

Area of Benefit Engineer's Report

For

S. Main Street Widening and Improvements

April 28, 2025

CLIENT:

California Gold Development Corporation
133 Old Wards Ferry Road, Suite G
Sonora, CA 95370
(209) 533-3333

Project Address:

(South Main Street – From Highway 120 to Woodward Avenue)
(Atherton Drive – From Main Street to Approx. 1,400 feet west of Main Street)



Study Prepared by:



620 12th Street
Modesto, CA 95354
Corey Walker, PE #89920

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Section 1 Introduction

1.1 PROJECT BACKGROUND

On June 1, 2023, the City of Manteca approved a Tentative Parcel Map, Minor Use Permit, and Site Plan Review application for the Marketplace at Main Retail Center. As a condition of the project’s approval, the City included requirements to improve S. Main Street from the south edge of the Highway 120 Eastbound On-Ramp to the southeast edge of the project site as well as to install a new traffic signal at the intersection of S. Main Street and Atherton Drive.

1.2 AREA DESCRIPTION

The S. Main Street Widening and Improvements Area of Benefit, hereto referred to as the “AOB”, consists of improvements south of Highway 120 along S. Main Street from the Highway 120 Eastbound On-Ramp to approximately 1,200 feet south of Atherton Drive, as well as improvements on Atherton Drive from S. Main Street to approximately 1,400 feet west of S. Main Street. An overview of the AOB improvements is shown in Appendix B. The AOB Benefiting Parcels encompass properties abutting the S. Main Street/Atherton Drive intersection, as well as properties abutting S. Main Street between Atherton Drive and the Highway 120 Eastbound On-Ramp. The project also involves the construction of improvements on Atherton Drive along the project frontage.

Beneficiaries shall pay the AOB Assessment for improvements constructed as described in Section 4. The benefitting parcels are as follows and are shown in Appendix A - “Area of Benefit - Benefitting Parcels Exhibit”:

Table 1.1 - Benefitting Parcels

| AREA | OWNER | APN | ADDRESS |
|------|---|------------|------------------------|
| A | John Aretakis, Galatia Aretakis, Alex Aretakis, Micheal Aretakis, Nick Aretakis, David Kalunian | 224-021-16 | 1533 South Main Street |
| B | | 224-021-17 | 1437 South Main Street |
| C | Marketplace at Main LLC | 224-021-30 | 1669 South Main Street |
| D | | 224-021-47 | 1601 South Main Street |
| E | QMC Manteca Holdings, LLC | 224-040-06 | 301 East Quintal Road |
| F | | 224-040-07 | 292 East Quintal Road |
| G | | 224-040-11 | 490 East Quintal Road |
| H | | 224-040-52 | 144 East Quintal Road |
| I | Brocchini Family Partnership [1] | 224-040-03 | 1532 South Main Street |
| J | Brocchini Family Partnership [2] | 224-040-04 | 1574 South Main Street |
| K | | 224-040-09 | 1636 South Main Street |

Table Notes

- [1] This parcel is located at the northeast corner of the intersection of Atherton Drive and S. Main Street.
- [2] These parcels are located at the southeast corner of the intersection of Atherton Drive and S. Main Street.

1.3 METHODOLOGY

The improvements included within the AOB encompass street improvements and underground infrastructure required to meet City of Manteca Standards and the City’s Public Facilities Infrastructure Plan (PFIP) guidelines. All parcels listed in Table 1.1 are to contribute their pro-rata share based on an allocation using frontage length, as required by City Resolution No. R1996-132 “Policy of Area of Benefit Establishment Criteria”. Although Areas E through H in Table 1.1 do not have any direct frontage along S. Main Street, the City has imposed a condition of approval which requires them to develop the frontage

along APN: 224-040-01 and APN: 224-040-02. For the purposes of this AOB, the pro-rata share for Areas E, F, G & H is calculated based on the frontage length along APN: 224-040-01 and APN: 224-040-02.

All parcels listed in Table 1.1 are to contribute equally to shared improvements within the Caltrans right-of-way along S. Main Street. All parcels listed in Table 1.1 are also to contribute their pro-rata share to shared improvements for fiber optic and joint trench improvements along Atherton Drive and S. Main Street. These Shared Improvements are described more fully in Section 2.1 and are generally shown in Appendix B.

The proposed improvements are to be constructed by Marketplace at Main LLC. QMC Manteca Holdings, LLC (Areas E, F, G, & H) and Brocchini Family Partnership (Areas I, J, & K) have agreed to fully fund their pro-rata shares per separate outside agreements with Marketplace at Main LLC. Only Aretakis (Areas A & B) will have outstanding assessments due which will be included in this AOB. Areas C through K are included in the descriptions below for reference only to clarify how the pro-rata shares were calculated, but will not have any assessments due.

Section 2 Improvement Costs

2.1 IMPROVEMENT COSTS

Improvements contained in this agreement are limited to improvements within the public right-of-way and associated infrastructure. Proposed Improvements are to be constructed by Marketplace at Main LLC. These improvements include site preparation and grading, erosion control, curb, gutter, sidewalks, pavement, driveways, signage and striping, accessible curb ramps, street lights, pedestrian and vehicular barricades, landscaping, and irrigation. These improvements are generally shown in Appendix B.

Shared Improvements are to be constructed by Marketplace at Main LLC and include improvements within the Caltrans right-of-way as well as fiber optic conduit, joint trench improvements, and associated dry utility structures along Atherton Drive and S. Main Street. These improvements include site preparation and grading, erosion control, curb, gutter, pavement, signage and striping, fiber optic conduit, joint trench improvements, associated dry utility structures, and traffic signal improvements. These improvements are generally shown in Appendix B.

Refer to Appendix A for the “Area of Benefit - Benefitting Parcels Exhibit” and to Appendix B for the proposed “Area of Benefit - Fair Share Analysis”. Final improvement costs are determined based on the procedures listed in City Resolution No. R1996-132 “Policy of Area of Benefit Establishment Criteria”.

2.2 IMPROVEMENT MARK-UPS

The following mark-ups will be used on all items other than land cost; the land cost is excluded from any mark-ups.

Table 2.1 - Improvement Mark-Ups

| DESCRIPTION | MARK-UP |
|--|---------------|
| Design Engineering | 6.00% |
| Construction Staking | 4.00% |
| City Engineering Plan Check Fee | 2.43% |
| City Construction Inspection Fee | 3.18% |
| City Bonding | 2.00% |
| Developer Construction Management and Administration | 5.00% |
| Assessment Engineering | 5.00% |
| City Administration | 5.00% |
| Total: | 32.61% |

2.3 COST ADJUSTMENT FOR INFLATION

The assessments provided herein shall be adjusted on January 1st of each year, based upon the change in the 20-City U.S. Average Engineering News Record Construction Index (ENR-Index). The adjusted cost shall be calculated by the City of Manteca Engineering Department using the formula:

- *New adjusted assessment is equal to the initial assessment multiplied by ENR-Index for January 1st of the year the assessment is paid, divided by the ENR-Index for January, 2025. The adjusted cost shall be rounded to the nearest dollar (\$1.00).*

Section 3 Improvement Segments

3.1 SEGMENT OVERVIEW

The S. Main Street Widening and Improvements Area of Benefit has been broken down into two areas of improvement. Improvements along S. Main Street are beneficial to all Development Areas within the Area of Benefit, whereas the Atherton Drive Improvements are only beneficial to the Marketplace at Main LLC and Aretakis developments.

3.2 SEGMENT BREAKDOWN

As described in Section 1.3, each parcel listed in Table 1.1 is responsible for improvements along their direct frontage along both S. Main Street and Atherton Drive. These improvements are described more fully in Section 2.1.

Each area is also responsible for their portion of Shared Improvements based on their percentage of the overall frontage length along S. Main Street. Shared Improvements are described in Section 2.1.

The following Table 3.1 provides a breakdown of the Fair Share Percentage Analysis used to establish the pro-rata cost due from each area for the Shared Improvements described in Section 2.1, with the exception of improvements within the Caltrans right-of-way. As described in Section 1.3, the cost of improvements within the Caltrans right-of-way is to be equally shared by all of the benefitting parcels. These costs will be in addition to the costs for the frontage improvements on each parcel. See Appendix B for a detailed Engineer’s Estimate of proposed improvements costs, mark-ups, and credits.

Table 3.1 – Shared Improvement Pro-Rata Responsibility Breakdown (S. Main Street)

| BENEFITTING PARCEL | FRONTAGE LENGTH ^[1] | PRO-RATA RESPONSIBILITY |
|---------------------------|---------------------------------------|--------------------------------|
| Areas - A & B | 555.2 feet | 25.51% |
| Areas - C & D | 569.4 feet | 26.16% |
| Areas - E, F, G, & H | 321.2 feet | 14.76% |
| Area - I | 240.3 feet | 11.04% |
| Areas - J & K | 490.5 feet | 22.54% |

^[1] Frontage length is calculated along S. Main Street only. Improvements along Atherton Drive are explained below.

Along Atherton Drive, striping, signage, and street light improvements which are north of the centerline along the Aretakis frontage are designated as solely the responsibility of the Aretakis development. The remainder of the proposed improvements along Atherton Drive are the sole responsibility of Marketplace at Main LLC, except for the fiber optic conduit which is designated as a Shared Improvement cost as described in Section 2.1.

Section 4 Assessment Cost Summary and Distribution

4.1 ASSESSMENT COST SUMMARY

The following Table 4.1 provides a summary of the Assessments owed as described in Section 2.1. See Appendix B for an exhibit showing the Area of Benefit improvements and a breakdown of the Area of Benefit fees.

Table 4.1 - Area of Benefit Cost Summary - Grand Total of Improvements

| GRAND TOTAL OF AREA OF BENEFIT IMPROVEMENTS | |
|---|--------------------|
| Aretakis - Areas A & B | \$1,112,150 |
| Marketplace at Main LLC - Areas C & D ^[1] | \$1,294,697 |
| QMC Manteca Holdings, LLC – Areas E, F, G, & H | \$210,010 |
| Brocchini Family Partnership - Area I ^[2] | \$137,125 |
| Brocchini Family Partnership - Areas J & K ^[1] | \$586,568 |

^[1] Costs for Areas C through K are shown for reference only. See Section 1.3 for information regarding participation in the AOB.

^[2] This area is designated in the City’s PFIP as not required to dedicate additional right-of-way or contribute to improvements within the City right-of-way.

This Cost Summary does not include PFIP eligible improvements within the project area. The project requires dedication of rights-of-way to facilitate the construction of the proposed improvements. The cost for dedications is estimated at \$6 per square foot for residential property and \$10 per square foot for commercial or industrial property. These prices are based on PFIP estimates prepared in 2015 as part of the City’s current PFIP document. The Marketplace at Main LLC and Brocchini Family Partnership (Areas J & K) have agreed to dedicate their property at this time and so do not have any right-of-way acquisition costs within the AOB. Right-of-way acquisition for the Brocchini Family Partnership (Area I) is within the City’s PFIP and is not part of this AOB. The only right-of-way acquisition costs included in this AOB are for the Aretakis parcels (Areas A & B) which are designated as future commercial areas with an estimated price of \$10 per square foot. See Appendix B for cost estimate analysis.

4.2 DISTRIBUTION

The project will be financed by the Benefitting Parcels covering Areas C through K. The Aretakis parcels (Areas A & B) are not providing funding at this time, which creates a funding shortage for the project. To get the project completed, the City of Manteca will use City funds to cover the shortage, which will be repaid to the City through this Area of Benefit when the Aretakis parcels develop. The amount due is summarized in Table 4.1 and in the “Area of Benefit – Fair Share Analysis” in Appendix B.

Assessments on Areas A & B will be owed directly to the City of Manteca in accordance with the provisions below and subject to the mark-ups and adjustments described in Section 2.

Payments are required in accordance with Table 4.2 below:

Table 4.2 - Distribution Timing for Benefitting Parcels

| DESCRIPTION | DISTRIBUTION TIMING |
|---------------------------------|--|
| Aretakis (Area A & B) | <ul style="list-style-type: none"> Payment of full assessment amount will be made prior to issuance of a government permit. |

Table 4.1 in Section 4.1 includes a summary of the total fee to be collected from Areas A & B. Appendix B provides a breakdown of the costs used to estimate this total fee. In all cases, these amounts are in January, 2025 dollars and must be adjusted in accordance with Section 2 (Cost Adjustment).

As funds are collected, the full Area of Benefit fee amount collected will be disbursed to the City of Manteca.

The fee amount includes five percent (5%) for Assessment Engineering to be paid to:

NorthStar Engineering Group, Inc.
620 12th Street
Modesto, CA 95354

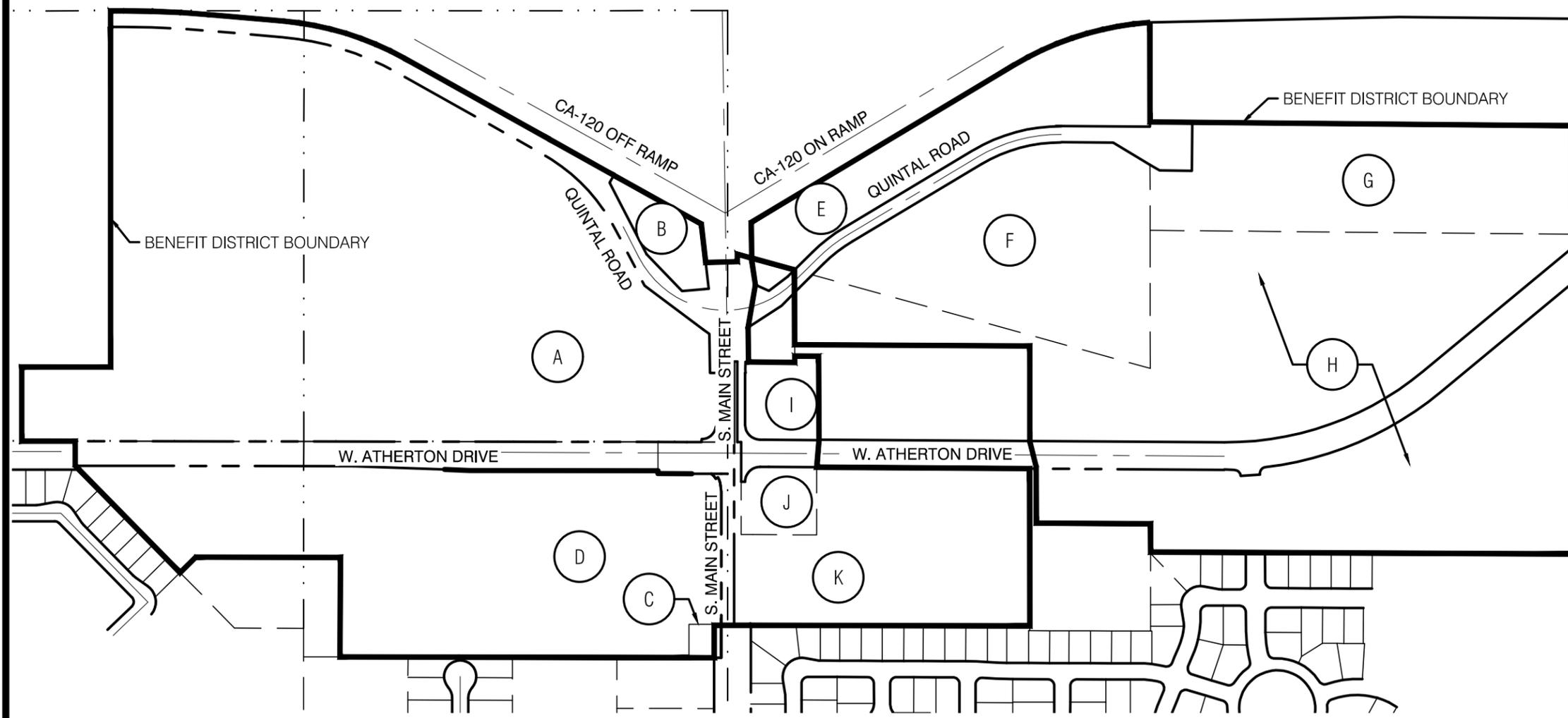
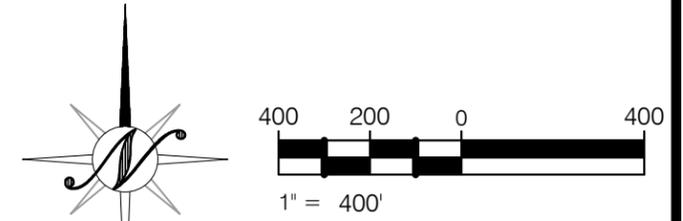
Appendix A: Area of Benefit – Benefitting Parcels Exhibit

MARKETPLACE @ MAIN OFFSITE IMPROVEMENTS

AREA OF BENEFIT DISTRICT
 BENEFITTING PARCELS EXHIBIT
 CITY OF MANTECA, SAN JOAQUIN COUNTY, CALIFORNIA
 APRIL 2025



North Star
 Engineering Group, Inc.
 • CIVIL ENGINEERING • SURVEYING • PLANNING •
 620 12th Street Modesto, CA 95354
 (209) 524-3525 Phone (209) 524-3526 Fax



BENEFITTING PARCELS

| AREA | DESCRIPTION | ASSESSOR'S PARCEL NUMBER |
|------|------------------------------|--------------------------|
| A | ARETAKIS | 224-021-16 |
| B | | 224-021-17 |
| C | MARKETPLACE AT MAIN LLC | 224-021-30 |
| D | | 224-021-47 |
| E | QMC MANTECA HOLDINGS, LLC | 224-040-06 |
| F | | 224-040-07 |
| G | | 224-040-11 |
| H | | 224-040-52 |
| I | BROCCHINI FAMILY PARTNERSHIP | 224-040-03 |
| J | BROCCHINI FAMILY PARTNERSHIP | 224-040-04 |
| K | | 224-040-09 |

NOTES

- THE EXHIBIT IS FOR DISCUSSION PURPOSES ONLY AND IS NOT TO BE USED FOR CONSTRUCTION.

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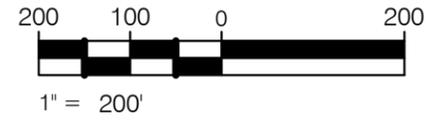
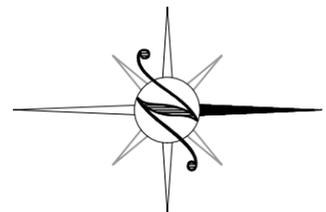
Appendix B: Area of Benefit – Fair Share Analysis

MARKETPLACE @ MAIN OFFSITE IMPROVEMENTS

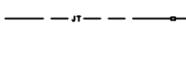
AREA OF BENEFIT DISTRICT
IMPROVEMENTS EXHIBIT
CITY OF MANTECA, SAN JOAQUIN COUNTY, CALIFORNIA
APRIL 2025



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LEGEND

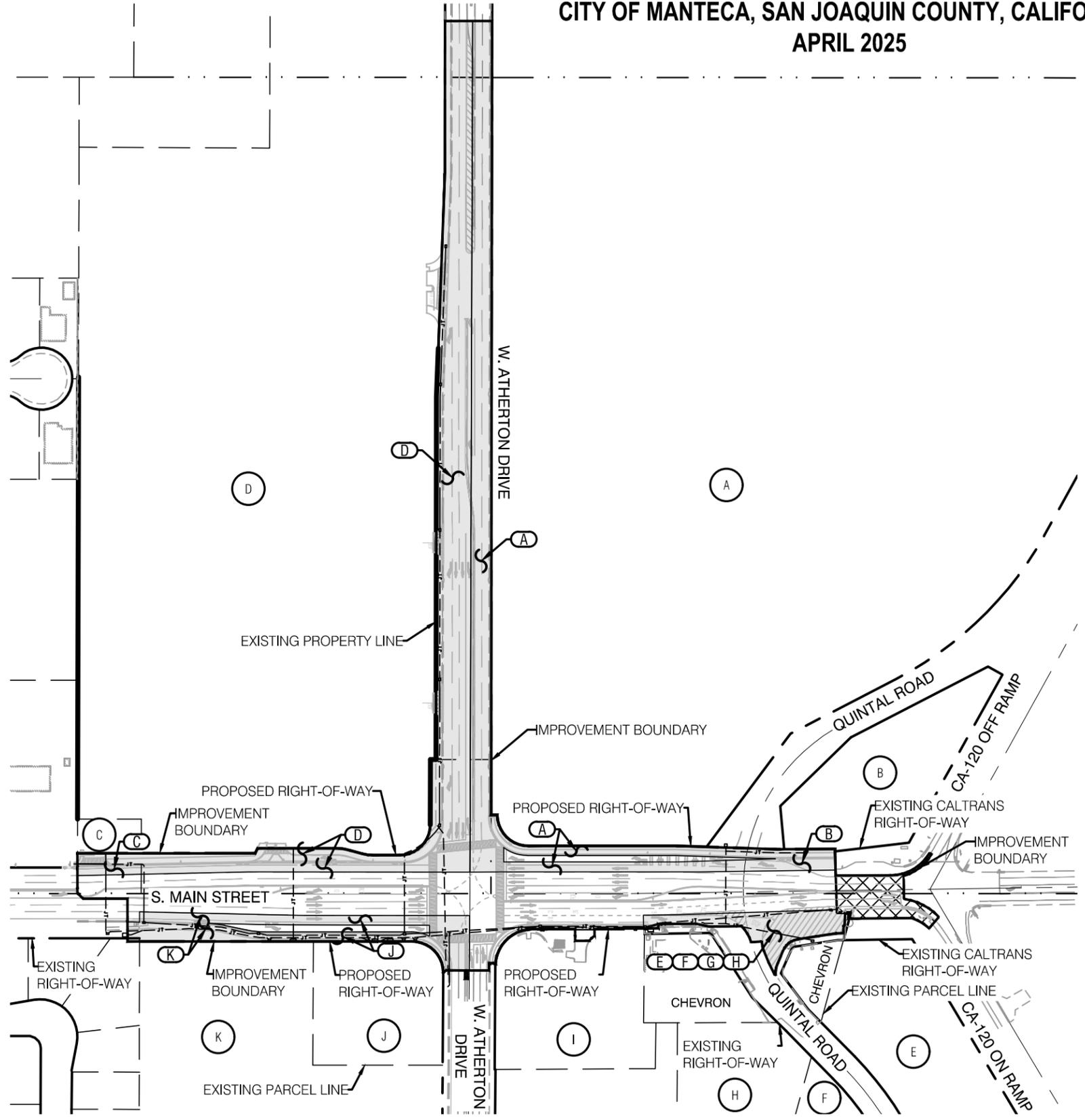
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-  PUBLIC IMPROVEMENTS TO BE FUNDED BY ALL OWNERS
-  PROPOSED JOINT TRENCH IMPROVEMENTS TO BE FUNDED BY ALL OWNERS

BENEFITTING PARCELS

| AREA | DESCRIPTION | ASSESSOR'S PARCEL NUMBER |
|------|------------------------------|--------------------------|
| A | ARETAKIS | 224-021-16 |
| B | | 224-021-17 |
| C | MARKETPLACE AT MAIN LLC | 224-021-30 |
| D | | 224-021-47 |
| E | QMC MANTECA HOLDINGS, LLC | 224-040-06 |
| F | | 224-040-07 |
| G | | 224-040-11 |
| H | | 224-040-52 |
| I | BROCCHINI FAMILY PARTNERSHIP | 224-040-03 |
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| K | | 224-040-09 |

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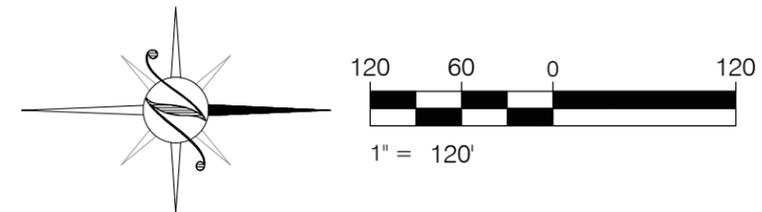
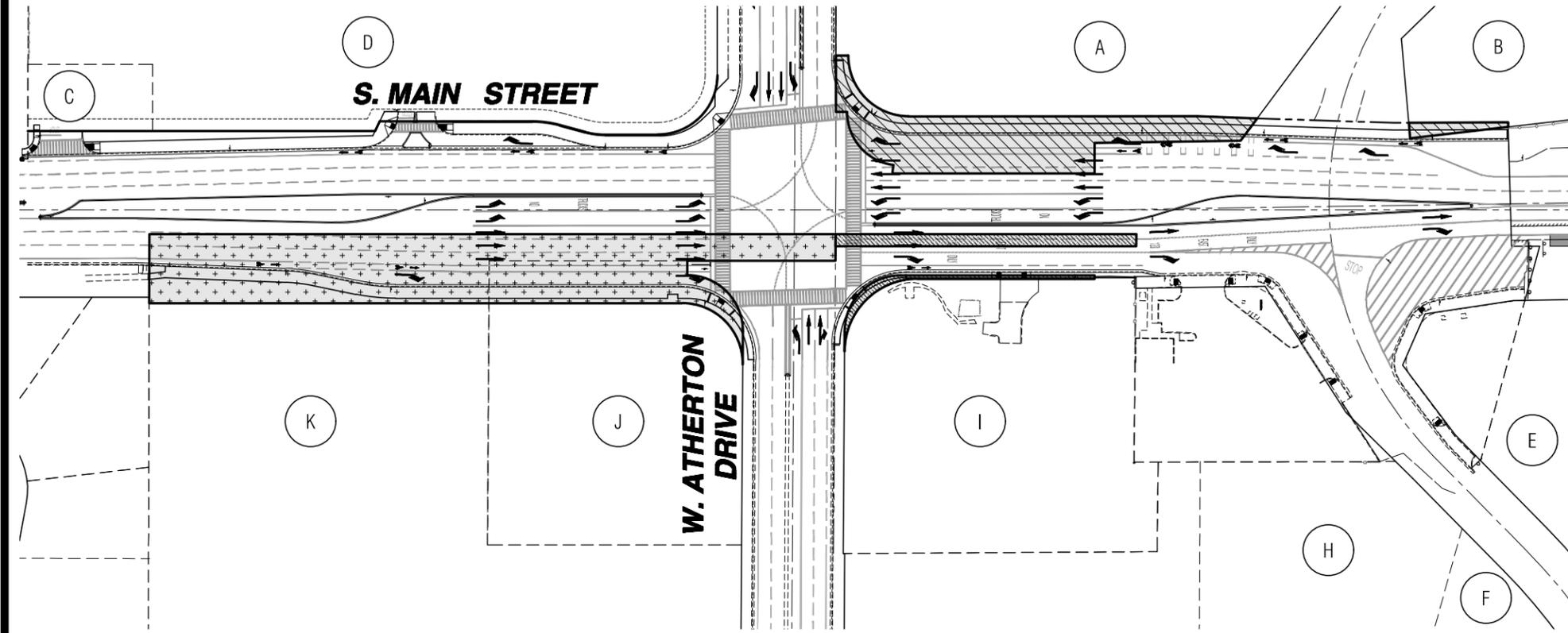
Appendix C: Right-of-way Dedication Exhibit

MARKETPLACE @ MAIN OFFSITE IMPROVEMENTS

AREA OF BENEFIT DISTRICT
 RIGHT-OF-WAY DEDICATIONS SUMMARY EXHIBIT
 CITY OF MANTECA, SAN JOAQUIN COUNTY, CALIFORNIA
 APRIL 2025



North Star
 Engineering Group, Inc.
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 620 12th Street Modesto, CA 95354
 (209) 524-3525 Phone (209) 524-3526 Fax



BENEFITTING PARCELS

| AREA | HATCH | DEDICATION AREA | DESCRIPTION | ASSESSOR'S PARCEL NUMBER |
|------|---------------------|-----------------|------------------------------|--------------------------|
| A | [Diagonal Hatching] | 13,282 SF | ARETAKIS | 224-021-16 |
| B | | | | 224-021-17 |
| C | [No Hatch] | | MARKETPLACE AT MAIN LLC | 224-021-30 |
| D | | | | 224-021-47 |
| E | | | | 224-040-06 |
| F | | | | 224-040-07 |
| G | [No Hatch] | | QMC MANTECA HOLDINGS, LLC | 224-040-11 |
| H | | | | 224-040-52 |
| I | | | | 224-040-03 |
| J | [Cross-hatching] | 3,416 SF | BROCCHINI FAMILY PARTNERSHIP | 224-040-04 |
| K | [Stippled] | 29,168 SF | BROCCHINI FAMILY PARTNERSHIP | 224-040-09 |

NOTES

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