

FREQUENTLY ASKED QUESTIONS

EL DORADO HILLS COSTCO



El Dorado County

Costco is in the preliminary stages of considering building a warehouse in El Dorado Hills on the east side of Silva Valley Parkway. This document provides information about the process and timeline, the number of jobs created, member demographics, why this location is currently preferred by Costco, and other information.

Q: Is the decision to build in El Dorado Hills final?

A: No, Costco has an internal selection and approval process which includes the company president doing a site visit. Costco representatives said they hope to have a final decision in April.

Q: If they do select this site, how long would it be until it is open for business?

A: Costco anticipates approximately 18-24 months for environmental approvals and permitting and a year to build the warehouse for a total of approximately three years, making the opening in 2022.

Q: Why would Costco build a warehouse three miles and one freeway exit away from the existing Folsom warehouse?

A: There are several areas in California that have two warehouses within a 3-mile proximity to one another. The primary reason Costco is considering the El Dorado Hills location is to take pressure off the Folsom Costco and provide members at both warehouses with a better experience. The Folsom Costco is currently operating over ideal capacity with members from Folsom and El Dorado County. The build-out of Folsom Ranch will likely increase demands on that store, but even without it, the market allows for an additional warehouse in close proximity to serve those from El Dorado Hills and other areas throughout the County.

Costco prefers to have easy freeway access where possible and Silva Valley Parkway interchange is the only A-rated interchange in the County. Other options east of Silva Valley Parkway are not ideal due to issues from inadequate interchanges to handle traffic demand and a lower supporting population base.

There are approximately 40,000 Costco members in the identified trade area, so the necessary customer base already exists.

Q: How large would the warehouse be and what would it look like?

A: This warehouse would follow Costco's typical size of 150,000 square feet. The company would hold community meetings to gather input on the design to ensure it reflects the look and feel of El Dorado Hills and infrastructure in that area. The new warehouse would have approximately 780-800 parking spaces.

Additionally, there would be a fueling station on the west side of Silva Valley Parkway. Locating the fueling station across the street would result in less traffic in the warehouse parking lot and provides additional distance from existing residences and the school.

Q: How many jobs would the warehouse provide?

A: The new warehouse would employ between 200-250 people. Costco hires predominately local residents, though there will be some percentage of transfers from other stores (likely those who live closer to the EDH than they do to the warehouse in which they currently work).

Like other warehouses, approximately half of the employees will be full time, half will be part-time (minimum of 24 hours per week).

Q: What is the employee wage range and benefits package?

A: The starting salary for Costco employees is \$15 an hour for a Service Assistant and tops out at \$28.25 for a Meat Cutter. Its average US hourly wage is \$23 with a full time cashier making nearly \$57,000 annually after five years.

Costco offers medical, dental, vision, pharmacy, mental health, life insurance, disability, long term care, employee assistance program, flexible spending accounts, stock purchase program, 11 holidays per year, college student retention program, free Costco membership with a 2% award, and 401(k) to full time employees. Part time employees are offered core medical, dental and vacation benefits after six months.

The company also promotes from within, providing great opportunity for career advancement.

Q: How does Costco plan to mitigate traffic noise and light pollution for nearby residents?

A: The entrance, parking and delivery bays all face Silva Valley Parkway, thereby directing all the noise away from the residents (see site drawing). The back of the warehouse –which would abut the residential neighborhood – would include a “buffer” zone that is free from any activity. Additionally, deliveries are very controlled; full trucks are driven in and the driver then picks up an empty truck. Costco places strict time limits on when deliveries are made and length of time to complete them. Finally, the LED lights used in the parking lot are all on the Silva Valley Parkway side of the site and are turned off approximately one hour after the warehouse closes.

Q: How would traffic on Silva Valley Parkway be impacted by a new warehouse?

A: The County Department of Transportation would develop the required traffic study parameters. They would include Silva Valley Parkway, County Club Drive, Clarksville Crossing, White Rock Road and other area roads the County deems important to study. A thorough traffic study will be required by the County as part of the Environmental Impact Report and California Environmental Quality Act process.

Q: How would traffic on nearby schools be impacted by a new warehouse?

A: The warehouse opens at 10:00 am weekdays, avoiding conflict with the start time of schools. Additionally, the peak times are weekends and holidays, which don't conflict with school times.

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