32
96/97	Jul 1996 96-1	1,408.15	1,408.15						0.00
	Aug 1996 96-2	3,018.60	3,018.60						1,408.15
	Sep 1996 96-3	3,682.98	Incl w/ 96-12						3,018.60
	Oct 1996 96-4	3,162.40	Incl w/ 96-12						0.00
	Nov 1996 96-5	3,573.10	Incl w/ 96-12						0.00
	Dec 1996 96-6	4,126.45	4,126.45						0.00
	Jan 1997 96-7	3,589.88	Incl w/ 96-8						4,126.45
	Feb 1997 96-8	3,826.85	7,416.83						0.00
	Mar 1997 96-9	3,155.05	3,155.05						7,416.83
	Apr 1997 96-10	3,910.58	Incl w/ 96-12						3,155.05
	May 1997 96-11	5,855.88	Incl w/ 96-12						0.00
	Jun 1997 96-12	4,284.15	24,449.09						0.00
96/97 FY TOTALS		43,574.17	43,574.17	0.00	0.00	0.00	0.00	0.00	43,574.17
97/98	Jul 1997 97/98-1	3,587.05	Incl w/ #4			842.50	0.00		842.50
	Aug 1997 97/98-2	1,799.01	Incl w/ #4			35.00			35.00
	Sep 1997 97/98-3	1,672.48	Incl w/ #4						0.00
	Oct 1997 97/98-4	927.15	7,108.19						7,108.19
	Nov 1997 97/98-5	2,866.58	Incl w/ #7			1,687.50			1,687.50
	Dec 1997 97/98-6	4,071.46	Incl w/ #7						0.00
	Jan 1998 97/98-7	4,077.79	Incl w/ #7						0.

1,915.00
1,950.00
4,654.90
<hr/>
278,771.60

Schedule #2

EL DORADO HILLS DEVELOPMENT COMPANY
SUMMARY OF MELLO-ROOS FORMATION 2 COSTS

		1994 Bond	1999 Bond		TOTAL	Reimbursed 9/7/99	Reimbursed 9/22/99	Over Reimbursed	Remaining
		(RGMFR) FORMATION 1	(RGMRP2) FORMATION 2						
Engineering Services	Thorne Engineering	\$2,265.00	\$1,117.00		\$3,382.00				\$3,382.00
	Owen Engineering & Management	3,489.10	0.00		3,489.10				3,489.10
	County of El Dorado- DOT	82,212.78	194,848.38		277,061.16		163,031.70	23,395.57	90,633.89
Special Tax Consultant Services	Economic & Planning Systems	7,306.54	21,463.49		28,770.03				28,770.03
Advanced Funding CFD -County of El Dorado	Empire Economics	0.00	58,825.00 (1)		58,825.00	54,325.00			4,500.00
	David E. Lane & Assoc	27,860.50	122,954.06		150,814.56	122,954.06			27,860.50
	Special Districts	0.00	13,316.55		13,316.55	12,690.51			626.04
	Fieldman, Rolapp & Assoc.	0.00	80,639.82		80,639.82	73,548.42			7,091.40
	Gov't Finance	0.00	1,630.83		1,630.83				1,630.83
	CA Municipal	0.00	375.00		375.00	375.00			0.00
	EPS	0.00	7,187.38		7,187.38	7,187.38			0.00
CFD Legal Consultants	Hefner Stark & Marois	10,498.43	48,104.36		58,602.79				58,602.79
Legal Services	McDonough, Holland & Allen	0.00	5,716.04		5,716.04				5,716.04
	Weintraub, Genshlea & Sproul	0.00	2,770.10		2,770.10				2,770.10
Transcript State Board Hearing	Alice Book	0.00	285.00		285.00				285.00
C.L. Raffety, CPA	POS Verification Report	0.00	480.00		480.00				480.00
Financial Services	KMPG Peat Marwick	0.00	2,500.00		2,500.00				2,500.00
Consultant	Albert Hazbun	43,625.00 (2)	10,617.50		54,242.50				54,242.50
TOTAL		<u>\$177,257.35</u>	<u>\$572,830.51</u>	(3)	<u>\$750,087.86</u>	<u>\$271,080.37</u>	<u>\$163,031.70</u>	<u>\$23,395.57</u>	<u>\$292,580.22</u>

(1) \$4,500 of the amount relates to the 1994 Bond

(2) Not coded to Mello-Roos. Coded to Regional Planning. Amount deducting Hazbun = \$133,632.35 and ties to file f:\lotus\ms\ledh\mrreimb.

(3) Ties to Job Cost less \$10,617.50 for Albert Hazbun bills coded to Regional Planning.

SERRANO ASSOCIATES, LLC
4525 SERRANO PARKWAY
EL DORADO HILLS, CA 95762
(916) 939-4060 FAX (916) 939-4116



FACSIMILE TRANSMITTAL SHEET

TO:	FROM:
Dann Counihan	Raymond Ricks
COMPANY:	DATE:
Counihan Consulting	03/24/00
FAX NUMBER:	TOTAL NO. OF PAGES INCLUDING COVER:
1 530 887-0911	11
RE:	YOUR REFERENCE NUMBER:
Draft of Reimb. Request	

☐ URGENT ☐ FOR REVIEW ☐ PLEASE COMMENT ☐ REPLY ☐ PLEASE RECYCLE

NOTES/COMMENTS:

Please review letter with Exhibits to make sure we both agree. I still have not adjusted these schedules for the legal bills in question. Hopefully, this will be done in the next day or two.

Thank You.

Serrano Associates, LLC

4525 Serrano Parkway
El Dorado Hills, CA 95762

Memo

Date: April 11, 2000


To: Melanie Draper

From: Raymond Ricks *RR*

RE: Error in Reimbursement Request Letter

There is a typing error in the letter from Bill Parker dated March 29, 2000 requesting reimbursement from CFD No. 1992-1. On page two the second line from the bottom the number reads (23,295.22). The correct number is (23,395.57) as it is shown on Exhibit A attached to the letter (copy attached). This change does not affect the Total Reimbursement Request of \$292,295.22.

I apologize for any inconvenience this may have caused you. Should you have any questions or need additional information please contact me at (916)939-4060.



03/24/2000

EL DORADO HILLS DEVELOPMENT COMPANY
SUMMARY OF MELLO-ROOS FORMATION 2 COSTS

		1994 Bond (RGMFR) FORMATION 1	1999 Bond (RGMFRP2) FORMATION 2	TOTAL AMOUNT	Reimbursed 9/7/99	Reimbursed 9/22/99	Over Reimbursed	Remaining
Engineering Services	Albert Hazbun	\$43,625.00	\$10,617.50	\$54,242.50				\$54,242.50
	Thorne Engineering	2,265.00	1,117.00	3,382.00				3,382.00
	Owen Engineering & Management	3,489.10	0.00	3,489.10				3,489.10
County Review and Administration	County of El Dorado- DOT	82,212.78	194,848.38	277,061.16		163,031.70	23,395.57	90,633.89
Special Tax Consultant Services	Economic & Planning Systems	7,306.54	21,463.49	28,770.03				28,770.03
Advanced Funding CFD -County of El Dorado	Empire Economics	0.00	58,825.00	58,825.00	54,325.00			4,500.00
	David E. Lane & Assoc	27,860.50	122,954.06	150,814.56	122,954.06			27,860.50
	Special Districts	0.00	13,316.55	13,316.55	12,690.51			626.04
	Fieldman, Rolapp & Assoc.	0.00	80,639.82	80,639.82	73,548.42			7,091.40
	Gov't Finance	0.00	1,630.83	1,630.83				1,630.83
	CA Municipal	0.00	375.00	375.00	375.00			0.00
	EPS	0.00	7,187.38	7,187.38	7,187.38			0.00
CFD Legal Consultants	Hefner Stark & Marois	10,498.43	48,104.36	58,602.79				58,602.79
Legal Services	McDonough, Holland & Allen	0.00	5,716.04	5,716.04				5,716.04
	Weintraub, Genshlea & Sproul	0.00	2,770.10	2,770.10				2,770.10
C.L. Raffety, CPA	POS Verification Report	0.00	480.00	480.00				480.00
Financial Services	KMPG Peat Marwick	0.00	2,500.00	2,500.00				2,500.00
TOTAL		\$177,257.35	\$572,545.51	\$749,802.86	\$271,080.37	\$163,031.70	\$23,395.57	\$292,295.22

EXHIBIT
A

Serrano Associates, LLC

4525 Serrano Parkway
El Dorado Hills, CA 95762

Memo

Date: February 23, 2000
To: Dann Counihan
From: Raymond Ricks *RR*
RE: DOT charges included in Formation Costs

In reviewing the invoices from DOT which should be included with the current Formation Cost reimbursement book, I discovered several adjustments which needed to be made in order to assure the proper reimbursement. These adjustments included costs that had been omitted from the first bond Formation Cost reimbursement request, and costs which had been reimbursed more than once from various facilities. I have prepared several schedules to address these adjustments and to help clarify the costs that are included in the current reimbursement request.

I first reviewed the DOT costs (which include your time) reimbursed in the original Formation Cost book submitted with the issuance of the first bonds in 1994. I had discovered a short time ago that many of these costs were not only reimbursed with the Formation Cost book but also some of these same invoices were reimbursed with various facilities reimbursed in the past. I discovered that your invoices #1 through #27 had for some reason been double counted and that Serrano had been reimbursed \$23,395.57 more than was allowable for these invoices. I also discovered a few items that should have been reimbursed with the 1994 bond issue but had not yet been reimbursed due to miscoding on our part. This information is detailed on schedule #1.

I next sought to determine how your invoices had been charged in the past to determine if all of your invoices had been included in this current Formation Cost book. I prepared schedule #2 to identify where your costs had been charged and or reimbursed starting with the first invoice after the one included in the first bond issue. With a few exceptions your invoices are entirely included with the second Formation Cost book as you and I had jointly determined. These costs, including the few additions noted in Schedule #1 total \$276,771.60.

Schedule #3 summarizes by invoice the DOT charges included in the submittal for reimbursement. The format is different to more closely relate to the invoicing and checks written. You will notice the column titled "Counihan" matches the total in schedule #2.

**EL DORADO COUNTY
OFFICE OF
THE COUNTY COUNSEL**



COUNTY COUNSEL
LOUIS B. GREEN

CHIEF ASS'T. COUNTY COUNSEL
EDWARD L. KNAPP

DEPUTY COUNTY COUNSEL
CHERIE J. VALLELUNGA
THOMAS R. PARKER
VICKI J. FINUCANE
THOMAS D. CUMPSTON
JUDITH M. KERR
PATRICIA E. BECK
ROGER B. COFFMAN

COUNTY GOVERNMENT
CENTER
330 FAIR LANE
PLACERVILLE, CALIFORNIA
95667
(530) 621-5770
FAX# (530) 621-2937

Legal Assistants
RUDY LIMON
JOHN F. MARTIN

March 29, 2000

Dann Counihan, P.E.
Counihan Consulting Engineering
259 Nevada Street
Auburn, CA 95603

Re: El Dorado Hills C.F.D. 1999 Bond, District Formation Cost Review

Dear Mr. Counihan:

In response to your letter of February 1, 2000, this office believes that the legal expenses paid to the McDonough and Weintraub law firms are properly included in the costs of district formation and are thus eligible for CFD reimbursement.

The legal bills relate to the issues of developer disclosure under the applicable SEC rules, the nature of the indemnity agreement required by the County, and the proper signators to that indemnity agreement. These issues involved potential conflicts among the several parties which justified the involvement of several law firms.

I trust that this letter satisfies your request. Thank you.

Sincerely,

LOUIS B. GREEN
County Counsel

By: 

Edward L. Knapp
Chief Assistant County Counsel

ELK:dp
counihanedhillscfd.ltr
cc: Mike Cook, Esq.

Civil Engineering

COUNIHAN CONSULTING ENGINEERING

Land Planning

Dann Counihan, P.E.

Project Management

Municipal Engineering

259 Nevada Street
Auburn, CA 95603

(530) 888-8072

or

10986 Rough & Ready Hwy.
Grass Valley, CA 95945
(530) 273-8757

February 1, 2000

Ed Knapp
Chief Deputy County Counsel
360 Fairlane Ct.
Placerville, CA 95667

RE: EL DORADO HILLS C.F.D. 1999 BOND
DISTRICT FORMATION COST REVIEW

Dear Ed,

Currently I am reviewing Serrano Partners claimed costs for bond proceeds reimbursement involved with District "Formation". The list of claimed costs is attached.

There are costs claimed for two legal firms that I need help with. Please review the attached invoices to determine if the work qualifies as eligible for C.F.D. reimbursement, then respond to me so that I can complete my report.

I am comfortable reviewing the other claimed costs, but let me know if you want to also review any of the others on the list.

Very Truly Yours,

COUNIHAN CONSULTING ENGINEERING



Dann R. Counihan, P.E.
R.C.E. #31125


attachments

cc: Ray Ricks, Serrano Associates
Randy Pesses, D.O.T.

**DEPARTMENT OF TRANSPORTATION
INTEROFFICE COMMUNICATION**

DATE: September 14, 1999

TO: Diana Buckley

FROM: Ruth Young 

SUBJECT: Serrano - Mello Roos Formation Reimbursement

Serrano is requesting reimbursement from the recent Mello Roos Bond issuance to cover costs they incurred relating to Counihan charges.

I have verified that DOT has paid Counihan for costs incurred and that Serrano has reimbursed DOT for all associated expenses related to this reimbursement request.

Reimbursement to Serrano in the amount of \$163,031.70 is related to Counihan invoices for the period July 1995 - May 1999 for Mello Roos formation costs.

Serrano has received payment previously for Counihan invoices for the period April 1990 - June 1994 and for applicable DOT charges for that period.

SERRANO REIMBURSED FOR MELLO FORMATION COSTS #2

COUNIHAN CHARGES
DOT COSTS AS ITEMIZED

163,031.70
0.00

163,031.70

163,031.70 *

* Current claim

**EL DORADO HILLS SPECIFIC PLAN
PAYMENTS TO COUNIHAN CONSULTING**

FISCAL YEAR	INVOICE NUMBER	COUNIHAN TOTAL INVOICE AMOUNT	REIMBURSED BY SERRANO "MELLO FORMATION"	REIMBURSED BY SERRANO "VARIOUS PROJECTS"	REIMBURSED BY SERRANO "APPIAN WAY"	REIMBURSED BY SERRANO "PARK DR."	REIMBURSED BY SERRANO "UPLANDS"	NOT PAID BY SERRANO "APPIAN WAY"
95/96	95-1	4,558.18	4,558.18					
	95-2	7,287.28	7,287.28					
	95-3	6,074.04	6,074.04					
	95-4	1,907.90	1,907.90					
	95-5	5,108.62	5,108.62					
	95-6	5,485.84	5,485.84					
	95-7	5,389.70	5,389.70					
	95-8	1,412.20	1,412.20					
	95-9	6,724.93	6,724.93					
	95-10	5,551.38	5,376.38	175.00				
	95-11	4,761.95	4,761.95					
	95-12	4,851.30	4,851.30					
95/96 FY TOTALS		59,113.32	58,938.32	175.00	0.00	0.00	0.00	0.00
96/97	96-1	1,408.15	1,408.15					
	96-2	3,018.60	3,018.60					
	96-3	3,682.98	3,682.98					
	96-4	3,162.40	3,162.40					
	96-5	3,573.10	3,573.10					
	96-6	4,126.45	4,126.45					
	96-7	3,589.98	3,589.98					
	96-8	3,826.85	3,826.85					
	96-9	3,155.05	3,155.05					
	96-10	3,910.58	3,910.58					
	96-11	5,855.88	5,855.88					
	96-12	4,264.15	4,264.15					
96/97 FY TOTALS		43,574.17	43,574.17	0.00	0.00	0.00	0.00	0.00
97/98	97/98-1	4,134.63	2,180.05			842.50	564.50	547.58
	97/98-2	2,423.29	1,764.01			35.00		624.28
	97/98-3	1,672.48	1,672.48					
	97/98-4	927.15	927.15					
	97/98-5	2,866.58	1,179.08			1,687.50		
	97/98-6	4,071.46	4,071.46					
	97/98-7	4,182.79	4,077.79	105.00				
	97/98-8	5,775.76	3,988.26	677.50			1,110.00	
	97/98-9	1,042.45	562.45				480.00	
	97/98-10	2,712.15	1,672.15	887.50			152.50	
	97/98-11	3,950.85	3,645.85	305.00				
	97/98-12	2,943.15	2,943.15					
97/98 FY TOTALS		36,702.74	28,683.88	1,975.00	0.00	2,565.00	2,307.00	1,171.86
98/99	98/99-1	3,417.55	3,252.55	165.00				
	98/99-2	2,517.85	2,517.85					
	98/99-3	4,012.96	3,735.46	277.50				
	98/99-4	992.53	992.53					
	98/99-5	541.20	541.20					
	98/99-6	262.50	262.50					
	98/99-7	4,321.88	4,081.88	165.00	75.00			
	98/99-8	5,513.00	5,188.00	165.00	160.00			
	98/99-9	6,135.90	5,074.20		1,061.70			
	98/99-10	5,866.60	5,701.00		165.60			
	98/99-11	488.16	488.16					
98/99 FY TOTALS		34,070.13	31,835.33	772.50	1,462.30	0.00	0.00	0.00
GRAND TOTALS		173,460.36	163,031.70	2,922.50	1,462.30	2,565.00	2,307.00	1,171.86

DEPARTMENT OF TRANSPORTATION

INTEROFFICE COMMUNICATION

Date: September 16, 1999
To: Joe Harn
From: Diana Buckley
Subject: Reimbursement to Serrano for Counihan

As we discussed over the phone yesterday, we have completed our review of the charges to Serrano from DOT for work performed by Dan Counihan related to the Mello Roos formation and have determined that they should be reimbursed for \$163,031.70 for the period in question. Please prepare a requisition to reimburse Serrano for this expense. Attached are summary schedules to support the \$163,031.70. Please let me know if you need copies of the invoices for your files.

pc Michael Stoltz
Ruth Young

*Need to
reimb Mello
when DOT refunds
\$20,000*

Faxed to Ray Ricks

SERRANO REIMBURSED FOR MELLO FORMATION COSTS #1		
COUNIHAN CHARGES		128,276.23
DOT COSTS AS ITEMIZED		<u>26,495.33</u>
		154,771.56
INITIAL DEPOSIT		<u>20,000.00</u>
		174,771.56 *

* Amount previously reimbursed

**EL DORADO HILLS SPECIFIC PLAN
SERRANO ASSOCIATES
PAYMENTS TO COUNIHAN CONSULTING**

FISCAL YEAR	INVOICE NUMBER	COUNIHAN TOTAL INVOICE AMOUNT	REIMBURSED BY SERRANO "MELLO FORMATION"	REIMBURSED BY SERRANO "VARIOUS PROJECTS"
90/91	1 - 6	33,667.33	13,980.00	19,687.33
	7 - 8	18,528.35	7,722.85	10,805.50
	9	5,768.75	2,325.00	3,443.75
	10	6,759.80	3,205.00	3,554.80
	11	5,430.50	1,532.00	3,898.50
	12 - 14	18,048.85	4,332.00	13,716.85
	15	5,495.25	4,722.75	772.50
90/91 FY TOTALS		93,698.83	37,819.60	55,879.23
91/92	16	5,961.05	2,291.05	3,670.00
	17	8,735.05	4,206.55	4,528.50
	18	3,715.95	2,508.45	1,207.50
	19	3,757.25	130.00	3,627.25
	20	3,688.50	3,136.00	552.50
	21	7,727.50	2,527.50	5,200.00
	22 - 23	10,394.20	811.75	9,582.45
	24	4,959.45	3,429.95	1,529.50
	25	2,339.00	97.50	2,241.50
	26	5,371.25	1,357.50	4,013.75
	27	2,656.50	1,520.00	1,136.50
91/92 FY TOTALS		59,305.70	22,016.25	37,289.45
92/93	28	5,184.75	4,013.25	1,171.50
	29	822.00	822.00	
	30	6,957.80	5,042.80	1,915.00
	31	4,919.30	4,919.30	
	32	5,013.75	3,063.75	1,950.00
	33	4,782.15	4,782.15	
	34	7,491.50	7,491.50	
	35	3,611.00	3,611.00	
	36	162.50	162.50	
	37	747.50	747.50	
	38	325.00	325.00	
92/93 FY TOTALS		40,017.25	34,980.75	5,036.50
93/94	39	1,271.25	1,271.25	
	40	3,627.73	3,627.73	
	41	3,993.25	3,993.25	
	42	976.50	976.50	
	43	2,921.40		2,921.40
	missing 44	1,733.50		1,733.50
	45	7,419.30	7,419.30	
	46	2,105.70	2,105.70	
	47	6,741.60	6,741.60	
	48	7,324.30	7,324.30	
93/94 FY TOTALS		38,114.53	33,459.63	4,654.90
GRAND TOTALS		231,136.31	128,276.23	102,860.08

**EL DORADO HILLS SPECIFIC PLAN
MISC. COST REIMBURSED BY SERRANO**

92/93	3/93	DOT LABOR CHARGES	65.94
	1/93	DOT LABOR CHARGES	964.75
	11/92	DOT LABOR CHARGES	65.94
	10/92	DOT LABOR CHARGES	451.06
	9/92	DOT LABOR CHARGES	362.67
	8/92	DOT LABOR CHARGES	230.79
	7/92	DOT LABOR CHARGES	579.11
91/92	6/92	DOT LABOR CHARGES	392.42
	4/92	DOT LABOR CHARGES	784.84
	3/92	DOT LABOR CHARGES	116.09
	2/92	DOT LABOR CHARGES	65.40
	1/92	DOT LABOR CHARGES	261.61
	12/91	DOT LABOR CHARGES	1,257.71
	11/91	DOT LABOR CHARGES	1,578.80
	10/91	DOT LABOR CHARGES	211.73
	9/91	DOT LABOR CHARGES	926.04
	8/91	DOT LABOR CHARGES	1,158.88
	7/91	DOT LABOR CHARGES	610.58
90/91	5/91 - 6/91 & ADJ	DOT LABOR CHARGES	11,438.85
	3/91	DOT LABOR CHARGES	1,448.35
	12/90	DOT LABOR CHARGES	396.72
	11/90	DOT LABOR CHARGES	540.59
	10/90	DOT LABOR CHARGES	909.69
	9/90	DOT LABOR CHARGES	206.68
	8/90	DOT LABOR CHARGES	251.61
	7/90	DOT LABOR CHARGES	215.67
89/90	6/90	DOT LABOR CHARGES	838.28
	5/90	DOT LABOR CHARGES	164.53
			<hr/>
			26,495.33