

**PLACER COUNTY
OFFICE OF EMERGENCY SERVICES
M E M O R A N D U M**

To: Honorable Board of Supervisors

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

Date: February 14, 2012

Subject: Adopt a Resolution approving the North Tahoe Fire Protection District 2011 Capital Facilities and Mitigation Fee Expenditure Plan that takes effect in 2012 and contains a 2.5% fee increase based on Engineering News Record Construction Cost Index from November 2010 to November 2011.

ACTION REQUESTED

That your Board adopt a resolution approving the North Tahoe Fire Protection District 2011 Capital Facilities and Mitigation Fee Expenditure Plan that takes effect in 2012 and contains a 2.5% 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 2011

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 November 2010 to November 2011 rose by 2.5%. The table below illustrates existing and proposed rates:

**Existing and Proposed Rates
(\$/Ft²)**

	Existing	Proposed
Residential	0.87	0.89
Nonresidential		
• Commercial	0.65	0.67
• Office	0.82	0.84
• Industrial	0.57	0.58

The District Board of Directors held a properly noticed public hearing on January 18, 2012, performed the annual review, and adopted the plan by Resolution 01-2012 (Attached).

The District expects to collect \$72,000 in mitigation fees and interest in Fiscal Year 2011/2012 and had a fund balance of \$99,149 at the beginning of the year. It plans expenditures of \$75,000 on its new fire station, and \$20,000 on updating its mitigation plan.

FISCAL IMPACT

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

Attachments

Resolution

North Tahoe Fire Protection District Resolution 01-2012

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

North Tahoe Fire Protection District 2011 Capital Facilities and Mitigation Fee Expenditure Plan, January 2012



RESOLUTION 01 - 2012
OF THE
NORTH TAHOE FIRE PROTECTION DISTRICT

A RESOLUTION ADOPTING THE CAPITAL FACILITIES
AND
MITIGATION FEE EXPENDITURE PLAN FOR THE FISCAL YEAR 2011/2012

WHEREAS, at the Regular Meeting held at 4:45 p.m. on January 18, 2012, 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 2011/2012 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 2011/2012.

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 2011/2012 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 January 18, 2012, by the following Roll Call Vote:

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

Attest:

A handwritten signature in black ink, appearing to read "Nita Wracker", written over a horizontal line.

Nita Wracker
Clerk of the Board

A handwritten signature in black ink, appearing to read "Donald A. Hale", written over a horizontal line.
Board of Directors President

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

In the matter of: **A RESOLUTION APPROVING THE
NORTH TAHOE FIRE PROTECTION DISTRICT
2011 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 **FEBRUARY 14, 2012** by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Board of Supervisors

Attest:

Clerk of said Board _____

WHEREAS, since California Government Code 66000 *et seq* allows local agencies to *collect* fees from new development to offset the impacts of that development on local services, in August, 1990 the Board of Supervisors created the legal authority for fire protection districts to collect fees to mitigate those impacts and codified it in Placer County Code Chapter 15.36.010; and

WHEREAS, the legal authority to *levy* fees rests with the Board of Supervisors stemming from the police power of the County and, as fire protection districts themselves do not have direct legal authority, each must prepare and submit a Capital Facilities Plan (aka Capital Improvement Plan) to the Board of Supervisors in a specified format that derives, supports and delineates a mitigation fee schedule; and

WHEREAS, after the North Tahoe Fire Protection District applied the 2.5% Construction Cost Index increase for the period November 2010 - November 2011 to its fee schedule rates, the District Board of Directors held a public hearing on January 18, 2012, reviewed the 2011/2012 plan in its entirety and adopted it by passing Resolution 01-2012.

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