



M E M O R A N D U M
DEPARTMENT OF PUBLIC WORKS
TRANSPORTATION DIVISION
County of Placer

TO: Board of Supervisors

DATE: June 23, 2020

FROM: Ken Grehm, Director of Public Works
By: Richard Moorehead, Engineering Manager

SUBJECT: Transportation / 2020 Placer County–City of Roseville Joint Traffic Fee Program Annual Adjustment

ACTION REQUESTED

Conduct a Public Hearing and adopt a Resolution to increase the Capital Improvement Program cost estimates and corresponding Fee Schedule for the Placer County–City of Roseville Joint Traffic Fee Program for FY 2020-21 to reflect an increase in construction costs of 2.86%, effective August 24, 2020.

BACKGROUND

In 2004, Placer County and the City of Roseville established a joint traffic mitigation fee program to fund improvements to Baseline Road, the Walerga Road Bridge and Fiddyment Road necessitated by development in the City and County. The fee program applies to new development in the Dry Creek, Placer West, and Sunset Fee Districts, as well as growth areas within the City of Roseville. The City and County have agreed to adjust the fees annually for inflation, unless mutually agreed to do otherwise.

The Construction Cost Index (CCI) is the appropriate index to use for adjustments to the project costs and the corresponding Fee Schedule as it is the accepted industry standard for changes in highway construction costs and accounts for a number of factors that affect the price of construction, including labor and materials. The proposed 2.86% increase reflects the average of the change in the San Francisco CCI and the 20-City Average CCI from May 2019 to May 2020 as reported in Engineering News Record.

The City of Roseville is expected to apply the 2.86% increase to applicable development projects within their jurisdiction effective July 1, 2020. In addition, the County has recently approved the improvement plans for the Placer Vineyards Phase I Baseline Road improvements. This project will widen approximately 1.6 miles of Baseline Road and construction is anticipated to begin in the near future. A portion of this roadway widening project may be subject to fee credit and/or reimbursement. The reimbursement amount is limited to the project costs in the Capital Improvement Program, so it is important that project costs keep pace with inflation.

ENVIRONMENTAL IMPACT

The aforementioned fees are exempt from CEQA pursuant to CEQA Guidelines 15273, 15378(b)(4) and (5) and 15061(b)(3) since the annual increase of the fees is an administrative activity for funding of capital projects necessary to maintain service in existing service areas, and the fee increases do not have the potential for causing a significant effect on the environment.

FISCAL IMPACT

Adjusting the fees to current conditions will allow revenues to keep pace with the cost to construct the improvements. If approved, the new fees will go into effect on August 24, 2020.

ATTACHMENT

Resolution with Exhibit A

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

In the matter of: A Resolution modifying the Capital Improvement Program and Fee Schedule to adjust for changes in construction costs for the Placer County– City of Roseville Joint Traffic Fee Program for FY 2020-21.

Resolution No.: _____

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held June 23, 2020, by the following vote:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Board of Supervisors

Attest:

Clerk of said Board

WHEREAS, the Placer County Board of Supervisors continues to support a joint jurisdictional approach to transportation improvements and financing; and

WHEREAS, periodic adjustments should be applied to the Placer County – City of Roseville Joint Traffic Fee Program and associated Capital Improvement Program to ensure sufficient funding of CIP projects; and

WHEREAS, the current agreement between Placer County and the City of Roseville provides a mechanism to adjust the cost estimates within the Capital Improvement Program and associated fee schedule used to collect fees through the Joint Traffic Fee Program; and

WHEREAS, the industry standard used to estimate changes in construction costs is reported in the publication, Engineering News Record (ENR), which is circulated nationwide to the engineering profession and regularly reports indices for changes in construction costs; and

WHEREAS, the Engineering News Record publication reports a 2.86 percent increase in the Construction Cost Index (average of 20-City Average and San Francisco) for the period of May 2019 to May 2020; and

WHEREAS, the purpose of the fee adjustment shall be to continue appropriate funding for transportation projects identified in the Capital Improvement Program by keeping pace with increased costs of construction. All collected fees will continue to be used to finance the public facilities identified in the fee program; and

WHEREAS, there still exists a reasonable relationship between the fee's use and the type of development project on which the fee is imposed; and

WHEREAS, there still exists a reasonable relationship between the need for the Capital Improvement Program and the type of development projects on which the fee is imposed; and

WHEREAS, there still exists a reasonable relationship between the unexpended funds in the current fee programs and the improvements for which they were collected; and

WHEREAS, funds collected and held for 5 years have been reviewed and are still needed for the purpose that they were collected; and

BE IT RESOLVED, by the Board of Supervisors, County of Placer, State of California, that the Board adopts the Placer County-City of Roseville Traffic Fees effective August 24, 2020 as shown in Exhibit A;

Exhibit A – Traffic Mitigation Fees for the Placer County – City of Roseville Joint Traffic Fee Program

Exhibit A

Traffic Mitigation Fees for the Placer County – City of Roseville Joint Traffic Fee Program Fiscal Year 2020/21 Fee Adjustment Comparison by Fee Benefit District

Benefit District	Current Fee Fee per Dwelling Unit Equivalent (DUE)	Proposed Fee Fee per Dwelling Unit Equivalent (DUE)
Auburn/Bowman	\$0	\$0
Dry Creek	\$840	\$864
Foresthill (Residential)	\$0	\$0
Foresthill (Non-Residential)	\$0	\$0
Granite Bay	\$0	\$0
Meadow Vista	\$0	\$0
Newcastle/Horseshoe Bar/Penryn	\$0	\$0
Placer Central	\$0	\$0
Placer East	\$0	\$0
Placer West	\$183	\$188
Sunset	\$273	\$281
Tahoe	\$0	\$0

Note:

1. This change reflects an increase of 2.86 percent for the period from May 2019 to May 2020 for the Placer County – City of Roseville Fees. The rate is based on the average of the 20-Cities and San Francisco Construction Cost Indexes (CCIs) as published by the Engineering News Record publication.
2. The change becomes effective August 24, 2020