

Diamond Springs -El Dorado

Fire Protection District

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December 15, 2006

Laura Schwartz
Chief Administrators' Office
330 Fair Lane
Placerville CA 95667

RE: 2006/07 Development Fee and Long Range Plan

Ms. Schwartz:

Attached is the Districts' Fire Facilities Impact Fee Study or "Capitol Improvement Plan". This document is effectively a departure from past methodology and strives to adhere to a more legally defensible and equitable nexus. This alternative was selected utilizing extensive support of MuniFinancial Corporation.

The Board of Directors of the Diamond Springs / El Dorado Fire Protection District held a noticed public hearing on December 13th. Subsequently, the Directors adopted the Capitol Improvement Plan. It should be noted, that there were no protest. The Study is inclusive of the base year plan needs and will be updated with an additional long range plan on the regular and expected intervals.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd Cunningham", with a long horizontal flourish extending to the right.

Todd Cunningham
Fire Chief

FIRE FACILITIES IMPACT FEE STUDY

DIAMOND SPRINGS- EL DORADO FIRE PROTECTION DISTRICT

**REVISED FINAL REPORT
JANUARY 26, 2006**



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TABLE OF CONTENTS

Fire Facilities Service Population.....	1
Existing Fire Facilities	3
Fire Facilities To Accommodate New Development.....	7
Fire Facility Standards	8
Alternative Funding Sources	10
Fee Schedule	10
Program Implementation.....	11
Mitigation Fee Act Findings.....	12

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INTRODUCTION

This report summarizes an analysis of the need for fire facilities by the Diamond Springs - El Dorado Fire Protection District (Diamond Springs Fire Protection District; District) to accommodate new development. The report documents a reasonable relationship between new development and an impact fee for funding these new facilities assets.

The Diamond Springs - El Dorado Fire Protection District is a rural fire district located directly west of Placerville. The Fire District provides a comprehensive range of services including fire suppression, emergency medical services, and fire prevention activities.

The District receives the majority of its revenues from property tax. As with most local agencies, the District's property tax revenue stream has diminished in terms of real dollars over time since the imposition of Proposition 13 in 1978. Consequently, the District must manage its resources carefully in order to properly serve the projected influx of new residents and businesses to the region.

The District currently has a fire facility impact fee in place, which was last calculated in 2003. The fee needs to be updated to take into account recent growth projections and the facilities needed to serve the future population.

The variety of funding sources utilized by the District, including support provided by the Diamond Springs - El Dorado Firefighter's Association, has allowed the District to maintain its level of service and facilities while addressing new development's demands upon the District so far. A continuing challenge facing the District will be the on-going transition from what was a primarily volunteer district towards an increasingly career staffed district. Although this report specifically addresses the need for fire facilities and not staffing (or other on-going operational costs), it is important to consider the need for additional fire facilities in the context of the need for space for career personnel (e.g., sleeping quarters). The District's other funding sources will increasingly be needed to address operational needs.

The District's boundaries only encompass unincorporated areas of El Dorado County. Per the *Mitigation Fee Act* contained in *Government Code* Section 66000 *et. seq.*, the County rather than the District has legal authority to impose impact fees on the District's unincorporated area. This report provides the necessary documentation for the El Dorado County Board of Supervisors to adopt a fire facilities impact fee for imposition within the Diamond Springs - El Dorado Fire Protection District boundaries. It also provides a list of statutory findings pertaining to the imposition of the District fees.

FIRE FACILITIES SERVICE POPULATION

The Diamond Springs - El Dorado Fire Protection District serves both homes and businesses as well as rural regions in its service area. Need for the District's services and associated facilities is measured by its service population, or the number of residents and workers within its service area. Service population reasonably represents the need for fire facilities because people requesting medical assistance generate the most calls for service. Structural fire suppression is the second most important mission of the fire department after the protection of life.

Table 1 provides estimates of the District's total service population in 2005 and 2025. Total service population is comprised of residents and employees working within the District.

Table 1: Diamond Springs Fire Protection District Service Population - Existing and Future Projected Service Population

	Residents	Workers	Service Population ¹
<i>Estimates by Traffic Analysis Zone (TAZ)</i>			
Existing (2005)	15,900	5,900	20,000
Future (2025)	24,100	11,400	32,000
<i>Net Increase</i>	8,200	5,500	12,000
Service Pop. Weighting Factor	1.00	0.69	

Note: Service population weighting factors based on City of Phoenix service call data weighted by the relative proportions of residential and nonresidential land use in the City, allowing the results of this survey to be applied in other areas.

¹ Service population equals residents plus workers with each weighted by appropriate factor shown at the bottom of the table.

Sources: United States Bureau of Census, *Census 2000*; California Department of Finance, *Report E-5* for El Dorado County, Jan. 1, 2005; City of Phoenix; Economic Planning Systems; Diamond Springs Fire Protection District; MuniFinancial.

The estimate of existing residential population and jobs for the year 2005 was taken from a Traffic Zone Analysis recently completed by MuniFinancial for El Dorado County. El Dorado County is divided into 267 Traffic Assessment Zones ("TAZ") for the purpose of modeling traffic impacts on roads and highways throughout the County. Residential data is expressed in number of households (occupied housing units), and nonresidential data is expressed in employment (jobs). The County Department of Transportation provided MuniFinancial with January 1, 1999 existing development data for each TAZ by land use type. MuniFinancial then updated the data to 2004 with building permit data provided by the County Building Department with for the period of January 1, 1999 through August 1, 2004. This data, which covers growth in the County for the last five and a half years, was the basis of the forecasts.

Estimates of future residential population and jobs within the District were based on trends apparent in the building permit data and current estimates of average persons per housing unit from the California Department of Finance. This data was included in the 2025 projection by TAZ used in this study.

To calculate service population for fire protection facilities, residents are weighted at 1.00. A worker is weighted at 0.69 of one resident to reflect the lower per capita need for fire services associated with businesses. Nonresidential buildings are typically occupied less intensively than dwelling units, so it is reasonable to assume that average per-worker usage of services is less than average per-resident usage.

The specific 0.69 per-worker weighting used here is derived from an extensive study carried out

by planning staff in the City of Phoenix. Data from that study is used to calculate a per capita factor that is independent of land use patterns. Because of the large geographical area covered by this study, it is the best source of data for application to other areas. It is reasonable to assume that relative demand for fire service between residents and workers does not vary substantially on a per capita basis across communities, enabling this data for use in other communities in the documentation of a fire facilities impact fee.

Using these weighting factors, the total existing service population for the Diamond Springs - El Dorado Fire Protection District is estimated at about 20,000 as shown in **Table 5**. The projected 2025 service population is substantially larger at 32,000. The increase in service population is approximately 12,000.

EXISTING FIRE FACILITIES

The District's inventory of existing and planned fire facilities was used as the basis for calculating the District's facility standard. This standard is used to determine new development's fair share obligation for expanded facilities as growth occurs. The facilities described here will serve the entire District.

Tables 2 through 4 provide a detailed inventory of the District's stations, existing apparatus and special equipment. **Table 5** sums the District's current inventory.

Table 2 highlights the District's existing facilities. The District currently serves the entire District area from five fire stations. The District owns all of the stations except for Station 49. In the case of Station 49, the land is owned by the Diamond Springs - El Dorado Firefighter's Association and leased to the District for one dollar a year on a ninety-nine year lease. The District's lease includes first right of refusal to purchase the land and station at market cost if sold, with the application of the District's existing equity (approximately \$1.0 million) in the facility towards the overall cost.

Three of the stations (Logtown, El Dorado and Sleepy Hollow) are completely staffed by volunteers. The Missouri Flat Station and the Diamond Springs Station are staffed by a combination of volunteers and career employees. While volunteers serve many of the stations, new development will provide justification to employ more people in full time career positions.

Table 2: Diamond Springs Existing Fire Facilities

	Amount	Unit Cost ¹	Total Cost
Existing Facilities			
Station 44 (Logtown)			
Land	0.95 acres	\$ 100,000	\$ 95,000
Building	2,000 sq. ft.	200	400,000
Subtotal			\$ 495,000
Station 46 (El Dorado)			
Land	0.30 acres	\$ 100,000	\$ 30,000
Building	3,000 sq. ft.	250	750,000
Subtotal			\$ 780,000
Station 47 (Sleepy Hollow)²			
Land	0.30 acres	\$ 100,000	\$ 30,000
Building	2,000 sq. ft.	200	400,000
Subtotal			\$ 430,000
Station 48 (Missouri Flat)			
Land	0.30 acres	\$ 200,000	\$ 60,000
Building	2,000 sq. ft.	250	500,000
Subtotal			\$ 560,000
Station 49 (Diamond Springs)³			
Land	3.50 acres	\$ 150,000	\$ -
Building	14,700 sq. ft.	see notes.	1,000,000
Subtotal			\$ 1,000,000
Total Existing Stations	5.35 acres		\$ 3,265,000
	23,700 sq. ft.		

¹ Costs based on estimated replacement costs.

² The District may close or relocate this station by 2007 due to unavailable year round staffing. The District would likely utilize the property as a warehouse or seasonal facility.

³ Land owned by Firefighters Association. Leased to District for \$1/year on a 99 year lease. District lease includes first right of refusal to purchase land and station at market cost if ever sold and application of District's existing equity in facility. Building value amount shown is equity in facility of \$1 million (\$750,000 for station and \$250,000 for training tower.)

Sources: Diamond Springs - El Dorado Fire Protection District; MuniFinancial.

Table 3 illustrates the inventory and estimated value of existing apparatus and vehicle cost estimates including the fire fighting, emergency medical, and communications equipment needed to stock each vehicle. The District also owns a number of engines, rescue engines, a 'Bobcat' tractor, several other vehicles and other miscellaneous fire protection and training equipment. Value estimates are based on replacement costs for newer engines and for equipment carried on engines.

Table 3: Diamond Springs Fire Protection District Existing Apparatus

Vehicle Type and Make	Unit	Vehicle ¹	Equipment ²	Total
Existing Facilities				
<i>Type I Engines</i>				
2003 International CS	44	\$ 288,000	\$ 108,000	\$ 396,000
2000 HME Central	49	310,000	78,000	388,000
2003 International CS	249	288,000	108,000	396,000
1981 Ford/Van Pelt	46	72,000	78,000	150,000
1992 Peterbuilt HT	349	72,000	78,000	150,000
1978 Ford/Van Pelt	47	125,000	78,000	203,000
Additional Type I engine	TBD	341,000	108,000	449,000
Subtotal Type I		\$ 1,496,000	\$ 636,000	\$ 2,132,000
<i>Type II Ladder Truck</i>				
1981 Ford/Van Pelt	48	\$ 187,500	\$ 78,000	265,500
Subtotal Type II		\$ 187,500	\$ 78,000	\$ 265,500
<i>Command Vehicles</i>				
2000 Ford F-150	C8100	\$ 17,500	\$ 7,000	\$ 24,500
2001 Ford F-150	C8101	17,500	7,000	24,500
2001 Ford F-150	C8102	35,000	7,000	42,000
Ford Expedition		35,000	7,000	42,000
Ford Expedition		35,000	7,000	42,000
Subtotal Type III		\$ 70,000	\$ 21,000	\$ 175,000
<i>Other Vehicles</i>				
1990 International Water Tender	WT46	\$ 215,000	\$ 15,000	\$ 230,000
2000 Bob Cat 742	Tractor 49	18,000	-	18,000
2003 HME Central Rescue Truck	Rescue 49	290,000	190,000	480,000
1992 Chevy Utility Truck	Transport 49	15,000	7,000	22,000
Subtotal Other		\$ 538,000	\$ 212,000	\$ 750,000
Total All Vehicles & Equipment		\$ 2,361,500	\$ 961,000	\$ 3,322,500

¹ Value based on current replacement value. Secondary market values used for older engines.

² Value of equipment based on recent district purchases.

Source: Diamond Springs Fire Protection District; MuniFinancial.

Table 4 provides the inventory of special protective gear, communications equipment, training equipment, and other miscellaneous equipment shared by all stations. Replacement cost estimates were provided by the District for these items.

Table 4: Diamond Springs Fire Protection District Existing Special Equipment

	Cost per Unit	Units	Total
Existing Equipment			
<i>Description</i>			
Turnouts and Helmets ¹	2,500	40	\$ 100,000
Wildland Safety Equipment	3,200	40	128,000
SCBA (Self Contained Breathing Apparatus)	60,000	n/a	60,000
SCBA Refill Station/Compressor	36,000	n/a	36,000
Portable Radios	825	60	49,500
Portable Generators	2,500	4	10,000
Computers	2,500	15	37,500
Computer Network	10,000	n/a	10,000
Office Equipment	30,000	n/a	30,000
Training Equipment ²	100,000	n/a	100,000
Extra hoses not on engines	38,000	n/a	38,000
Total Special Equipment			\$ 599,000

Note: Values based on current replacement value.

¹Turnout (protective clothing for structure and wildland fires) includes coats, pants, hoods, helmets, masks, boots, suspenders, gloves, goggles and SCBA personal masks.

²Projector, computer, video cameras, video tape library.

Source: Diamond Springs Fire Protection District; MuniFinancial.

Table 5 displays the sum of the estimated value of the District's existing fire facilities. The District currently owns the equivalent of almost \$7.2 million in fire protection facilities, apparatus and equipment to meet the needs of its existing service population.

Table 5: Estimated Total Value of District Existing Inventory

Description	Value
Stations	\$ 3,265,000
Apparatus	3,322,500
Special Equipment	599,000
Total	\$ 7,186,500

Source: Tables 1, 2 and 3; MuniFinancial.

FIRE FACILITIES TO ACCOMMODATE NEW DEVELOPMENT

Preliminary planning for future fire facilities was also included in the analysis. The purpose of the preliminary facilities planning conducted for this study was to estimate the cost of future facility needs and to estimate if the projected fire impact fee revenues would adequately fund those needs. The District is in the process of updating its master plan. When completed, should the updated master plan identify needed facilities and estimated costs that differ significantly from those estimated here, the impact fee documentation would need to be updated accordingly.

Table 6 documents preliminary planned facilities and planned modifications to existing stations. The District identified fire protection facilities that would be needed to accommodate the magnitude of new residential and commercial development represented by the TAZ projections.

Currently there are two major facility changes planned to accommodate new development. The first major facility change is the relocation of the Missouri Flat Station to a more suitable location. While the exact location has not yet been determined, preliminary planning has indicated that the station needs to be located between Missouri Flat Road and Green Stone Road near the Highway 50 corridor.

The second major facility improvement to accommodate new growth is the construction of a multi-use facility in the Sand Ridge area. The District desires to purchase land in the area for a staging area and potential fire training facility. Fire station capabilities may be warranted in the future as the area continues to increase in density. While the facility is still in an early conceptual planning stage, preliminary estimates are that it will cost approximately \$3 million to purchase the required land and construct the facilities.

In terms of minor facility modifications, the District plans to remodel the Logtown Station and the Sleepy Hollow Station to expand space and/or provide sleeping facilities. The estimated remodeling costs are \$30,000 and \$20,000, respectively. Additionally, the District anticipates the need to add an additional engine and a ladder truck in order to accommodate the projected level of development in the District by 2025.

Table 6: Diamond Springs Fire Protection District Planned Fire Facilities

	Amount	Unit Cost	Total Cost
Planned Facilities			
<i>Station 48 Relocation (Missouri Flat)</i>			
Land	5.00 acres	\$ 200,000	\$ 1,000,000
Station Building	4,800 sq. ft.	250	1,200,000
Warehouse	4,000 sq. ft.	175	700,000
Subtotal	8,800 sq. ft.		\$ 2,900,000
<i>Station 44 Modification (Logtown)</i>			
Remodeling Estimate			\$ 30,000
<i>Station 47 Modification (Sleepy Hollow)</i>			
Remodeling Estimate			\$ 20,000
<i>Sand Ridge Area Multi-Use Facility¹</i>			
			\$ 3,000,000
<i>Type 1 Engine</i>			
Vehicle			\$ 310,000
Equipment			78,000
Subtotal			\$ 388,000
<i>Type 1 Ladder</i>			
Vehicle			680,000
Equipment			78,000
Subtotal			\$ 758,000
Total Cost of Planned Facilities			\$ 7,096,000

¹ Preliminary estimate.

Sources: Diamond Springs - El Dorado Fire Protection District; MuniFinancial.

FIRE FACILITY STANDARDS

The fire facilities impact fees calculated in this report are based on a master plan facilities standard approach. The master plan standard incorporates all existing and projected new development, and all existing and planned facilities designed to serve that development. (See Table 6.) The master plan facilities standard represents the average per capita cost of all facilities to serve the entire projected service population. Using this per capita standard as a basis for the impact fee ensures an equitable distribution of total system costs between existing and new development. The District's facilities standard (calculated on a cost per capita basis) is shown in Table 7. The facility standard is shown separately for residents and workers because their respective demand for services is weighted differently. (See service population discussion.)

Table 7: Fire Facilities Master Plan Standard

Existing Public Facilities ¹	\$ 6,626,500
Planned Public Facilities	7,316,000
Total Public Facilities	\$ 13,942,500
Service Population 2025	32,000
Facility Standard per Capita	\$ 436
Cost per Resident	\$ 436
Cost per Worker ²	301

¹ Excludes Station 48 which is to be relocated.

² Worker weighting factor of 0.69 applied to cost per resident.

Sources: Tables 2, 5 and 6; MuniFinancial.

The District's fire facilities impact fees could also have been calculated based using an existing inventory facilities standard approach. This method is based on the existing facilities – or the investment in facilities summarized in Table 4 - per existing service population. The existing inventory approach yields a lower facility standard per capita (\$359) than the master plan facility approach (\$436). Hence, the District's planned facilities effectively increase its facility standards. This is acceptable as long as new development is not required to contribute more than its fair share of the planned facilities. The District also has to have enough alternative sources of funding for existing development's share of these planned facilities. See alternative funding sources section.)

The allocation of costs for planned facilities to new development within the District is shown in Table 8. The total cost of facilities associated with growth is based on the master plan facility standard shown in Table 7. The bottom line of Table 8 shows that in order to complete future facilities as currently planned there will be a deficit of approximately \$2.1 million (about 28 percent of planned facilities). This deficit represents the cost of planned facilities to increase facility standards for existing development.

Table 8: Projected Fee Revenue

Facility Standard per Capita	\$ 436
Projected Service Population Growth Within District (2005-2025)	12,000
Total Public Facilities To Serve Growth	\$ 5,232,000
Total Cost of Planned Facilities	\$ 7,316,000
Surplus/Deficit	\$ (2,084,000)

Sources: Tables 5, 6, and 7; MuniFinancial.

ALTERNATIVE FUNDING SOURCES

The District does not anticipate developing any other on-going sources of revenue for capital facilities besides impact fees and existing General Fund revenue. General Fund revenue is derived from the District's share of the constitutionally imposed one percent property tax rate which varies throughout the District, which is also subject to reallocation by the State. Any new or increased tax would require two-thirds voter approval. Any new or increased assessment would require a majority property owner approval.

The Diamond Springs - El Dorado Fire Protection District currently has approximately \$1.0 million in undesignated reserves and no debt. The District anticipates that the sale of existing Station 48 site will also provide significant funding to assist with remedying the identified deficiency.

FEE SCHEDULE

Table 9 shows the fire facilities impact fee for new development throughout the District based on the facilities cost per capita shown in **Table 7**. The cost per capita is converted to a fee per square foot of development based on dwelling unit and building space densities (persons per dwelling unit and workers per 1,000 square feet of building space). The estimate of residential densities is based on the most recent available data for unincorporated El Dorado County from the California State Department of Finance. Employment densities are consistent with those used in the Traffic Analysis Zone (TAZ) analysis recently completed for the County by MuniFinancial. (See page 2.) The residential fee per square foot was calculated based on the average unit size of units recently being constructed in the District determined from District permit fee collection records for 2002 through 2005. Density factors also include an adjustment for vacant space so they can apply uniformly to all new construction.

A special fee category "Unoccupied Agricultural" has been included at 50 percent of the calculated industrial land use fee. The purpose of this special category is to address the construction of buildings common in rural agricultural areas that require fire protection but that are not routinely occupied by humans and therefore do not create medical response needs.

A two percent administrative charge, which will be retained by the District, is included to cover expenses associated with documenting, collecting and accounting for the fee. The fee does not include any charge for any of the District's other (non-fee related) administrative costs.

Table 9: Diamond Springs Fire Protection District Fire Facilities Proposed Impact Fee Schedule

Land Use	Costs per Capita	Density ¹	Occupancy Rate ²	Cost/DU or Cost/1000 SF	Avg. SF /Res. Unit ³	Cost/SF	2% Admin. Costs ⁴	Total Fee/SF
Residential	\$ 436	2.66	94%	\$ 1,090	3,100	\$ 0.35	\$ 0.01	\$ 0.36
Nonresidential								
Commercial	\$ 301	2.50	n/a	\$ 752		\$ 0.75	\$ 0.02	\$ 0.77
Office	301	2.86	n/a	860		0.86	0.02	0.88
Industrial	301	1.67	n/a	501		0.50	0.01	0.51
Unoccupied Ag.						0.25	0.01	0.26

¹ Persons per dwelling unit for residential land uses and employees per 1,000 square feet for nonresidential land uses.

² Residential occupancy rate assumed to be similar to occupancy rate for the City of Placerville. Non-residential density rates incorporate occupancy assumptions.

³ Based on recent District impact fee receipts for residential land uses.

⁴ Two percent of the total fee collected for District administrative costs including fee studies, collection, accounting, and annual reporting required by Calif. Govt. Code Section 66,000 et seq.. Administrative fees are rounded to the closest one cent.

⁵ Fee per dwelling unit is based on average size of new residences in the Diamond Springs Fire Protection District calculated based on recent fee receipts.

Sources: Report E-5 (1/1/05), California Department of Finance, Report E-5 (1/1/05); Diamond Springs Fire Protection District; MuniFinancial.

PROGRAM IMPLEMENTATION

The fire facilities impact fee would be collected at time of building permit issuance. Because the District does not have the statutory authority to adopt a fee, it must rely on the County Board of Supervisors for the authority. In addition, to implement the fee the District, in cooperation with the County, should:

- Seek to acquire the necessary property for new stations through purchase or dedication and maintain an updated master plan indicating fire facility standards and the types of facilities anticipated to accommodate growth;
- Identify funding sources, if needed, to complement impact fee revenues to fully fund planned facilities;
- Maintain an annual Capital Improvement Program budget or another accounting mechanism to indicate where fees are being expended to accommodate growth;
- Maintain records on use of the administrative charge to justify the amount;
- Comply with the annual and five-year reporting requirements of *Government Code* 66001 and 66006; and
- Identify appropriate inflation indexes in the fee ordinance and allow an automatic inflation adjustment to the fee annually.

For inflation indexes, the District should use separate indexes for land and construction. Calculating the land index may require use of a property appraiser every several years. The construction index can be based on the District's recent capital project experience or taken from any reputable published source, such as the *Engineering News Record*. To calculate the fee increase, total planned facility costs represented by land or construction, as appropriate, should weight each index.

MITIGATION FEE ACT FINDINGS

To guide the widespread imposition of development impact fees, the State Legislature adopted the *Mitigation Fee Act* (the *Act*) with Assembly Bill 1600 in 1988 and subsequent amendments. The *Act* is contained in *California Government Code* Section 66000 *et seq.* and establishes requirements for the imposition and administration of impact fee programs. The *Act* became law in January 1988 and requires local governments to document the five findings explained in the sections below when adopting an impact fee. For the fire facilities impact fee to be adopted by El Dorado County on behalf of the Diamond Springs - El Dorado Fire Protection District, the findings are summarized here and supported in detail by the report that follows. All statutory references are to the *Act*.

PURPOSE OF FEE

For the first finding the County must:

Identify the purpose of the fee. (§66001(a)(1))

The policy of El Dorado County, per Section 5.1.2.3 of the July 19, 2004 General Plan, is that "new development shall be required to pay its proportionate share of the costs of infrastructure improvements required to serve the project to the extent permitted by State Law." The purpose of the Diamond Springs - El Dorado Fire Protection District fire facilities impact fee is to implement this policy by providing a funding source from new development for capital improvements to serve that development. The fee advances a legitimate interest of the County by assuring that new development within the County is provided with adequate fire protection facilities and services.

USE OF FEE REVENUES

For the second finding the County must:

Identify the use to which the fee is to be put. If the use is financing public facilities, the facilities shall be identified. That identification may, but need not, be made by reference to a capital improvement plan as specified in Section 65403 or 66002, may be made in applicable general or specific plan requirements, or may be made in other public documents that identify the public facilities for which the fee is charged. (§66001(a)(2))

The fire facilities impact fee will fund expanded facilities to serve new development. All planned facilities will be located within the Diamond Springs - El Dorado Fire Protection District boundaries:

- Land for fire station and other related structures;
- Fire stations including furniture and other equipment;
- Fire apparatus including equipped engines and other vehicles;
- Medical response, hazardous materials, training, and other specialized fire fighting equipment.
- Potential financing costs associated with the above.

Planned fire facilities are preliminarily identified in this report. Additional planning will be provided in the District's master plan and annual budgets. This report provides a preliminary

description and cost estimate for planned facilities. The master plan and annual budgets will provide additional details and proposed timing for construction/acquisition of the facility.

BENEFIT RELATIONSHIP

For the third finding the County must:

Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed. (§66001(a)(3))

The District will restrict fee revenues to the acquisition of land, construction of public buildings, and purchase of related equipment, furnishings, vehicles, and services that will serve new development and the additional residents and workers associated with that new development as part of a district-wide network of fire protection facilities and services. Thus, there is a reasonable relationship between the use of fee revenues and the residential and nonresidential types of new development that will pay the fee.

BURDEN RELATIONSHIP

For the fourth finding the County must:

Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed. (§66001(a)(4))

Service population provides an indicator of the demand for the facilities needed to accommodate growth. Service population is calculated based on residents associated with residential development and employment associated with nonresidential development. To calculate a single per capita standard, one worker is weighted less than one resident based on an analysis of the relative demand for fire facilities by land use type.

The need for the fee is based on the facility standards identified in this report and the growth in district-wide service population projected through 2025. Facilities standards represent the level of service that the District plans to provide its residents and businesses in 2025. Standards are based on the District's total existing and planned facilities allocated across the District's total service population in 2025.

See the *Fire Facilities Service Population* section, for a description of how service population and growth projections are calculated. Facility standards are described in the *Fire Facility Standards* section.

PROPORTIONALITY

For the fifth finding the County must:

Determine how there is a reasonable relationship between 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. (§66001(b))

This reasonable relationship between the fire facility impact fee for a specific development project and the cost of the facilities attributable to that project is based on the estimated size of the service population that the project will accommodate. The total fee for a specific project is based on its size as measured by dwelling units or building square feet. The fee schedule converts the estimated service population that a development project will accommodate into a fee based on the size of the project. Larger projects of a certain land use type will have a higher

service population and pay a higher fee than smaller projects of the same land use type. Thus, the fee schedule ensures a reasonable relationship between the public facility fee for a specific development project and the cost of the facilities attributable to that project.

See the *Fee Schedule* section for a description of how service population is determined for different types of land uses. The *Fee Schedule* section also presents the fire facilities impact fee schedule.

DIAMOND SPRINGS/EL DORADO FIRE PROTECTION DISTRICT
RESOLUTION 2006.13
Development Fees

WHEREAS, the Board of Directors of the Diamond Springs/El Dorado Fire Protection District recognizes that continuing development within the District places added responsibilities and cost to the Fire District; and

WHEREAS, such new development shall enjoy the benefits of existing facilities and equipment; and

WHEREAS, the Diamond Springs/El Dorado Fire Protection District Fire Facilities Impact Fee Study, formerly know as the Long Range Plan, studies the impacts of contemplated future development on existing fire services within the boundaries of the district, along with an analysis of the need for new public facilities and equipment required as a result of the new development was conducted, and said Fire Facilities Impact Fee Study set forth the relationship between development, the needed facilities and equipment and their estimated costs.

WHEREAS, it is the policy of this District to maintain existing service levels within the District; and

WHEREAS, the cost estimates set forth in the plan are reasonable cost estimates for constructing facilities or acquiring the equipment, and the fees expected to be generated by new development will not exceed the total of these costs.

WHEREAS, El Dorado County Ordinance #3991 allows the District to impose development fees for fire protection services,

NOW, THEREFORE, BE IT RESOLVED that there be continued in effect a development fee as a condition of any building permit for the development of any residential, commercial, institutional, or industrial use within the Diamond Springs/El Dorado Fire Protection District.

Section 1. - Definitions

"Residential Use" means any use for residential purposes, including agricultural uses with a residence, as defined in the El Dorado Zoning Code.

"Commercial Use" means any use for commercial purpose as defined in the El Dorado Zoning Code.

"Industrial Use" means any use for industrial purposes as defined in the El Dorado Zoning Code.

soon as the funds become available. The timing of construction shall be reviewed on an annual basis.

Section 6: Fee Review

The District shall review the estimated cost of the described capital improvements, the continued need for those improvements and the reasonable relationship between such need and the impacts of the various types of development pending or anticipated and for which this fee is charged. The District shall report its recommend any adjustment to this fee or other action as may be needed on an annual basis.

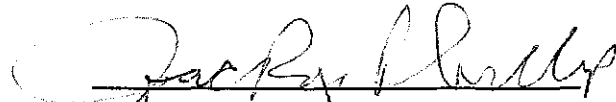
Approved this Thirteenth day of December, 2006

AYES:

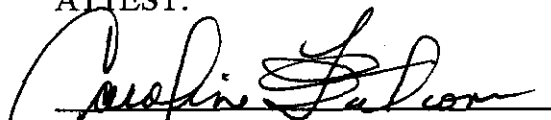
NOES:

ABSTAIN:

ABSENT:


Jackye Phillips, Board Chair

ATTEST:


Caroline Falconer, Secretary

**Diamond Springs / El Dorado Fire Protection District
Board of Directors
Policies and Procedures**

ARTICLE 2	DEVELOPMENT	EFFECTIVE	08-07-85
SECTION 1	DEVELOPMENT FEES	REVISION	12-13-06

1.1 Purpose: The following policy will address questions arising from resolution 2006-12 "Development Fees".

1.2 Residential Use – Development Fees

1.2.1 Fees for residential use shall be charged on each dwelling unit, as determined by Resolution 2006-12, prior to the issuance of a building permit. The following residential use shall not be required to pay development fees:

- A. Any residential parcel map that previously paid mitigation fees to the District by the developer or their predecessor for parcel splits, shall not be required to pay a development fee.
- B. Any addition, repair or replacement on a dwelling unit, not exceeding 75% of the structures original square footage. Shall be exempt from development fees.

1.2.2 Residential Fees, as determined by Resolution 2006-12, shall be \$.36 per square foot.

1.2.2 Residential dwellings equipped with an approved residential sprinkler system are eligible for a fifty percent reduction in development fee.

1.3 Commercial, Industrial and Institutional – Development Fees

1.3.1 Fees for commercial, industrial and institutional development shall be charged by the square footage of all floors in the structure, including all structures on the parcel. Fees, as determined by the resolution, shall be collected prior to the issuance of a building permit. The following commercial, industrial and institutional permits shall not be required to pay development fees:

- A. Any commercial, industrial or institutional parcel that previously paid mitigation fees to the District by the developer or their predecessor, for parcel splits shall not be required to pay a development fee.
- B. Any repair or replacement of an existing commercial, industrial or institutional structure will be exempt from the development fee. This exemption applies only to the original square footage.

1.3.2 Any commercial, industrial or institutional structure replacing an existing dwelling unit shall have the current development fee applied as a credit towards the square footage, based on the following use:

Annual Report of Revenues and Expenditures

District: Diamond Springs Fire District
 Fiscal Year: 2005-2006
 Name of Preparer: T Cunningham

Development fee revenues are deposited into:
Institution Account No.

Accounts with fees unexpended or uncommitted for
 five (5) years or more: (see note)
Institution Account No.

Note: If unexpended/uncommitted funds exist, include a statement of findings identifying the purpose of the funds and demonstrating a reasonable relationship between the fee and the purpose for which it was charged.

REVENUES*

MONTH	AMOUNT
JUL	29221.5
AUG	3558
SEP	46545.57
OCT	14022.15
NOV	37997.46
DEC	7116
JAN	1204.65
FEB	3558
MAR	11079
APR	14232
MAY	18756.33
JUN	10674
SUBTOTAL:	197964.66
INTEREST:	11,579.79
TOTAL:	209544.45

TRANSFERS TO DISTRICT'S OPERATING FUND

MONTH	AMOUNT
JUL	
AUG	
SEP	138863.01
OCT	19000
NOV	
DEC	15000
JAN	
FEB	
MAR	
APR	
MAY	
JUN	15000
TOTAL:	187863.01

CALCULATION OF REPORT YEAR ENDING BALANCE

PRIOR FY ENDING BALANCE:	326,426.64
REPORT YR REVENUES:	209544.45
REPORT YR EXPENDITURES:	187863.01
REPORT YR ENDING BALANCE:	128313.16

*Net receipts after 1% EDC Auditor/Controller charge

Mountain Democrat

PROOF OF PUBLICATION
(2015.5 C.C.P.)

Proof of Publication of NOTICE OF PUBLIC HEARING

STATE OF CALIFORNIA
County of El Dorado

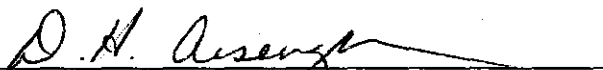
I am a citizen of the United States and a resident of the County aforesaid; I'm over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am principal clerk of the printer at the Mountain Democrat, 1360 Broadway, a newspaper of general circulation, printed and published Monday, Wednesday, Thursday & Friday, in the City of Placerville, County of El Dorado, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court to the County of El Dorado, State of California, under the date of March 7, 1952, Case Number 7258; that the notice, of which the annexed is a printed copy (set in type no smaller than non-pareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

12/07, 12/08

All in the year 2006.

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Placerville, California, this
day of DECEMBER 8, 2006.



Signature

NOTICE OF PUBLIC HEARING
NOTICE IS HEREBY GIVEN that a public hearing will be held on
Wednesday, December 13, 2006 at the hour of 7:00 PM, during a
regular Board of Directors meeting, in the Diamond Springs Sta-
tion, Diamond Springs, California, on all matters pertaining to the
2006 Fire Facility Impact Fee Study and the Long Range Plan.
Any person may appear and be heard.
12/07, 12/08 02517638