

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: October 20, 2009

Subject: Adopt a Resolution approving the North Tahoe Fire Protection District 2009 Capital Facilities and Mitigation Fee Expenditure Plan that contains a \$0.01 decrease in all fees.

ACTION REQUESTED

That your Board adopt a resolution approving the North Tahoe Fire Protection District 2009 Capital Facilities and Mitigation Fee Expenditure Plan that contains a \$0.01 decrease in all fees.

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 (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. Inasmuch as 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 2009

The District's mitigation fee structure incorporates a provision whereby fees are adjusted annually based on a standardized inflation index. The District selected the Construction Cost Index (CCI) for use beginning with its 2007 plan as the most appropriate index for the District. It therefore adjusted all mitigation fees downward due to the fact that the index actually dropped (by 0.7% or less than 1%) over the period October 2008 to July 2009. The table below illustrates existing and proposed rates:

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

	Existing	Proposed
Residential	0.84	0.83
Nonresidential		
• <i>Commercial</i>	0.62	0.61
• <i>Office</i>	0.79	0.78
• <i>Industrial</i>	0.55	0.54

The District Board of Directors held a properly noticed public hearing on September 24, 2009 performed the annual review, and adopted the plan by adopting the North Tahoe Fire Protection District Board of Directors Resolution 12-2009 (Attached).

The District expects to collect \$70,000 in mitigation fees in Fiscal Year 2009/2010 and had a fund balance of \$54,873 at the beginning of the year. It plans expenditures of \$120,455 for a fire engine chassis, and a partial payment on a 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 Board of Directors Resolution 12-2009
North Tahoe Fire Protection District 2009 Capital Facilities and Mitigation Fee Expenditure Plan
– available for Public Review at the Office of the Clerk of the Board

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

In the matter of: **A RESOLUTION APPROVING
THE NORTH TAHOE FIRE PROTECTION
DISTRICT 2009 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 **OCTOBER 20, 2009** 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 Plan that delineates a proposed fee schedule; and

WHEREAS, the District held a public hearing to review its plan on September 24, 2009 and in keeping with the plan adjusted all fees downward by \$0.01 to reflect the drop in the Construction Cost Index for the period October 2008-July 2009 after which the Board of Directors adopted it by passing Resolution 12-2009; and

WHEREAS, the District showed a 2009 beginning mitigation fee balance of \$54,873 and expects \$70,000 in revenues this fiscal year, it plans capital expenditures in 2009/2010 of \$120,455 for a fire engine chassis and a partial payment for a new fire station.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Placer that the North Tahoe Fire Protection District 2009 Capital Facilities and Mitigation Fee Expenditure Plan is hereby approved.



RESOLUTION 12-2009
OF THE
NORTH TAHOE FIRE PROTECTION DISTRICT

A RESOLUTION ADOPTING THE CAPITAL FACILITIES
AND
MITIGATION FEE EXPENDITURE PLAN FOR THE FISCAL YEAR 2009/2010

WHEREAS, at the Regular Meeting held at 5:30 p.m. on September 24, 2009, 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 2009/2010 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 2009/2010.

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 2009/2010 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 September 24, 2009, by the following Roll Call Vote:

AYES: Directors O'Dette, Potts, Hale and Loverde

NOES: None

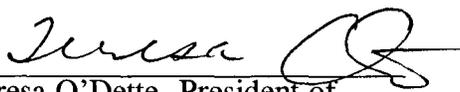
ABSENT: Director Correa

ABSTAIN: None

Attest:



Nita Wracker
Clerk of the Board


Teresa O'Dette, President of
Board of Directors