

**PLACER COUNTY
OFFICE OF EMERGENCY SERVICES**

M E M O R A N D U M

To: Honorable Board of Supervisors

From: David Boesch
by: John McEldowney, Emergency Services Program Manager

Date: April 28, 2015

Subject: North Tahoe Fire Protection District 2014/15 Capital Facilities and Mitigation Fee Expenditure

ACTION REQUESTED

Adopt a resolution approving the North Tahoe Fire Protection District 2014/15 Capital Facilities and Mitigation Fee Expenditure Plan that takes effect after April 30, 2015 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. Steady growth in the Basin has increased both the population and fire inventory. The area has been experiencing a trend toward expanding small mountain cabins to expansive resort homes that accommodate higher occupancy. Many of these homes are vacation rentals, which carry increased risks with transient guests unfamiliar with the unusual fire and safety risks of forested and heavy snow areas. This has resulted in an increase in call volume for both fire and Emergency Medical Services.

District Capital Facilities Plan 2014/15

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 change in construction costs as defined in the Construction Cost Index (CCI) published by the *Engineering News-Record*. The District’s last mitigation fee structure increase occurred in 2013. The CCI rate of change for the period November 2013 (CCI 9666) through November 2014 (CCI 9912) rose by 2.5%. The table below illustrates existing and proposed rates:

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

	Existing	Proposed
Residential	\$1.01	\$1.03
Nonresidential		
• Commercial	\$0.69	\$0.70
• Office	\$0.87	\$0.89
• Industrial	\$0.58	\$0.59

The District Board of Directors held a properly noticed special meeting on March 26, 2015, and reviewed the Capital Facilities and Mitigation Fee Expenditure Plan for Fiscal Year 2014/15. The District Board unanimously adopted the plan by Resolution 02-2015 (Attached).

The District expects to collect \$80,000 in mitigation fees and \$880 interest in Fiscal Year 2014/2015 and had a fund balance of \$9,592 at the beginning of the year. It plans expenditures of \$85,000 for equipment and expenditures on its 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 Resolution 02-2015

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

North Tahoe Fire Protection District 2014/15 Capital Facilities and Mitigation Fee Expenditure Plan, March 2015.

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

In the matter of: **A RESOLUTION APPROVING THE
NORTH TAHOE FIRE PROTECTION DISTRICT
2014/15 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 **APRIL 28, 2015** 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 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 (or Capital Improvement) Plan that delineates a proposed fee schedule; and

WHEREAS the Board of Directors of the North Tahoe Fire Protection District held a special meeting to review its plan on March 26, 2015 and adopted it by passing Resolution 02-2015. The District used the 2.5% increase in the Construction Cost Index for the period November 2013 - November 2014 to determine its proposed annual fee increase; and

WHEREAS the District plans capital expenditures in Fiscal Year 2014/2015 of \$85,000 on its new fire station and equipment.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of County of Placer that the North Tahoe Fire Protection District 2014/15 Capital Facilities and Mitigation Fees Expenditure Plan to take effect after April 30, 2015 is hereby approved.



RESOLUTION 02 – 2015
OF THE
NORTH TAHOE FIRE PROTECTION DISTRICT

A RESOLUTION ADOPTING THE CAPITAL FACILITIES
AND
MITIGATION FEE EXPENDITURE PLAN FOR THE FISCAL YEAR 2014/2015

WHEREAS, at the Special Meeting held at 4:30 p.m. on March 26, 2015, at 222 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 Fee Expenditure Plan for the Fiscal Year 2014/2015 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.

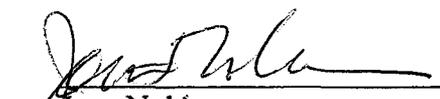
WHEREAS, the Board of Directors and staff carefully reviewed and approved the Capital Facilities and Mitigation Fee Expenditure Plan for the Fiscal Year 2014/2015.

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 2014/2015 to the Placer County Board of Supervisors for their review.

PASSED AND ADOPTED at a Special Meeting of the Board of Directors of the North Tahoe Fire Protection District held on March 26, 2015, by the following Roll Call Vote:

AYES: Directors Potts, Loverde, Correa, Carnell, and Baffone
NOES: None
ABSENT: None
ABSTAIN: None

Attest:


Joan Noble
Clerk of the Board


President, Board of Directors