

PLACER COUNTY
OFFICE OF EMERGENCY SERVICES

MEMORANDUM

To: Honorable Board of Supervisors

From: Thomas Miller, County Executive Officer
by: Rui Cunha, Emergency Services Program Manager

Date: January 11, 2011

Subject: **Adopt a Resolution approving the North Tahoe Fire Protection District 2010 Capital Facilities and Mitigation Fee Expenditure Plan that takes effect in 2011 and contains a 4.5% fee increase.**

ACTION REQUESTED

That your Board adopt a resolution approving the North Tahoe Fire Protection District 2010 Capital Facilities and Mitigation Fee Expenditure Plan that takes effect in 2011 and contains a 4.5% fee increase.

BACKGROUND

Legal Authority

Government Code 66000 *et seq* (CGC 66000) allows local agencies to collect fees from new development to offset the impacts of that development on local services. On August 28, 1990, the Placer County Board of Supervisors created the legal framework for fire districts to collect, but not to levy, development fees and codified it in Placer County Code (Chapter 15.36.010).

As noted above, fire districts do not have the legal authority to *levy* fees, which is a legal authority retained by the Placer County Board of Supervisors. Therefore, in order to *collect* mitigation fees, and as a requirement of CGC 66000, a fire protection district must complete a Capital Facilities Plan (or Capital Improvement Plan) which is subject to Board of Supervisors approval.

Capital Facilities Plans

The law requires a Capital Facilities Plan to address: anticipated development impacts, proposed usage of fees, establishment of a reasonable relationship between fees and type of development, accounting for funds separately, holding properly noticed public hearings, and conducting an annual program review and update. The North Tahoe Fire Protection District (District) plan addresses these legal requirements and incorporates them as a part of the required annual plan update.

North Tahoe Fire Protection District

The North Tahoe Fire Protection District comprises 31 square miles of eastern Placer County in the Lake Tahoe Basin along the northern and western shores of Lake Tahoe. Development in the Basin is expected to increase in the coming years, and the District assumes a more than 7,000 person increase in residential population and a corresponding increase in the work force. In addition since the Basin is a high cost area, the District sees the costs of fire protection and prevention services continually spiraling upwards for the foreseeable future.

District Capital Facilities Plan 2010

The District's current mitigation fee structure is based on "type structures." This type of schedule helps to best meet future capital needs of the District. In the District's original plan, approved by your Board in July 2007, the District indicated that it would adjust fees each year based on the percent increase in the Construction Cost Index (CCI) which, for the period July 2009 to November 2010 rose by 4.5%. The table below illustrates existing and proposed rates:

	Existing	Proposed
Residential	0.83	0.87
Nonresidential		
• <i>Commercial</i>	0.61	0.65
• <i>Office</i>	0.78	0.82
• <i>Industrial</i>	0.54	0.57

The District Board of Directors held a properly noticed public hearing on December 15, 2010, performed the annual review, and adopted the plan by Resolution 20-2010 (Attached).

The District expects to collect \$80,000 in mitigation fees in Fiscal Year 2010/2011 and had a fund balance of \$40,185 at the beginning of the year. It plans expenditures of \$75,000 on its new fire station.

FISCAL IMPACT

There is no impact to the General Fund as a result of this action.

Attachments

Resolution

North Tahoe Fire Protection District Resolution 20-2010

Available for Public Review at the Office of the Clerk of the Board:

North Tahoe Fire Protection District 2010 Capital Facilities and Mitigation Fee Expenditure Plan

Before the Board of Supervisors County of Placer, State of California

In the matter of: **A RESOLUTION APPROVING THE
NORTH TAHOE FIRE PROTECTION DISTRICT
2010 CAPITAL FACILITIES AND MITIGATION FEE
EXPENDITURE PLAN.**

Resol. No: _____

The following **RESOLUTION** was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held **JANUARY 11, 2011** by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairman, Board of Supervisors

Attest:

Clerk of said Board _____

WHEREAS Government Code 66000 *et seq* allows local agencies to collect fees from new development to offset the impacts of that development on local services, the Placer County Board of Supervisors, on August 28, 1990, created the legal framework for fire protection districts to collect fees to mitigate development impacts on services. That legal framework is codified in the Placer County Code Chapter 15.36.010, and

WHEREAS the legal authority to levy fees stems from the police power of the County and rests with the Board of Supervisors, the fire protection districts in and of themselves do not have direct legal authority to levy fees. Therefore, in order to collect mitigation fees on new construction, a district must prepare and submit to the Board of Supervisors a Capital Facilities (or Capital Improvement) Plan that delineates a proposed fee schedule, and

WHEREAS the Board of Directors of the North Tahoe Fire Protection District held a public hearing to review its plan on December 15, 2010 and adopted it by passing Resolution 20-2010. In keeping with its original plan, the District used the 4.5% increase in the Construction Cost Index for the period July 2009 - November 2010 to determine its proposed annual fee increase; and

WHEREAS the District plans capital expenditures in Fiscal Year 2010/2011 of \$75,000 on its new fire station.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of County of Placer that the North Tahoe Fire Protection District 2010 Capital Facilities and Mitigation Fees Expenditure Plan to take effect in 2011 is hereby approved.

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RESOLUTION 20-2010
OF THE
NORTH TAHOE FIRE PROTECTION DISTRICT

A RESOLUTION ADOPTING THE CAPITAL FACILITIES
AND
MITIGATION FEE EXPENDITURE PLAN FOR THE FISCAL YEAR 2010/2011

WHEREAS, at the Regular Meeting held at 4:30 p.m. on December 15, 2010, at 221 Fairway Drive, Tahoe City, California, the Board of Directors of the North Tahoe Fire Protection District of Placer County reviewed the Capital Facilities and Mitigation Expenditure Plan for the Fiscal Year 2010/2011 regarding historical data about staffing and inventory to develop estimations of adequate staffing levels and capital inventory. This information has been used to develop a fair and equitable mitigation fund equation for utilization of these funds.

WHEREAS, the Board of Directors and staff carefully reviewed and approved the Capital Facilities and Mitigation Fee Expenditure Plan for the Fiscal Year 2010/2011.

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors requests that staff distribute the Capital Facilities and Mitigation Fee Expenditure Plan for the Fiscal Year 2010/2011 to the Placer County Board of Supervisors for their review.

PASSED AND ADOPTED at a Regular Meeting of the Board of Directors of the North Tahoe Fire Protection District held on December 15, 2010, by the following Roll Call Vote:

AYES: Directors Hale, Correa and O'Dette
NOES: None
ABSENT: Directors Loverde and Potts
ABSTAIN: None

Attest:

Nita Wracker
Clerk of the Board

Board of Directors President