

**PLACER COUNTY
OFFICE OF EMERGENCY SERVICES**

MEMORANDUM

To: Honorable Board of Supervisors

From: Thomas Miller, County Executive Officer
by Rui Cunha, Assistant Director of Emergency Services

Date: January 10, 2012

Subject: Conduct a Public Hearing and adopt by Resolution the 2011 update of the Placer County Fire Capital Improvement Plan that increases fees by 4.07% and establish a new fee for agricultural buildings.

ACTION REQUESTED

That your Board conduct a Public Hearing and adopt by Resolution the 2011 update to the Placer County Fire Capital Improvement Plan that increases fees by 4.07% and establish a new fee for agricultural buildings.

BACKGROUND

Legal Authority

California Government Code 66000 *et seq* (CGC 66000) allows local agencies, including fire departments and fire protection districts, to *collect* mitigation fees to offset the impact of new development on the provision of services by those agencies. Legal authority to *levy* fees, however, rests with the Board of Supervisors, and in order to facilitate collection, the Board created a legal framework codified in County Code Chapter 15.36.010.

Capital Improvement Plans

A stipulation of CGC 66000 is that fire entities prepare a Capital Improvement Plan (CIP) (aka "Capital Facilities" Plan) on which to base its mitigation fee structure, and subject it to annual renewal by the Board of Supervisors. In completing a CIP, the law requires the fire protection district or department consider and address: potential development impacts, use of fees, establishment of a reasonable relationship between the fees and the type of development, separate accounting of funds, holding properly noticed public hearings, and conducting an annual plan review and update. The CIP on which this year's update is based, was originally approved by your Board in March, 2008 and updated in November, 2010.

Placer County Fire 2011 Update

The Board of Supervisors is the legislative body for Placer County Fire, and it holds a noticed public hearing today to conduct the CIP review, and as required by CGC 66000, the plan update must be formally adopted by your Board. Placer County retained the services of *Hausrath Economic Group*, a financial services consulting firm to update the plan and apply the inflation rate increase to the fee schedule. As permitted in the original 2009 plan, the percent change in the *Consumer Price Index for All Urban Consumers for the San Francisco-Oakland-San Jose Metropolitan Area*, 4.07%, was applied to the fee schedule. As this update was prepared in late 2011, the actual period of time covered by the inflation adjustment is the 22 month period, January 2010 - October 2011. Current and recommended fees are shown in the table below.

Special rate for Agricultural Buildings:

With this year's update, a new fee is introduced for "agricultural buildings" which are defined in International Building and Fire Codes as agricultural use buildings *not being open to or used by the public* (emphasis added). In Section 15.040.050 C.1.12 of Placer County Code, they are referred to as "Agricultural accessory structures," and they too, are not open to the public. Buildings such as barns, grain elevators, silos, and other similar buildings or structures are differentiated from commercial buildings, such as greenhouses and wineries, whose use is for agricultural processing and in which work is accomplished.

Agricultural buildings have previously been charged at the residential rate. However, it is proposed that effective September 1, 2011, the fee for agricultural buildings be set at 20% of the "Residential" rate and is so indicated in the table below. The 20% rate is recommended by Placer County Fire as a more appropriate representation of call demand from this type of construction. Residential fire calls are generally split with 20% being actual fire calls, and the remaining 80% comprising medical responses. New agriculture buildings, as defined in Placer County Code, should place an 80% reduced call burden on fire resources from that experienced with typical residential development.

Use and Planned Uses of Funds:

In accordance with last year's plan update, fees were expended in FY 2010/2011 on three items: upgrade of the Atwood Road fire station, purchases of thermal imagers and on a communications grant match. For FY 2011/2012, planned expenditures are for improvements to the Dry Creek station, additional work on the Atwood Road station and mapping system and software for system wide use.

Fee Schedule:

Mitigation Fees		
	<i>Current</i>	<i>Recommended</i>
Residential	\$0.65/ft ²	\$0.68/ft ²
Non-residential	\$0.48/ft ²	\$0.50/ft ²
Non-Comm Ag Buildings	NA	\$0.136/ft ²

FISCAL IMPACT

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

Attachments

Resolution

Placer County Fire Facility Impact Fee: 2011 Inflation Update*

* on file for public review with Clerk of the Board

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

In the matter of: **A RESOLUTION APPROVING
THE 2011 UPDATE TO THE PLACER COUNTY
FIRE CAPITAL IMPROVEMENT 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 10, 2012** 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, California Government Code 66000 *et seq* (CGC 66000) allows local agencies to collect fees on new development to offset resultant impacts on services, but fire agencies do not themselves have direct legal authority to levy fees as that authority rests with the Board of Supervisors which codified, in County Code Chapter 15.36.010, the requisite legal framework, to allow independent fire agencies to levy fees: and

WHEREAS, in order to collect mitigation fees on new development, CGC 66000 requires fire entities submit either a new Capital Improvement Plan or a plan update to the Board of Supervisors that delineates and supports a fee schedule; and

WHEREAS, to more accurately reflect the 80:20 ratio of emergency medical response vs fire response currently being experienced, the mitigation fee rate for non-public use agricultural buildings has been lowered to 20% of the residential rate; and

WHEREAS, the Placer County Fire Board of Directors, i.e., your Board, held a public hearing on January 10, 2012 to review the 2011 Update to the Placer County Fire Capital Improvement Plan; and

WHEREAS, Placer County Fire had an 2011 beginning mitigation fee fund balance of \$3,485,152, projected revenue and interest of \$303,700 and plans for \$612,437 in station upgrades and apparatus purchases in 2011-2012.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Placer that the 2011 Update to the Placer County Fire Capital Improvement Plan is hereby approved.

