



**MEMORANDUM
PUBLIC WORKS
TRANSPORTATION DIVISION**
County of Placer

TO: Honorable Board of Supervisors **DATE:** June 21, 2022
FROM: Ken Grehm, Director of Public Works
BY: Richard Moorehead, Deputy Director
SUBJECT: 2022 Annual Adjustment of Regional Traffic Fee Programs

ACTION REQUESTED

1. Conduct a Public Hearing to consider the following:
 - a. Adopt 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 2022-23, effective August 22, 2022.
 - b. Adopt a Resolution approving the inflationary increase to the County’s portion of the South Placer Regional Transportation Authority’s Tier II Development Fee for FY 2022-23, effective August 22, 2022.

BACKGROUND

Public Works implements multiple regional traffic fee programs, including the County of Placer – City of Roseville Joint Traffic Fee Program (City/County Fee Program) and the South Placer Regional Transportation Authority (SPRTA) Tier II Development Fee Program. Each fee program and the proposed annual adjustment is described below.

City/County Fee Program

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 Fiddymont 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 11.47 percent increase reflects the average of the change in the San Francisco CCI and the 20-City Average CCI from May 2021 to May 2022 as reported in Engineering News Record (ENR). See Attachment A for the resolution for the City/County Fee Program.

Tier II Development Fee Program

In 2009, Placer County entered into a Memorandum of Agreement (MOA) with the Cities of Roseville, Rocklin, Lincoln and SPRTA for the future funding of the regional Placer Parkway project and improvements at the Interstate 80/State Route 65 Interchange. Participating agencies agreed that a fee would be implemented through development agreements for land

development projects with specific plans within each jurisdiction. At this time, there are three projects within the County that would be subject to this Tier II Development Fee: Placer Vineyards Specific Plan, Regional University Specific Plan, and the Placer Ranch Specific Plan.

The MOA provides for an annual inflationary adjustment to the Tier II Development Fee based upon the average of the CCI for the San Francisco CCI and 20-City Average CCI as published in the ENR. The proposed 11.98 percent increase reflects the average of the change in the San Francisco CCI and the 20-City Average CCI from April 2021 to April 2022 as reported in ENR. See Attachment B for the resolution for the Tier II Development Fee.

The other participating agencies are expected to apply the adjustment to applicable development projects within their jurisdiction effective July 1, 2022. Roadway improvements are needed with the increase in land development in south Placer County. A portion of these roadway widening projects 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. The City/County Traffic Fee Program would increase by 11.47 percent. The Tier II Development Fee Program would increase by 11.98 percent. If approved, the new fees will go into effect on August 22, 2022. There is no impact to the general fund.

ATTACHMENTS

Attachment A – Resolution adjusting the City/County Traffic Fee Program
Attachment B – Resolution adjusting the Tier II Development Fee Program

Attachment 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 2022-23.

Resolution No.: _____

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held on June 21, 2022, 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, in 2004, Placer County entered into an Agreement with the City of Roseville for the future funding of roadway improvements to Baseline Road and Walerga Road; and

WHEREAS, on June 5, 2013, a First Amended and Reinstated Agreement was agreed upon by the Placer County and the City of Roseville and included Section 3(A) to state the following:

... The mutually agreed upon costs shall be adjusted annually for inflation based upon averaging the the Construction Cost Index ("CCI") for 20 cities and for San Francisco, as published in the Engineering News Record publication for the preceding twelve (12) months ending in May.

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

Attachment A

WHEREAS, the Engineering News Record publication reports a 11.47 percent increase in the Construction Cost Index (average of 20-City Average and San Francisco) for the period of May 2021 to May 2022; and

WHEREAS, there remains a reasonable relationship between the City/County Joint Traffic Fee and the type of development project on which the fee is imposed.

WHEREAS, the County is required to provide, to all interested persons who file a request with the Clerk of the Board, a notice of the scheduled meeting not less than 14 days in advance of the meeting and said notice was provided; and

WHEREAS, the County is required to make and has made available to the public data indicating the amount of the fee increase at least 10 days prior to the hearing; and

WHEREAS, the Board has held a public hearing on this matter on June 21, 2022.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Placer, State of California, that the Board adopts the Placer County-City of Roseville Joint Traffic Fees, attached as Exhibit 1;

BE IT FURTHER RESOLVED that this Resolution shall be effective August 22, 2022.

Exhibit 1 – Traffic Mitigation Fees for the Placer County – City of Roseville Joint Traffic Fee Program

EXHIBIT 1

Traffic Mitigation Fees for the Placer County – City of Roseville Joint Traffic Fee Program
Fiscal Year 2022/23 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	\$906	\$1,010
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	\$197	\$220
Sunset	\$295	\$329
Tahoe	\$0	\$0

Note:

1. This change reflects an increase of 11.47 percent for the period from May 2021 to May 2022 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 22, 2022.

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

In the matter of: A Resolution adopting the inflationary increase to the County's portion of the South Placer Regional Transportation Authority's Tier II Development Fee for FY 2022-23.

Resolution No.: _____

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held on June 21, 2022, 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, in 2009, Placer County entered into a Tier II Memorandum of Agreement (MOA) with the cities of Rocklin and Lincoln, and the South Placer Regional Transportation Authority (collectively the "Public Entities") for the future funding of the regional Placer Parkway project and improvements at the Interstate 80/State Route 65 Interchange; and the MOA at Section 3 stated that annual adjustments should be applied to the Tier II Development Fee, based on the Construction Cost Index, to ensure sufficient funding of the Placer Parkway and Interstate 80/State Route 65 interchange improvements; and

WHEREAS, on September 10, 2013, a First Amendment to the Memorandum of Agreement was entered into, and then in 2017 a Second Amendment to the Memorandum of Agreement was agreed upon by the Public Entities which modified Section 3 to state the following in pertinent part:

Attachment B

... the Tier II Development Fees shall be automatically adjusted based upon averaging the Construction Cost Index ("CCI") for 20 cities and for San Francisco, as published in the Engineering News Record publication for the preceding twelve (12) months ending April 1st.

WHEREAS, the industry standard used to estimate changes in construction costs is reported in the publication, Engineering News Record. This publication 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 11.98 percent increase in the Construction Cost Index (average of 20-City Average and San Francisco) for the period of April 2021 to April 2022; and

WHEREAS, there remains a reasonable relationship between the Tier II Development Fee and the type of development project on which the fee is imposed.

WHEREAS, the County is required to provide, to all interested persons who file a request with the Clerk of the Board, a notice of the scheduled meeting not less than 14 days in advance of the meeting and said notice was provided; and

WHEREAS, the County is required to make and has made available to the public data indicating the amount of the fee increase at least 10 days prior to the hearing; and

WHEREAS, the Board has held a public hearing on this matter on June 21, 2022.

NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF SUPERVISORS OF THE COUNTY OF PLACER that the Tier II Development Fee per Dwelling Unit Equivalent, shall be as follows: Residential \$8,382.18; Industrial/Office/Other \$2,286.61; Commercial/Retail \$4,542.58; University \$1,531.55.

BE IT FURTHER RESOLVED that this resolution shall be effective on August 22, 2022.

