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GOODWIN CONSULTING GROUP

**ALPINE SPRINGS COUNTY
WATER DISTRICT (ASCWD)
UPDATE OF THE FIRE FACILITIES
IMPACT FEE STUDY**



DECEMBER 5, 2018

**ALPINE SPRINGS COUNTY WATER DISTRICT (ASCWD)
UPDATE OF THE FIRE FACILITIES IMPACT FEE STUDY**

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
I. Executive Summary	1
II. Introduction	3
III. Land Use Categories and Growth Projections	6
IV. Fire Protection Facilities and Cost Estimates	9
V. ASCWD Fire Fee Calculation Methodology	14
VI. Nexus Findings and ASCWD Fire Fee	16
VII. Program Implementation and Administration	20
VIII. Annual and Five Year Reporting For the Fee Program	23
 Boundary Map of the ASCWD	 4

I. EXECUTIVE SUMMARY

BACKGROUND

Additional fire protection facilities will be needed to meet the service demands of future development within the Alpine Springs County Water District (“ASCWD” or “Water District”). The North Tahoe Fire Protection District (“NTFPD”), which provides contracted fire protection services to development in the Water District, has recently updated the capital facilities plan for the Water District through the year 2053. A fair share portion of the cost of these facilities will be funded by future growth within the Water District. Consequently, the updated fire facilities impact fee (“ASCWD Fire Fee”) included in this *Alpine Springs County Water District Update of the Fire Facilities Impact Fee Study* (“Fee Study”) will apply to all future development within the Water District boundaries. The ASCWD Fire Fee complies with Mitigation Fee Act nexus requirements because the fees are set at the amount needed to mitigate the specific impacts that will result from new development in the Water District.

The Water District’s current fire fee is based on the *Update of the Fire Facilities Impact Fee Study*, prepared in 2013 (“2013 Fee Study”). Annual inflation adjustments have been applied to the fire fee in subsequent years. The ASCWD Fire Fees in this Fee Study have been revised from the 2013 Fee Study to reflect updated fire facility costs and updated development projections through 2053.

FIRE PROTECTION FACILITIES AND COSTS

The Fee Study identifies fire protection facilities needed to serve development through 2053 in the Water District. The required fire facilities and costs were determined by the NTFPD based on its long range needs. Facility costs included in the Fee Study have been updated to reflect current and anticipated facility needs for ASCWD.

A summary of the facilities and cost estimates, which totals approximately \$2.1 million, is shown in Table A. Detailed fire facilities and cost estimates incorporated in the Fee Study are described in Section IV of this report.

**TABLE A
FACILITIES COST SUMMARY**

Description	Estimated Cost
Existing Facilities	\$1,557,179
Planned Facilities	\$560,000
Total	\$2,117,179

ASCWD FIRE FEES

A summary of the updated ASCWD Fire Fee is presented below in Table B. The updated ASCWD Fire Fee for residential development is approximately 8% higher than the Water District’s current fire fee. For nonresidential land uses, the fees are approximately 16% less than the Water District’s current fire fees.

The ASCWD Fire Fee includes a 2.0% administration fee mark-up that will be used to fund costs associated with administering the ASCWD Fire Fee program. This fee will fund fee study updates, accounting, and annual reporting required by the Mitigation Fee Act.

**TABLE B
Fire Fee Summary**

Land Use	Proposed Fee per SF	Current Fee per SF	Percent Change
<i>Residential</i>	\$1.34	\$1.24	7.7%
<i>Nonresidential</i>			
Commercial	\$1.69	\$2.01	-16.1%
Office	\$2.14	\$2.56	-16.3%
Industrial	\$1.50	\$1.79	-16.4%

II. INTRODUCTION

The Alpine Springs County Water District is an independent special district that provides water, sewer, parks, garbage, and fire protection service to the residents of Alpine Meadows. A map identifying the Water District's boundary is shown on the following page. Fire protection services, such as fire, rescue, and pre-hospital emergency medical services, are provided to residents and employees within the Water District through a service contract with the North Tahoe Fire Protection District.

The NTFPD provides fire protection and related services to residents and employees within the Water District through the Alpine Meadows fire station. The Alpine Meadows station serves an estimated 456 residents in the Water District.

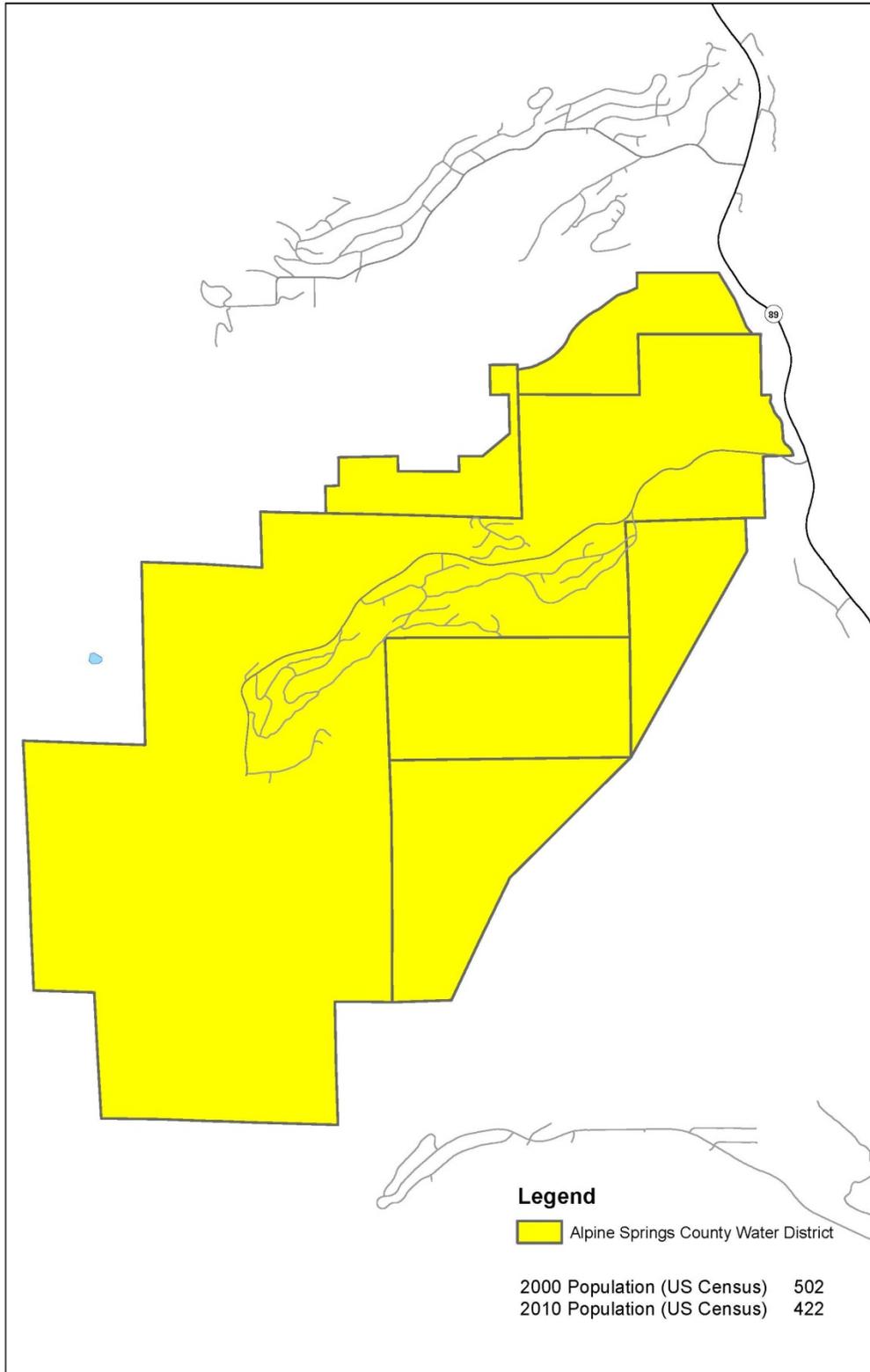
The NTFPD also operates five fire stations within its own District boundaries. The five stations are located in Tahoe City, Kings Beach, Homewood, Dollar Point, and Carnelian Bay. Costs associated with fire protection facilities and equipment required to serve residents and employees within the NTFPD are included in the *North Tahoe Fire Protection District Fire Facilities Impact Fee Study*.

PURPOSE OF STUDY

As the ASCWD develops, new or expanded fire facilities will be required to meet the service demands of future development. If adopted, the impact fee presented in this report ("ASCWD Fire Fee") will apply to all future development within the Water District boundary. The ASCWD Fire Fee complies with the Mitigation Fee Act nexus requirements because the Fee is calculated to mitigate only the specific impacts that will result from new development in the Water District.

Goodwin Consulting Group, Inc. was retained to prepare this *Alpine Springs County Water District Update of the Fire Facilities Impact Fee Study* ("Fee Study"). The ASCWD Fire Fee will be implemented by the ASCWD Board of Directors and Placer County Board of Supervisors through the adoption of a resolution or ordinance. The ASCWD Fire Fee will replace the Water District's current fire fee that is based on the *ASCWD Update of the Fire Facilities Impact Fee Study* that was prepared in 2013 ("2013 Fee Study").

ASCWD BOUNDARY MAP



IMPACT FEE NEXUS REQUIREMENTS

Assembly Bill (“AB”) 1600, which was enacted by the State of California in 1987, created Section 66000 et seq. of the Government Code. AB 1600, which created the Mitigation Fee Act, requires that all public agencies satisfy the following requirements when establishing, increasing, or imposing a fee as a condition of approval for a development project:

- 1.** Identify the purpose of the fee
- 2.** Identify the use to which the fee will be put
- 3.** Determine how there is a reasonable relationship between:
 - A. The fee’s use and the type of development project on which the fee is imposed
 - B. The need for the public facility and the type of development project on which the fee is imposed.
- 4.** The amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.

The assumptions and cost allocation methodology that were used to establish the nexus between the ASCWD Fire Fee and the development on which it will be levied are summarized in the subsequent sections of this report.

III. LAND USE CATEGORIES AND GROWTH PROJECTIONS

LAND USE CATEGORIES

The Mitigation Fee Act requires that a reasonable relationship exist between the need for public facilities and the type of development on which an impact fee is imposed. The need for public facilities is related to the level of service demanded, which may vary in proportion to the number of residents or employees generated by a particular land use type. Therefore, land use categories have been defined in order to distinguish between relative impacts on facilities. The ASCWD Fire Fee has been calculated per square foot of building space for both residential dwelling units and nonresidential buildings. The following land use categories are identified for purposes of the ASCWD Fire Fee program:

- Residential:** All single family and multi-family residential developments. Single family units include all detached residential dwelling units and detached accessory dwelling units. Multi-family units include all attached single family dwellings, such as duplexes and condominiums, and mobile homes, apartments, and dormitories.
- Commercial:** All commercial, retail, educational, and hotel/motel development.
- Office:** All general, professional, and medical office development.
- Industrial:** All manufacturing development.

Some developments may include more than one land use type, such as industrial warehouse with living quarters (e.g., a live-work designation). In these cases, the ASCWD Fire Fee would be calculated separately for each land use type included in the proposed development. The ASCWD should levy the ASCWD Fire Fee based on the specific aspects of a proposed development regardless of zoning.

The ASCWD will make the final determination as to which land use category a particular development will be assigned; however, a general guideline to use is the likely occupancy associated with the development, either residents or workers.

GROWTH PROJECTIONS

Estimates of the existing service population and projections of growth are critical assumptions used in the calculation of the ASCWD Fire Fee. Table 1 summarizes the estimated service population within the Water District in 2018 as well as the amount of new growth anticipated through 2053. Population numbers are based on full-time permanent residents and do not include part-time residents. The total service population is comprised of all residents plus a certain percentage of employees. The exact relationship of service demands between residents and employees is difficult to measure, but a service population comprised of all residents plus 24% of employees is utilized in the ASCWD Fire Fee calculation. The 24% ratio suggests that an employee generally has approximately one quarter the impact of a resident on fire facilities (e.g., an employee is at work forty hours out of a total 168 hours in a week).

**Table 1
Existing and Future Persons Served**

	Existing ¹ (2018) <i>A</i>	New Growth (2018-53) <i>B</i>	Existing & Future Growth ² (2053) <i>C = A x B</i>
Residents	456	190	646
Employees	271	113	384
Employee Demand Factor ³	0.24	0.24	0.24
Net Employees	65	27	92
Total Persons Served	521	217	738

¹ Existing resident estimates reflect 2018 estimate from EnviroNics Population Report.

² Assumes an average annual growth rate of 1% for residents and employees.

³ Assumes employees are at work 8 hours per day out of 168 hours per week; this translates to 1.0 employee equaling approximately 0.24 (40/168 = 0.24) residents.

Sources: ASCWD; EnviroNics Analytics; Goodwin Consulting Group

Estimated residents and employees in the Water District by 2053 are used to determine fire facilities and equipment required to serve growth. Base year residential and employment estimates totaling approximately 456 and 271, respectively, reflect 2018 estimates and are based on data from the ASCWD and Environics Analytics. Growth estimates for the District through 2053 assume an average annual growth rate of 1%. The 1.0% growth rate is a reduced rate from the growth rate used in the 2013 Fee Study report, which included a growth rate of 1.5%. This reduced growth rate is a reflection of slower than estimated growth that has occurred in the District over the past decade.

IV. FIRE PROTECTION FACILITIES AND COST ESTIMATES

The ASCWD Fire Fee program will provide funding for fire protection facilities, including a fire engine and equipment. A summary of existing and planned facilities required to serve development through 2053 is provided below.

EXISTING FIRE FACILITIES

Existing fire protection facilities within the Water District include (i) the Alpine Meadows fire station; (ii) a Type II fire engine; and (iii) various types of special equipment. The total estimated cost of the Water District’s fire station building, land, vehicle, and equipment, based on current replacement costs, equals approximately \$1.6 million, as shown below in Table 2.

**TABLE 2
SUMMARY OF EXISTING FACILITIES COSTS**

Description	Estimated Cost
Station	\$1,223,692
Vehicle	\$180,000
Special Equipment	\$153,487
Total	\$1,557,179

The estimated replacement cost for the Alpine Meadows fire station is based on the average per square foot value for a station within NTFPD, as shown in the NTFPD’s insurance estimates by the Special District Risk Management Authority for its fire stations. The estimated replacement cost for the Alpine Meadows station totals approximately \$1.2 million and is summarized in Table 3. An estimated cost of \$1.3 million per acre is assumed for the fire station land in this Fee Study.

**TABLE 3
EXISTING LAND & BUILDING FACILITY**

	Quantity <i>A</i>	Unit Cost <i>B</i>	Replacement Cost <i>C = A x B</i>
<u>Station 56 - Alpine Meadows</u>			
Land	0.08 acres	\$1,300,000	\$104,000
Building ¹	2,480 SF	\$451	\$1,119,692
Total Existing Station Cost			\$1,223,692

¹ Based on the average per square foot value for a fire station in North Tahoe Fire Protection District.

Sources: North Tahoe Fire Protection District; Goodwin Consulting Group, Inc.

Existing fire protection facilities also include a Type II fire engine. Based on information provided by NTFPD, the replacement cost of the existing engine is approximately \$180,000, as shown below in Table 4.

**TABLE 4
EXISTING VEHICLE & COST**

Vehicle Type & Make	Estimated Cost
<u>Type II Engine</u>	
1997 International Pumper	\$180,000
Total Existing Vehicle Cost	\$180,000

Source: North Tahoe Fire Protection District

Existing fire protection equipment also includes special protective gear, general station equipment, and other miscellaneous equipment. NTFPD reports the estimated replacement value for special equipment totals approximately \$153,000, as shown below in Table 5.

TABLE 5
ASCWD SPECIAL EQUIPMENT INVENTORY

Description	Unit		Description	Unit	
	Units	Cost		Units	Cost
<u>Station 56 Equipment</u>			<u>Station 56 Equipment Cont.</u>		
PBI Turnouts	8	\$2,250	3" Duralight - 1550 ft.	1	\$8,500
PBI Turnouts	4	\$4,500	2.5" Duralight - 550 ft.	1	\$3,000
SCBA	4	\$3,250	1.75" Duralight - 1200 ft.	1	\$4,000
SCBA Bottles	4	\$550	1.5" Duralight - 350 ft.	1	\$1,200
Structural Helmets	11	\$182	1.5" Wildland - 880 ft.	1	\$1,600
Structural Boots	10	\$180	Portable Monitor Nozzle	1	\$500
Structural Boots	1	\$1,800	2.5" Akron Nozzles	1	\$600
Nomex Clothing (Shirts)	14	\$143	1.5" Task Force Nozzles	4	\$525
Nomex Clothing (Shirts)	1	\$2,000	2.5" Task Force Nozzles	1	\$600
Wildland Helmets	6	\$150	1.5" Twister Nozzles	2	\$125
Oxygen Units	2	\$600	2.5" Siamese Adaptors	1	\$250
Ferno litter	1	\$300	Hose Adaptors	8	\$188
Motorola Portable Radio	8	\$1,000	2.5" Gate Valve Adaptors	1	\$450
Trauma Bags	2	\$2,400	24' Extension Ladders	1	\$1,500
Misc. Medical Equipment	1	\$1,000	14' Roof Ladders	1	\$400
Ropes and Gear	1	\$500	10' Attic Ladders	1	\$300
Honda Generator Lights	1	\$1,200	10' Extension Ladders	1	\$200
Motorola MaxTrax Radios	2	\$1,000	SCBA Tanks	4	\$4,081
Hand Tools	1	\$1,500	Husky Rollaway Toolbox	1	\$250
Honda PP Fan	1	\$800	Nederman Exhaust Sys	1	\$10,000
Chain Saws	1	\$1,500	HP 6730 Desktop Monitor	1	\$1,100
Defibrillation Unit (AED)	1	\$8,576	HP 820 Printer	1	\$250
Gas Detector	1	\$1,673	HP Office Jet V-40 Printer	1	\$300
Snow Blower	1	\$965	Office Desk and Chair	1	\$150
4.5" Supply Hose - 10ft.	1	\$300	Misc. Kitchen Appliances	1	\$2,150
Total Equipment Cost					\$153,487

Source: North Tahoe Fire Protection District

PLANNED FIRE FACILITIES TO ACCOMMODATE NEW GROWTH

The NTFPD, in conjunction with the Water District, analyzed the fire facilities needed to serve development within the Water District through 2053. Based on that analysis, the NTFPD determined that the size of the Alpine Meadows station can adequately serve future growth anticipated within the Water District through 2053. However, additional vehicles and equipment will be needed to serve the additional development expected with the Water District through 2053. The NTFPD estimates the Alpine Meadows station will need a new Type I fire engine and other future equipment. Table 6 below shows a breakdown of the cost of these, which totals approximately \$560,000.

**TABLE 6
PLANNED FIRE FACILITIES**

Description	Estimated Units A	Unit Cost B	Total Cost ² C = A x B
<i>Vehicles & Equipment</i>			
Type I Engine	1	\$550,000	\$550,000
Equipment	1	\$10,000	\$10,000
Total New Facilities			\$560,000

Source: North Tahoe Fire Protection District

TOTAL FIRE FACILITIES COST

Planned facilities include a fire engine and equipment needed to serve existing and future development through 2053. When combined with the estimated replacement cost for the existing facilities, the total cost included in the ASCWD Fire Fee calculation is approximately \$2.1 million. Table 7 presents a summary of the total existing and planned facilities costs.

**TABLE 7
TOTAL FIRE FACILITIES COST**

Description	Estimated Cost
Existing Fire Facilities	\$1,557,179
Planned Fire Facilities	\$560,000
Net Fire Facilities Cost	\$2,117,179

V. FIRE FEE CALCULATION METHODOLOGY

When impact fees are calculated, an analysis must be presented in enough detail to demonstrate that logical and thorough consideration was applied in the process of determining how the fee relates to the impact created by new development. Various findings pursuant to the Mitigation Fee Act must be made to ensure that there is a reasonable relationship between the amount of the fee and the development on which that fee will be levied. The following section of the report outlines the methodology used in this Fee Study to calculate the ASCWD Fire Fee.

FEE METHODOLOGY

The methodology used to calculate the ASCWD Fire Fee ensures that each land use category funds its equitable share of the fire protection facilities based on the impact that its residents or employees will have on the Alpine Meadows station. Following is a summary of the steps used to calculate the ASCWD Fire Fee:

- 1) Determine the number of existing and future persons served expected through 2053 within the ASCWD. The number of person served equals the sum of residents and 24% of employees (i.e., employee-equivalents).
- 2) Determine the existing and new fire facilities needed to serve development through 2053 within the ASCWD.
- 3) Estimate the total cost of existing and planned fire facilities needed to serve development in the ASCWD through 2053. Existing deficiencies or that portion of an improvement cost allocated to existing development cannot be funded with ASCWD Fire Fees from future development; the ASCWD will need to find alternate sources to fund existing deficiencies or existing development's share of the cost.
- 4) Based on the projected 2053 service population, calculate the cost per person served by dividing the cost from Step 3 by the total service population from Step 1. The cost per resident is equal to the cost person served; while the cost per employee is equal to the cost per person served multiplied by 0.24 (i.e., employee weighting factor).
- 5) Estimate the cost per residential dwelling unit or cost per 1,000 nonresidential building square feet by multiplying the applicable occupancy factor (i.e., average persons per residential dwelling unit or employees per 1,000 building square feet) by the cost per resident or employee from Step 4.

- 6) Determine the gross cost per residential dwelling unit or per 1,000 nonresidential building square feet by adding a 2.0% administration fee to fund the cost of administering the ASCWD Fire Fee program.
- 7) For residential uses, divide the gross cost per residential dwelling unit by 2,082 square feet to determine the ASCWD Fire Fee per square foot of residential building space. For nonresidential uses, divide the gross cost per 1,000 nonresidential building square feet by 1,000 square feet to determine the ASCWD Fire Fee per square foot of nonresidential building space.

By applying this fee methodology, the amount of the ASCWD Fire Fee for each land use is based on the estimated impact of the development on the ASCWD and thus a nexus or reasonable relationship is established between the amount of the ASCWD Fire Fee and the cost of the facilities attributable to each type of development.

OCCUPANCY ASSUMPTIONS

New development in the ASCWD will create demand for fire protection facilities. For purposes of the ASCWD Fire Fee program, demand is measured by the service population anticipated within the ASCWD by 2053. Nonresidential employee occupancy factors incorporated in the Fee Study are consistent with assumptions included in the 2013 Fee Study; however, the residential occupancy factor is increased from 0.77 in the 2013 Fee Study to 0.95 persons per dwelling unit in this Fee Study. This increase is based on updated housing and population data for the District. By allocating facilities costs to each land use category based on its demand for fire protection facilities (i.e., service population based on occupancy factors), this Fee Study ensures that each land use category will fund its fair-share of the required facilities.

**Table 8
OCCUPANCY ASSUMPTIONS**

Land Use	Assumption
<i>Residential</i>	0.95 Persons per Dwelling Unit
<i>Nonresidential</i>	
Commercial	2.40 Employees per 1,000 SF
Office	3.05 Employees per 1,000 SF
Industrial	2.13 Employees per 1,000 SF

Sources: Envirionics Analytics: Parcel Quest; Goodwin Consulting Group

VI. NEXUS FINDINGS AND ASCWD FIRE FEE

Future development within the ASCWD will create demand for various fire protection facilities to serve future residents and employees. The ASCWD Fire Fee program will fund future development's fair share of costs related the Alpine Meadows fire station, fire vehicles, and equipment. The ASCWD Fire Fee, as calculated in this Nexus Study meets the Mitigation Fee Act nexus requirements, as outlined below.

Purpose of Fee

The purpose of the ASCWD Fire Fee is to fund the fire protection facilities identified in this Fee Study that are needed to mitigate the impacts from new development through 2053 within the ASCWD.

Use of Fee

ASCWD Fire Fee revenue will be used to fund the fire protection facilities needed to provide fire protection service. These facilities and their corresponding costs are presented in Tables 3 through 6 of this Fee Study.

Reasonable Relationship Between the Fee's Use and the Type of Development

New development anticipated through 2053 within the ASCWD will generate a need for fire protection services and facilities. The increase in development will create the need for additional fire facilities and personnel to provide emergency services to the developing areas within the ASCWD. Fee revenue will be used to fund a fair-share portion of these fire facilities to serve new residential and nonresidential development in the ASCWD.

Reasonable Relationship Between the Need for the Facility and the Type of Development

New residential and nonresidential development in the ASCWD will generate residents and employees as well as structures that will require fire protection services. New development will require additional fire facilities to maintain the existing level of service and to provide fire protection and emergency services to the developing areas in the ASCWD. In order to maintain the ASCWD's current level of fire protection service, the Alpine Meadows station will need a new Type I fire engine and equipment.

Reasonable Relationship Between the Amount of the Fee and the Cost of the Facility

The relationship between the amount of the fee and the portion of the facility cost attributable to the development type is based on the number of persons served. Residents and employees are the primary beneficiaries of fire facilities; therefore, the cost of fire facilities has been allocated in this Fee Study to both residential and nonresidential land uses based on the number of persons generated from these types of development.

The number of persons served equals the number of residents and employee-equivalents that will be provided with fire protection services. Based on this demand from residents and employee-equivalents, a proportionate share of the cost of fire facilities is allocated to existing and future residential and nonresidential development types. This cost allocation, shown in Table 9, establishes a fee per resident and per employee. The fee per resident or employee is then converted to a fee per square foot of building space for each land use category to ensure that a reasonable relationship exists between the ASCWD Fire Fee and the portion of the facility attributed to each development type within the ASCWD.

EXISTING AND PLANNED FIRE FACILITIES COST SUMMARY

Table 7 summarizes the cost of the fire facilities needed to serve the Water District through 2053. This includes the costs of the existing Alpine Meadows fire station as well as existing and planned vehicles and equipment. The total cost of these facilities, which has been calculated based on the current estimated replacement value of the existing fire station, fire engine, and equipment as well as the estimated cost of the planned fire engine and equipment, is approximately \$2.1 million.

ASCWD FIRE FEE CALCULATION

Tables 9 and 10 detail the calculation of the ASCWD Fire Fee. Dividing the total fire facilities cost of approximately \$2.1 million by the estimated 738 persons served by 2053 equals \$2,869 per person served. The cost per person served is then converted to a cost per resident and cost per employee, as shown in Table 9. The cost per resident and per employee is converted to a fee per square foot for residential and nonresidential building space use based on the occupancy assumptions and the assumed average size of a residential unit, 2,082 square feet, in the Water District. A summary of the updated ASCWD Fire Fee is presented in Table 10.

**Table 9
ASCWD Fire Facilities Cost per Person Served**

Total Fire Facilities Cost	\$2,117,179
Net Total Fire Facilities Cost	\$2,117,179
Projected 2053 Persons Served	738
Cost per Person Served	\$2,869
<i>Cost per Resident</i>	<i>\$2,869</i>
<i>Cost per Employee ¹</i>	<i>\$689</i>

¹ Assumes one employee is equal to 0.24 residents.

**Table 10
Fire Fee Calculation**

Land Use	Cost per Resident/ Employee <i>A</i>	Estimated Density ¹ <i>B</i>	Cost per DU/ 1,000 SF <i>C = A x B</i>	Adminis- tration ² (2.0%) <i>D = 0.02 x C</i>	Total Fee <i>E = C + D</i>	Fee per SF ³		
<i>Residential</i>	\$2,869	0.95	<i>per Dwelling Unit</i>		\$2,725	\$55	\$2,780	\$1.34
<i>Nonresidential</i>			<i>per 1,000 Bldg SF</i>					
Commercial	\$689	2.40	\$1,652	\$33	\$1,685	\$1.69		
Office	\$689	3.05	\$2,100	\$42	\$2,142	\$2.14		
Industrial	\$689	2.13	\$1,467	\$29	\$1,496	\$1.50		

¹ Estimated density shown as persons per dwelling unit for residential uses and employees per 1,000 SF for nonresidential uses.

² Estimated at 2.0% of the total fee to pay for costs related to fee study updates, collection, accounting, and annual reporting.

³ Residential fee is based on an average size of 2,082 square feet.

Source: Goodwin Consulting Group; Parcel Quest

ASCWD FIRE FEES

A summary of the updated ASCWD Fire Fee is presented below in Table 11. The updated ASCWD Fire Fee for residential development is approximately 8% more than the Water District's current fire fee; for nonresidential land uses, the fees are approximately 16% less than the Water District's current fire fees.

The ASCWD Fire Fee includes a 2.0% administration fee mark-up that will be used to fund costs associated with administering the ASCWD Fire Fee program. This fee will fund fee study updates, accounting, and annual reporting required by the Mitigation Fee Act.

TABLE 11
Fire Fee Summary

Land Use	Proposed Fee per SF	Current Fee per SF	Percent Change
<i>Residential</i>	\$1.34	\$1.24	7.7%
<i>Nonresidential</i>			
Commercial	\$1.69	\$2.01	-16.1%
Office	\$2.14	\$2.56	-16.3%
Industrial	\$1.50	\$1.79	-16.4%

VII. PROGRAM IMPLEMENTATION AND ADMINISTRATION

FEE IMPLEMENTATION

According to the California Government Code, prior to levying a new fee or increasing an existing fee, an agency must hold at least one open and public meeting. At least ten days prior to this meeting, the agency must make data on infrastructure costs and funding sources available to the public. Notice of the time and place of the meeting, and a general explanation of the matter, are to be published in accordance with Section 6062a of the Government Code, which states that publication shall occur twice, with at least five days intervening, commencing at least ten days before the hearing, in a newspaper regularly published once a week or more.

The ASCWD Fire Fee will need to be approved by the ASCWD Board of Directors and the Placer County Board of Supervisors through a fee resolution or ordinance to adopt the updated ASCWD Fire Fee. The resolution or ordinance authorizing and establishing the ASCWD Fire Fee will then be adopted by the Placer County Board of Supervisors. Once the last action associated with adopting the ASCWD Fire Fee is completed, it shall become effective sixty days later.

ANNUAL INFLATION UPDATE

The ASCWD Fire Fees may be adjusted in future years to reflect revised facility costs or receipt of funding from alternative sources. In addition to such adjustments, in January of each calendar year, or another date, as designated by the ASCWD, the cost estimates and the ASCWD Fire Fees will also be adjusted by the average increase in the Construction Cost Index (CCI) as reported in the *Engineering News Record* for the 12-month period ending October of the previous year. For example, the adjustment for January 2020 will be determined by calculating the increase from October 2018 to October 2019 in the CCI. The resulting increase will be the adjustment factor that will be applied to the ASCWD Fire Fees in January 2020. The increased fees may be adopted through a resolution or ordinance.

FEE STUDY UPDATES

The Fee Study will be subject to periodic updates based on changes in developable land, land uses, facilities and land costs, or economic conditions. The ASCWD should periodically review the costs, fees, and account balances to determine if an update to the ASCWD Fire Fee is warranted. During the periodic reviews, the ASCWD may analyze the following items that would impact the ASCWD Fire Fee program:

- Changes to the required fire facilities included in the ASCWD Fire Fee program
- Changes in land costs
- Changes in the cost to administer the ASCWD Fire Fee

ADMINISTRATION FEE COMPONENT OF THE ASCWD FIRE FEE

The ASCWD Fire Fee includes an administration fee component equal to 2.0% of facilities costs. Based on its experience administering past fire fee programs, the 2.0% fee rate should be sufficient to cover its cost of administering the ASCWD Fire Fee program. The ASCWD should monitor its administration costs in the following years and adjust the rate, if necessary.

ANNUAL AND FIVE-YEAR REPORTING REQUIREMENTS

The Mitigation Fee Act requires the ASCWD to report every year and every fifth year certain financial information regarding the fees. The ASCWD must make available within 180 days after the last day of each fiscal year the following information from the prior fiscal year:

- 1) A brief description of the type of fee in the account or fund
- 2) The amount of the fee
- 3) The beginning and ending balance in the account or fund
- 4) The amount of the fee collected and the interest earned
- 5) An identification of each public improvement for which fees were expended and the amount of expenditures
- 6) An identification of an approximate date by which time construction on the improvement will commence if it is determined that sufficient funds exist to complete the project
- 7) A description of each interfund transfer or loan made from the account and when it will be repaid
- 8) Identification of any refunds made once it is determined that sufficient monies have been collected to fund all fee-related projects

The ASCWD must make this information available for public review and must also present it at the next regularly scheduled public meeting not less than 15 days after this information is made available to the public.

For the fifth fiscal year following the first deposit into the fee account, and every five years thereafter, the ASCWD must make the following findings with respect to any remaining funds in the fee account, regardless of whether those funds are committed or uncommitted:

- 1) Identify the purpose to which the fee is to be put
- 2) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged
- 3) Identify all sources and amounts of funding anticipated to complete financing any incomplete improvements
- 4) Designate the approximate dates on which funding in item (3) above is expected to be deposited into the fee account

As with the annual disclosure, the five-year report must be made public within 180 days after the end of the ASCWD's fiscal year and must be reviewed at the next regularly scheduled public meeting. The ASCWD must make these findings, otherwise, the law requires that it refund the money on a prorated basis to the then current record owners of the development project.

VIII. ANNUAL AND FIVE YEAR REPORTING FOR THE FEE PROGRAM

Government Code Sections 66001 and 66006 require local agencies to submit annual and five-year reports detailing the status of development impact fees. Annual reports must be made available to the public no later than 180 days after the end of the fiscal year and must be presented to the City Council at least fifteen days after it is made available to the public.

For the five year report, Government Code Section 66001 (d) states that for the fifth fiscal year following the first deposit into the account(s) or fund(s) and every five years thereafter, the local agency shall make certain findings with respect to that portion of the account or fund that remains unexpended. This chapter of the report presents the annual report for fiscal year 2017-18 as well as the five-year report.

Annual Report Pursuant to Government Code 66006

The annual report provides the following information:

1) Brief Description of the Fees

Fire fees are levied on development in Alpine Springs to fund capital improvements including fire apparatus and equipment, as presented in this Fee Study.

2) The amount of the fee

Table 11 in Chapter VI of this report shows the ASCWD’s current fire fees.

3) Beginning and ending balance in the fee account

Beginning and ending fee fund balances for fiscal year 2017-18 are shown in the table below.

Fund Balances - FY 2017-18

Fund	July 1, 2017	June 30, 2018
Mitigation Fund	\$50,268	\$62,873

4) Amount of fees collected and interest earnings

Fees collected and interest earned for fiscal year 2017-18 are shown in the table below.

Fees Collected and Interest Earned - FY 2017-18

Fund	Fees	Interest
Mitigation Fund	\$12,091	\$742
Fund Balances	\$12,091	\$742

5) An identification of each public improvement on which fees were expended in FY 2017-18 and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.

No public improvements were funded with fire fee revenue in FY 2017-18.

6) An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete the financing on an incomplete public improvement.

ASCWD has not identified any public improvements that have sufficient funds to complete the financing on an incomplete public improvement in fiscal year 2017-18.

7) A description of each interfund transfer or loan made from this account.

No interfund transfers or loans were made from the fire fee fund in FY 2017-18.

8) Refunds made in FY 2017-18 pursuant to subdivision (e) of Section 66001 and any allocations pursuant to subdivision (e) of Section 66001.

None

Five-Year Report Pursuant to Government Code 66001

The five-year report provides the following information:

1) Identify the purpose to which the fee is to be put.

The purpose of the fire fee revenue, totaling approximately \$62,873 as of June 30, 2018, is to fund the fire apparatus and equipment identified in this Fee Study. These facilities have been identified by ASCWD staff as required to mitigate the impacts from new development.

2) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged.

The Fee Study demonstrates that a reasonable relationship exists between the fire fee and the purpose for which it is charged. New development in the ASCWD will generate a need for additional fire facilities. The total \$62,873 remaining in existing fire fee account as of June 30, 2018 will be used to fund a fair-share portion of these capital facilities to serve new residential and non-residential development in the District.

3) Identify all sources and amount of funding anticipated to complete financing in incomplete improvements identified in paragraph (2) of subdivision (a) of Section 66001.

Funding for fire apparatus and equipment included in the fire fee program will come primarily from fire fee revenue.

4) Designate the approximate dates on which the funding is expected to be deposited into the appropriate fund.

The fire apparatus and equipment identified in this Fee Study will be purchased when enough fire fee revenue is collected from growth in the District. Unfortunately, growth in the District cannot be predicted with any certainty and as a result, the District does not know when a sufficient amount of fire fee revenue will be collected to purchase the fire apparatus and equipment.