

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: January 13, 2009

Subject: Adopt a resolution approving the Alpine Springs County Water District 2008 Capital Facilities and Mitigation Fee Expenditure Plan that contains an 8.3% increase in fees.

ACTION REQUESTED

That your Board adopt a resolution approving the Alpine Springs County Water District 2008 Capital Facilities and Mitigation Fee Expenditure Plan that contains an 8.3% increase in 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 County and ultimately resting with the 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 Alpine Springs County Water District (District) plan addresses these legal requirements and incorporates them as a part of the required annual plan update.

Alpine Springs County Water District

The Alpine Springs County Water District (District) was established in 1963 to serve the Bear Creek Valley watershed and the greater Alpine Meadows Valley. Among other services, the District provides fire protection and fire prevention services through a contract with the North Tahoe Fire Protection District. As with the entire north Lake Tahoe area, development is occurring and promises to continue into the foreseeable future. The District, faced with increases in both residential and work force populations, must accommodate the increased demand for services with improvements in both facilities and the addition of fire engines and ancillary fire and emergency medical apparatus. Compounding the problem of funding for these needed resources is the relatively low population base on the eastern side of Placer County, and the high cost of facilities improvements or new construction in the Lake Tahoe area.

District Capital Facilities Plan 2008

The District's current mitigation fee structure is based on the type of structure being built or added to. This schedule helps to best meet future capital needs of the District and was adopted after a comprehensive rewrite of its original plan in 2007 by the financial consulting firm *MuniFinancial*. In addition, in the Plan which your Board approved in July 2007, the District indicated that it would adjust fees each year based on a standardized existing price/cost index. Therefore, for this plan, the District adjusted all existing mitigation fees by the percent increase in the Construction Cost Index (CCI) which, for the period July 2007 to October 2008, rose by 8.3%. The table below illustrates existing and proposed rates:

Existing and Proposed Rates
 (\$/Ft²)

	Existing	Proposed
Residential	0.88	0.95
Nonresidential		
• Commercial	1.44	1.56
• Office	1.84	1.99
• Industrial	1.28	1.39

Sample Fee Calculations

The District Board of Directors held a noticed public hearing on December 12, 2008, reviewed the plan and consequently passed Resolution 5-2008 officially adopting the plan.

Alpine Springs County Water District expects to collect \$10,000 in mitigation fees for Fiscal Year 2008-2009. Expenditures for 2008/2009 comprise \$14,700 for a storage building and \$1000 for an ADA compliance project.

FISCAL IMPACT

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

Attachments

Resolution
Alpine Springs County Water District Board of Directors Resolution 5-2008
Alpine Springs County Water Protection District 2008 Capital Facilities and
Mitigation Fee Expenditure Plan

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

Alpine Springs County Water Protection District 2008 Capital Facilities and Mitigation
Fee Expenditure Plan

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

In the matter of: **A RESOLUTION APPROVING THE
ALPINE SPRINGS COUNTY WATER DISTRICT
2008 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 **JANUARY 13, 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 (or Capital Improvement) Plan that delineates a proposed fee schedule, and

WHEREAS the Board of Directors of the District held a public hearing to review its plan on December 12, 2008 and adopted it by passing Resolution 5-2008. In keeping with the plan uses the 8.3% increase in the Construction Cost Index for the period July 2007 - October 2008 to determine its proposed annual fee increase; and

WHEREAS as part of its annual review, the Alpine Springs County Water District showed a 2008 beginning mitigation fee balance of \$5,500 and expects \$10,000 in revenues this fiscal year, and

WHEREAS the District plans capital expenditures in 2008/2009 of \$15,700 for a storage building and a Americans With Disabilities Act compliance project.

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the County of Placer that the Alpine Springs County Water District 2008 Capital Facilities and Mitigation Fees Expenditure Plan is hereby approved.