

**GCG**

GOODWIN CONSULTING GROUP

**NORTH TAHOE FIRE  
PROTECTION DISTRICT (NTFPD)  
UPDATE OF THE FIRE FACILITIES  
IMPACT FEE STUDY**



***FINAL***

**November 7, 2023**

**NORTH TAHOE FIRE PROTECTION DISTRICT (NTFPD)  
UPDATE OF THE FIRE FACILITIES IMPACT FEE STUDY**

**TABLE OF CONTENTS**

---

<b><u>Section</u></b>	<b><u>Page</u></b>
<b>Executive Summary</b> .....	i
<b>I. Introduction</b> .....	1
<b>II. Existing Development in the District</b> .....	5
<b>III. Fire Protection Facilities and Cost Estimates</b> .....	6
<b>IV. NTFPD Fire Fee Calculation Methodology</b> .....	11
<b>V. Nexus Findings and NTFPD Fire Fee</b> .....	12
<b>VI. Program Implementation and Administration</b> .....	15
<b>VII. Annual and Five-Year Reporting Requirements</b> .....	17
 <b>Boundary Map of the NTFPD</b> .....	 2
 <b>Appendix A – Developed Building Square Feet in NTFPD by Parcel</b>	

## ***EXECUTIVE SUMMARY***

---

### **BACKGROUND**

As development occurs within the North Tahoe Fire Protection District (“NTFPD” or “District”), additional fire protection facilities will be needed to meet the service demands of future residents and employees. The NTFPD recently updated the fire protection facilities and their associated costs needed to serve development in the District. A fair share portion of the cost of these facilities will be funded by future growth in the NTFPD. Consequently, the proposed fire facilities impact fee (“NTFPD Fire Fee”) included in this *North Tahoe Fire Protection District Update of the Fire Facilities Impact Fee Study* (“Fee Study”) will apply to all future development within the NTFPD boundary. The NTFPD Fire Fee complies with Mitigation Fee Act nexus requirements because the fees are set at the amount needed to mitigate the specific impacts resulting from new development in the District.

The District’s current fire fees are based on the *Update of the Fire Facilities Impact Fee Study*, prepared in 2018 (“2018 Fee Study”); these fees have been increased with subsequent annual inflation adjustments since 2018. The NTFPD Fire Fees proposed in this Fee Study are based on the amount of improved property in the District. It is reasonable to assume that as more buildings and structures are constructed in the District, the level of responsibility of the District to service the new development grows. As such, a fee that is proportional to the size of the building represents a reasonable relationship between the development and the cost of the facilities required to serve the development. The fee calculation methodology applied in this Nexus Study utilizes a standard based approach. This approach determines the total value of all existing facilities and divides the total value by the total existing building square footage to arrive at a per-square foot fee.

Unlike the District’s current fire fee schedule, the proposed Fire Fee in this Nexus Study does not consider the distinction between commercial property and residential property; each type of development would be subject to the same fee based on the square footage of the building.

### **FIRE PROTECTION FACILITIES AND COSTS**

The Fee Study identifies existing fire protection facilities available to provide fire protection services to existing development in the District. Facility costs included in the Fee Study reflect current market conditions, construction costs, and other assumptions and represents an estimate of the replacement costs for existing structures, land and equipment.

A summary of the existing facilities and cost estimates, which total approximately \$67.5 million, is shown in Table A below. Detailed fire facilities and cost estimates incorporated in the Fee Study are described in Section III.

**Table A**  
**Summary of Existing Facilities Costs**

Description	Estimated Cost
Stations	\$57,224,694
Vehicles & Equipment	\$9,615,338
Special Equipment	\$651,294
<b>Total</b>	<b>\$67,491,326</b>

*Source: North Tahoe Fire Protection District; Cal Fire; Goodwin Consulting Group, Inc.*

**NTFPD FIRE FEES**

A summary of the proposed NTFPD Fire Fee is presented in Table B; the NTFPD Fire Fee includes a 2.0% administration fee mark-up that will be used to fund costs associated with administering the NTFPD Fire Fee program. This fee will fund fee study updates, accounting, and annual reporting required by the Mitigation Fee Act. The proposed fees are approximately an 119% increase over the District’s current residential fire fees. While the proposed fee increase is significant compared to the existing fees, the increase is strictly related to the increased costs associated with construction, land and equipment provided by Cal Fire, the Placer County Assessor’s Office, as well as District staff to estimate replacement costs of existing facilities and equipment.

**Table B**  
**NTPFD Fire Fee Summary**

<b>Land Use</b>	<b>Proposed Fee per SF</b>	<b>Administration Fee (2%)</b>	<b>Total Fee per SF</b>
<i>Residential</i>	\$3.19	\$0.06	\$3.25
<i>Nonresidential</i>			
Commercial	\$3.19	\$0.06	\$3.25
Office	\$3.19	\$0.06	\$3.25
Industrial	\$3.19	\$0.06	\$3.25

## ***I. INTRODUCTION***

---

The North Tahoe Fire Protection District is an independent special district that provides fire, rescue, and pre-hospital emergency medical services to residents and employees within an approximate 30-square mile area on the north and west shores of Lake Tahoe in the County of Placer. A map identifying the District's boundaries is shown on the following page.

The NTFPD currently operates five fire stations within its boundary. These stations are located in Tahoe City, Kings Beach, Homewood, Dollar Point, and Carnelian Bay and currently serve an estimated 15,000 residents.

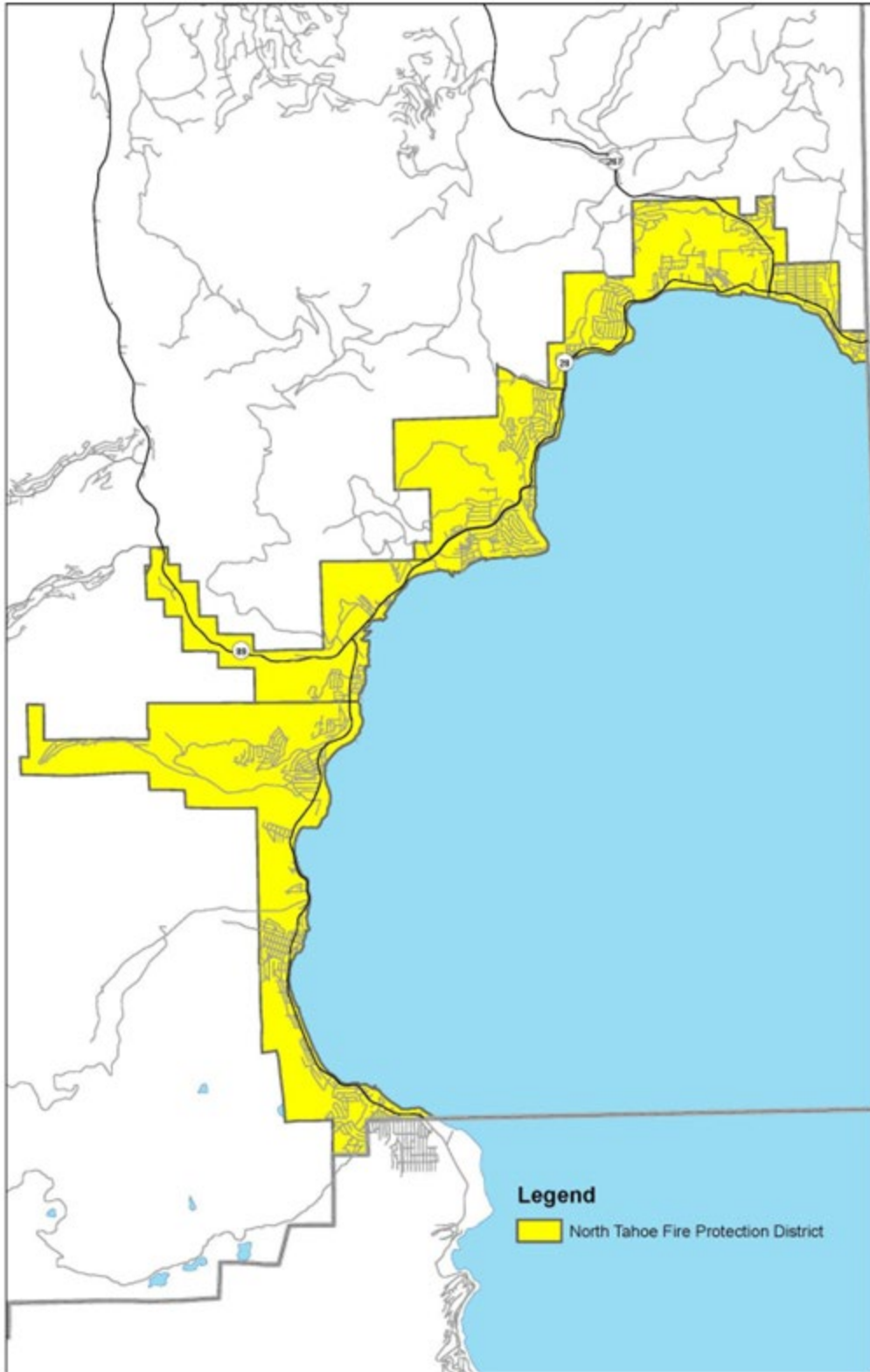
The NTFPD also provides fire protection and related services to residents and employees within the Alpine Springs County Water District ("Water District") as well as the Meeks Bay Fire Protection District (Meeks Bay FPD) through service contracts to operate stations located in Alpine Meadows and Meeks Bay. Costs associated with fire protection facilities and equipment required to serve residents and employees as well as those service populations within the Water District and Meeks Bay FPD are not included in this Fee Study.

### **PURPOSE OF STUDY**

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

The NTFPD retained Goodwin Consulting Group, Inc. ("Goodwin") to prepare this *North Tahoe Fire Protection District Update of the Fire Facilities Impact Fee Study*. The NTFPD Fire Fee will be implemented by the NTFPD Board of Directors and Placer County Board of Supervisors through the adoption of a resolution or ordinance. In doing so, the NTFPD Fire Fee will replace the District's current fire fee that is based on the 2018 Fee Study.

# NTFPD 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.
  - C. 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 NTFPD Fire Fee and the development on which it will be levied are summarized in the subsequent sections of this report.

## **ASSEMBLY BILL 602**

On September 28, 2021, AB 602 was signed into law and became effective starting January 1, 2022. The law establishes additional procedural and transparency requirements on public agencies when establishing new fees or increasing existing development impact fees. AB 602 amends Government Code Sections 65940.1 and 66019 and adds Government Code Section 66016.5 and Health and Safety Code Section 50466.5. Below are some of the most significant requirements imposed by AB 602:

### ***New Requirements for Nexus Studies***

- When applicable, the nexus study shall identify the existing level of service (LOS) for the public facility, identify the proposed new level of service, and explain why the new level of service is appropriate.
- If a nexus study supports an increase to an existing fee, the public agency shall review the assumptions of the nexus study supporting the original fee and evaluate the amount of fee revenue collected under the original fee.
- Large jurisdictions, for example, counties that have a population greater than 250,000 residents, must adopt a capital improvement plan as a part of the nexus study.



- Nexus studies adopted after July 1, 2022, shall calculate a fee imposed on a housing development that is proportionate to the square footage of the proposed units of the development or the nexus study must make findings that an alternative fee calculation methodology creates a reasonable relationship between the fee charged and the burden posed by the development.
- This section of the impact fee requirements does not apply to any fees or charges pursuant to Government Code Section 60013, which includes water and sewer connection fees and capacity charges.

#### ***New Transparency Requirements for Public Agencies***

- Fees must be posted to the public agency's website within 30 days of any change in the fees.
- Public agencies must post to their website the current and five previous annual impact fee accounting reports that are required pursuant to Government Code Section 66006.
- Public agencies must post to their website all nexus studies, cost of service studies, or equivalent studies that were conducted on or after January 1, 2018.

#### ***New Nexus Study Procedural Requirements***

- Nexus studies must be updated at least every 8 years, from the period beginning on January 1, 2022.
- Nexus studies and impact fees must be adopted at a public hearing with at least a 30-day notice (this is an increase from the current 10 days).
- Members of the public may submit evidence that the nexus findings in the nexus study are insufficient; the public agency must consider all such evidence.

## ***II. EXISTING DEVELOPMENT IN THE DISTRICT***

---

The Mitigation Fee Act requires that a reasonable relationship exist between the need for public facilities and the development on which a fee is imposed. The need for public facilities is related to the level of service demanded, which varies in proportion to the amount of development. For this Nexus Study, development is measured by the number of constructed buildings and their corresponding building square footage. A review of Placer County’s assessor roll reveals that as of 2023, there were 11,258 buildings and structures totaling approximately 21.2 million square feet of building space in the District. Table 1 summarizes the existing building square footage by land use category.

**Table 1**  
**Existing Development - Building Square Footage**

<b>Development Type</b>	<b>Total Number of Parcels</b>	<b>Total Building Square Footage</b>
Single Family	10,513	18,770,201
Multi-Family	124	403,923
Commercial	281	1,379,900
Office	65	216,739
Industrial	31	95,489
Warehouse	190	206,926
Institutional	<u>54</u>	<u>89,708</u>
<b>Totals</b>	<b>11,258</b>	<b>21,162,886</b>

---

*Sources: Parcel Quest*

### ***III. FIRE PROTECTION FACILITIES AND COST ESTIMATES***

---

The NTFPD Fire Fee program will provide funding for fire protection facilities, including fire stations, vehicles, and equipment. A summary of existing and planned facilities required to serve development in the District is provided below.

#### **EXISTING FIRE FACILITIES**

Existing fire protection facilities within the District include five fire stations, as follows:

- Tahoe City Station 51 - Headquarters station of the District located in Tahoe City. This station is a 20,227 square foot station that is a LEED “Gold” certification. The station was constructed in 2012 to meet the administrative needs of the District for the next 50 years; however, it is already reaching capacity.
- Kings Beach Station 52 – Serves the large and dense population at the north end of the District. Built in 1956, Station 52 houses engine companies as well as some administrative offices. The Station has numerous restrictions that will limit the District’s ability to renovate or expand it. Recent commercial developments within the area have placed a greater need to upgrade and remodel the station.
- Homewood Station 53 – Serves the remote southernmost portion of the District. Built in 1962, this station also provides contract EMS and automatic aid for fire response to areas of El Dorado County. This station does not currently meet the State of California essential service building requirement; in order to comply with standards, the retrofit costs would be significant. With recent and future development in the Homewood Mountain Resort, considerable strains will be placed on the District.
- Dollar Point Station 54 – Serves both as a working mechanics shop for the District and storage for response apparatus in the Dollar Point area. Built in 1962, Station 54 is located on a residential lot within a residential neighborhood. A long-term plan includes moving the mechanics shop into larger more industrial facility. Station 54 does not meet current State of California essential service building requirements. The costs of retrofitting the building to meet current standards would be significant.
- Carnelian Bay Station 55 – Serves the area between Tahoe City and Kings Beach. Built in 1962, this station is currently adequate for the apparatus assigned. During the summer, Cal Fire staffs this station. Station 55 does not meet current State of California essential service building requirements. The costs of retrofitting the building to meet current standards would be significant.

The total estimated cost of the District’s fire stations, land, vehicles, and equipment, based on current values and estimated costs, equals approximately \$67.5 million, as shown below in Table 2.

**Table 2**  
**Summary of Existing Facilities Costs**

Description	Estimated Cost
Stations	\$57,224,694
Vehicles & Equipment	\$9,615,338
Special Equipment	\$651,294
<b>Total</b>	<b>\$67,491,326</b>

*Source: North Tahoe Fire Protection District; Cal Fire; Goodwin Consulting Group, Inc.*

Estimated values of all existing fire stations are based on values provided in an estimate to build a new Cal Fire Station in North Tahoe. The estimated total value of all five stations, including buildings and land, totals approximately \$57.2 million and is summarized in Table 3 on the following page. An estimated land value of \$1.9 million per acre is based on the assessed values of parcels sold in North Lake Tahoe in the previous three years. This value is assumed in this Fee Study for fire station sites.

**Table 3**  
**Existing Land & Building Facilities**

	Quantity		Est. Cost per Unit	Estimated Replacement Cost
<u>Station 51 - Tahoe City</u>				
Land /1	0.99	acres	--	--
Building /2	20,279	SF	\$1,500	\$30,418,500
Subtotal				\$30,418,500
<u>Station 52 - Kings Beach</u>				
Land	0.29	acres	\$1,874,700	\$543,663
Building /2	7,410	SF	\$1,500	\$11,115,000
Subtotal				\$11,658,663
<u>Station 53 - Homewood</u>				
Land	0.35	acres	\$1,874,700	\$656,145
Building /2	2,310	SF	\$1,500	\$3,465,000
Subtotal				\$4,121,145
<u>Station 54 - Dollar Hill</u>				
Land	0.29	acres	\$1,874,700	\$543,663
Building /2	3,016	SF	\$1,500	\$4,524,000
Subtotal				\$5,067,663
<u>Station 55 - Carnelian Bay</u>				
Land	0.09	acres	\$1,874,700	\$168,723
Building /2	3,860	SF	\$1,500	\$5,790,000
Subtotal				\$5,958,723
<b>Total Existing Stations Cost</b>				<b>\$57,224,694</b>

/1 Land value is excluded because the land was donated.

/2 The per-square foot cost for fire stations is based on the average construction cost provided by Cal Fire for a new station in the region.

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

**Table 4**  
**Existing Vehicles & Equipment Inventory & Cost**

Vehicle Type & Make	Estimated Cost	Vehicle Type & Make	Estimated Cost
<i>Type I Engines</i>		<i>Other</i>	
2003 Spartan Pumper	\$923,483	2009 Snake River Gooseneck Trailer	\$17,254
2016 KME Predator Severe Service	\$923,483	2010 Interstate Snow Sport 23'	\$23,999
2016 KME Predator Severe Service	\$923,483	2011 Wells Cargo MC101-7-ME	\$6,866
2017 KME Predator Severe Service	\$923,483	2011 Wells Cargo MC101-7-ME	\$6,866
Subtotal	\$3,693,931	2011 Ford F-350 Braun Ambulance	\$205,000
<i>Type III Engines</i>		2011 Ski-doo Expedition	\$15,349
2007 International Brush Vehicle	\$425,296	2012 Ski-doo Expedition	\$15,349
2018 International Brush Vehicle	\$425,296	2012 Ford F-550 Stellar Service Truck	\$185,965
Subtotal	\$850,592	2012 Ford F-350 Braun Ambulance	\$205,000
<i>Other /1</i>		2013 Polaris Ranger 800 Crew	\$25,684
1973 John Deere 544-A	\$251,000	2013 Channel Utility Trailer	\$5,250
1985 Custom Cook Trailer	\$10,000	2013 Caterpillar 907H	\$105,966
1998 Ford F-150	\$58,016	2014 Ford F-350 Braun Ambulance	\$205,000
1998 Ford F-150	\$58,016	2014 Ram 3500 Braun Ambulance	\$205,000
1999 Ford F-250	\$67,361	2015 Ram 3500 Braun Ambulance	\$205,000
2001 Ford F-350	\$68,416	2016 Ford Interceptor	\$64,421
2003 Chevrolet Tahoe	\$75,129	2016 Ford F-250	\$67,361
2004 Ford Braun Ambulance	\$205,000	2016 Ford F-250	\$67,361
2005 Kenworth Water Tender	\$294,353	2018 Ford Interceptor	\$64,421
2005 Bandit 250XP	\$75,877	2018 Ford F-250	\$67,361
2005 Caterpillar DCA70	\$70,156	2017 Ram 350 Braun Ambulance	\$205,000
2006 Ford F-450	\$82,951	2018 Subaru Impreza	\$22,995
2006 Bauer T-COM25	\$128,826	2019 Ram 350 Braun Ambulance	\$205,000
2007 Freightliner M2	\$182,900	2019 Subaru Impreza	\$22,995
2007 Carson DT122	\$15,200	2019 Ver-Mac PCMS-320	\$28,000
2008 Ford F-450	\$82,951	2019 Ver-Mac PCMS-320	\$28,000
2008 Ford F-250	\$67,361	2020 Ver-Mac PCMS-320	\$28,000
2008 Ford F-150	\$58,016	2020 Subaru Impreza	\$22,995
2008 Ford F-150	\$58,016	2020 Ram 350 Braun Ambulance	\$205,000
2008 Bandit 200XP	\$58,020	2020 Prowler C4XM ERV	\$50,340
2009 Ford Expedition	\$77,396	2020 Sky Enclosed Trailer	\$10,400
2009 Ford Expedition	\$77,396	2022 Ram 350 Braun Ambulance	\$205,000
		2023 Chevrolet Tahoe	\$75,129
		2023 Chevrolet Tahoe	\$75,129
		Subtotal	\$5,070,814
<b>Total Existing Vehicles &amp; Equipment Cost</b>			<b>\$9,615,338</b>

<sup>1</sup> Excludes a 1922 Seagrave Antique Pumper.

Source: North Tahoe Fire Protection District

Existing fire protection facilities also include vehicles and equipment. An inventory and estimated values for existing vehicles and equipment are presented in Table 4. Based on information provided by the NTFPD, the estimated replacement cost of existing vehicles and equipment is approximately \$9.6 million.

The cost of furniture fixtures and equipment at existing fire stations are shown below in Table 5 and are based on estimates from the Districts insurance documents. The total cost of these items is approximately \$650,000.

**Table 5**  
**NTFPD Furniture, Fixtures, and Equipment Inventory**

Description	Estimated Cost
<i>Station 51 - Tahoe City</i>	
Building Contents	\$224,584
Subtotal	<u>\$224,584</u>
<i>Station 52 - Kings Beach</i>	
Building Contents	\$112,292
Subtotal	<u>\$112,292</u>
<i>Station 53 - Homewood</i>	
Building Contents	\$44,917
Subtotal	<u>\$44,917</u>
<i>Station 54 - Dollar Point</i>	
Building Contents	\$224,584
Subtotal	<u>\$224,584</u>
<i>Station 55 - Carnelian Bay</i>	
Building Contents	\$44,917
Subtotal	<u>\$44,917</u>
<b>Total Furniture, Fixtures, and Equipment Cost</b>	<b>\$651,294</b>

*Source: North Tahoe Fire Protection District*

#### ***IV. 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 impact on the facilities from 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 NTFPD Fire Fee.

##### **FEE METHODOLOGY**

A standard-based approach was used in this Nexus Study to calculate the Fire Fee. With a standard-based approach, the cost of all existing facilities is allocated to all existing development in the District. To ensure that all costs are relative in today's dollars, existing facilities are valued at replacement cost. Dividing the total cost of all facilities by the total sum of all development in the District produces a uniform fee that allocates a fair share of the facilities cost among all development in the District.

In this Nexus Study, development is represented by improved property, and specifically constructed building space. It is reasonable to assume that as more building space is constructed throughout the District, the level of responsibility of the District to service and protect the buildings and its occupants grows. With this growth, there is a clear need for the District to construct, expand, and purchase additional fire facilities and apparatus to serve the development. As such, a fee that is proportional to the size of the building represents a reasonable relationship between the development and the cost of the facilities required to serve the development.



## ***V. NEXUS FINDINGS AND NTFPD FIRE FEE***

---

Future development in the NTFPD will create demand for fire protection facilities that will serve future residents and employees. The NTFPD Fire Fee program will fund future development's fair share of costs to make required improvements and expansions to NTFPD stations as well as other future capital improvements. The NTFPD Fire Fee, as calculated in this Fee Study meets the Mitigation Fee Act nexus requirements, as outlined below.

### **Purpose of Fee**

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

### **Use of Fee**

NTFPD Fire Fee revenue will be used to fund the fire facilities needed to provide fire protection service. These facilities and their corresponding costs and values are presented in Tables 3 through 5 of this Fee Study.

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

As additional residential and nonresidential buildings are constructed in the District, the additional demand for emergency services placed on the District will require that additional fire facilities, apparatus, and equipment are constructed or purchased. Fee revenue generated by the Fire Fee will be used to purchase these facilities. Development impact fee revenue is the District's primary funding source of capital facilities.

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

New residential and nonresidential development in the NTFPD will generate buildings and structures that will require fire protection services. New development will require additional and upgraded fire facilities to maintain the existing level of service and to provide fire protection and emergency services to the developing areas in the NTFPD. In order to maintain the NTFPD's current level of fire protection service, the NTFPD must upgrade and reconstruct existing stations as well as purchase future capital improvements for each of the District's stations. District staff has identified three stations of interest based on service needs. These stations include stations in Kings Beach, Homewood, and Dollar Point.

### **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 building square footage. The larger the development, the more building square footage it will contain. Also, more building square footage means more residents and employees can be housed in the building. The bigger the size of the development most likely means that more fire related services will be needed compared to a smaller building or development. Therefore, it is entirely reasonable to relate the amount of the Fire Fee to the size or amount of building square footage, as is done in this Nexus Study. In applying the fee calculation methodology used in this Nexus Study, the amount of the Fire Fee is reasonably related to the portion of the facility (and its cost) that is attributable to the development.

### **NTFPD FIRE FEE CALCULATION**

Table 6 details the calculation of the NTFPD Fire Fee. Dividing the fire facilities cost of approximately \$67.5 million by the estimated 21.2 million square feet in the District equals a cost of \$3.19 per building square foot.

**Table 6**  
**NTFPD Fire Facilities Cost per Person Served**

Fire Facilities Cost	\$67,491,326
Total Developed Square Feet	21,162,886
<b>Cost per Person Served</b>	<b>\$3.19</b>
<i>Cost per Resident Building Square Foot</i>	<i>\$3.19</i>
<i>Cost per Non-Residential Square Foot</i>	<i>\$3.19</i>

*Source: Parcel Quest, Goodwin Consulting Group, Inc.*

### **NTFPD FIRE FEES**

A summary of the proposed NTFPD Fire Fee is presented below in Table 7; the NTFPD Fire Fee includes a 2.0% administration fee mark-up that will be used to fund costs associated with administering the NTFPD Fire Fee program. This fee will fund fee study updates, accounting, and annual reporting required by the Mitigation Fee Act. The proposed fees are approximately an 119% increase over the District's current residential fire fees. While the proposed fee

increase is significant compared to the existing fees, the increase is strictly related to the increased costs associated with construction, land and equipment.

**Table 7**  
**NTFPD Fire Fee Summary**

<b>Land Use</b>	<b>Proposed Fee per SF</b>	<b>Administration Fee (2%)</b>	<b>Total Fee per SF</b>
<i>Residential</i>	\$3.19	\$0.06	\$3.25
<i>Nonresidential</i>			
Commercial	\$3.19	\$0.06	\$3.25
Office	\$3.19	\$0.06	\$3.25
Industrial	\$3.19	\$0.06	\$3.25

Pursuant to the new requirements of AB 602, the District has reviewed the assumptions of the nexus study supporting the 2018 Fee Study. Due to the uncertainty associated with predicting the amount of future development within the District, it is difficult to evaluate the amount of fee revenue collected under the original 2018 Fee Study. However, assuming a new 3,000 square foot home is constructed, the District would have collected \$4,400 in fees under the current fee and \$9,761 in fees under the proposed fee rates. While the proposed fee increase is significant compared to the existing fees, the increase is strictly related to the increased costs associated with construction, land and equipment. This Fee Study employs the same methodology as the 2018 Fee Study; however, it incorporates updated construction, land and equipment costs based on data provided by Cal Fire, the Placer County Assessor’s Office, as well as District staff to estimate replacement costs of existing facilities and equipment.

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

### **ANNUAL INFLATION UPDATE**

The NTFPD 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 NTFPD, the cost estimates and the NTFPD Fire Fees will also be adjusted by the average increase in the Construction Cost Index (“CCI”) as reported in the *Engineering News Record* magazine for the 12-month period ending September of the previous year. For example, the adjustment for January 2025 will be determined by calculating the increase from September 2023 to September 2024 in the CCI. The resulting increase will be the adjustment factor that will be applied to the NTFPD Fire Fees in January 2025. The increased fees may be adopted through a resolution or ordinance.

### **FEE STUDY UPDATES**

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

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

#### **ADMINISTRATION FEE COMPONENT OF THE NTFPD FIRE FEE**

The NTFPD 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 NTFPD Fire Fee program. The NTFPD should monitor its administration costs in the following years and adjust the rate as necessary.

**VII. ANNUAL AND FIVE-YEAR REPORTING REQUIREMENTS**

---

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 2022-23 as well as the five-year report.

**Annual Report Pursuant to Government Code 66006**

**1) Brief Description of the Fees**

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

**2) The amount of the fee**

Table 7 in this report shows the NTFPD’s fee schedule.

**3) Beginning and ending balance in the fee account**

Beginning and ending fire fee fund balance for the fiscal year 2022-23 are shown in the table below.

**Fund Balance - FY 2022-23**

<b>Fund</b>	<b>July 1, 2022</b>	<b>June 30, 2023</b>
Fire Fee Fund	\$10,964	\$31,075

**4) Amount of fees collected and interest earnings**

Fees collected and interest earned for fiscal year 2022-23 are shown in the table below.

**Fees Collected and Interest Earned - FY 2022-23**

<b>Fund</b>	<b>Fees</b>	<b>Interest</b>
Fire Fee Fund	\$128,444	\$1,666

**5) An identification of each public improvement on which fees were expended in FY 2022-23 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.**

\$110,000 of fee revenue was spent on loan debt service for Station 51.

**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.**

NTFPD has not identified any incomplete public improvements for which the District has sufficient funds to complete in fiscal year 2023-24.

**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 2022-23.

**8) Refunds made in FY 2022-23 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**

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

The purpose of the mitigation fee revenues, totaling approximately \$31,075 as of June 30, 2023, is to fund the various public facilities identified in this Nexus Study. These facilities have been identified by NTFPD staff as required to mitigate the impacts on facilities from new development. These facilities include improvements to fire stations, apparatus, vehicles, and equipment that will serve residential and nonresidential

development in the NTFPD. Descriptions of these facilities and their costs are presented in this Nexus Study.

**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 fee and the purpose for which it is charged. New development in the NTFPD will generate a need for additional capital facilities. The total \$31,075 remaining in existing fee accounts as of June 30, 2023, 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 facilities 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 stations, apparatus and equipment identified in this Fee Study will be constructed or purchased when enough fire fee revenue is collected from development in the District. Unfortunately, growth in the District cannot be predicted with any certainty and as a result, the District does not know when sufficient fire fee revenue will be collected and available to purchase the fire apparatus and equipment.