



COUNTY OF SACRAMENTO

DEPARTMENT OF COUNTY ENGINEERING AND ADMINISTRATION

DEVELOPMENT AND SURVEYOR SERVICES

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Agenda date: May 13, 2003

10:30 am

TO: Board of Supervisors

FROM: Department of County Engineering and Administration

SUBJECT: AGREEMENT BETWEEN THE COUNTY OF SACRAMENTO AND THE SACRAMENTO METROPOLITAN FIRE DISTRICT REGARDING COLLECTION OF A CAPITAL FIRE FACILITIES FEE FOR NEW CONSTRUCTION AND DEVELOPMENT

CONTACT: Kurt Schmidt, Chief, Development, and Surveyor Services Division, 874-6916

Overview

The Sacramento Metropolitan Fire District (Fire District) adopted a district-wide fire development impact fee in November 2002. The Fire District would like the County to collect the fee on its behalf with the issuance of building permits in the unincorporated area of the County.

Recommendation

Direct the Director of County Engineering and Administration to approve the attached agreement between the County and the Fire District that provides for the collection of fire development impact fees by the County on behalf of the Fire District, and for the transfer to the Fire District of all Vineyard Springs Interim Fire Fee District Trust Fund amounts collected.

Introduce the attached ordinance adding Section 16.80.071 to the Antelope Public Facilities Financing Fee, and Section 16.82.091 to the Elk Grove/West Vineyard Public Facilities Financing Plan, waive full reading of the Ordinance, and continue the Ordinance to May 20, 2003, for adoption.

This action will remove fire development fee components from those programs concurrent with the effective date of collection of the Fire District development fire fee.

Measures/Evaluation

Not Applicable.

Fiscal Impact

Current County financing plans will no longer include a fire development fee component for the Fire District. Fire District development fire fees will be imposed by the Fire District and collected by the County; the Fire District will reimburse the County for labor costs.

BACKGROUND:

On November 6, 2002, the Board of Directors of the Sacramento Metropolitan Fire District adopted an ordinance establishing a capital fire facilities fee and fee schedule for new construction and development within its District. Fire District staff requested that County staff collect this fee with the issuance of a building permit in the unincorporated area of the County. The County currently collects the Antelope Fire Fee and the Elk Grove/West Vineyard Sacramento Metropolitan Fire Protection District Fire Fee imposed pursuant to Chapters 16.80 and 16.82 of the Sacramento County Code, respectively, and collects a Vineyard Springs Interim Fire Fee in anticipation of the implementation of the Vineyard Springs Public Facilities Financing Plan.

DISCUSSION:

Agency and Fire District staffs have worked to develop an agreement, acceptable to both entities, which would allow the County to collect the new fee on behalf of the Fire District. The agreement allows the County to recover labor cost of collecting the fees on behalf of the Fire District, allows the disposition of the fees to be collected, and allows for the disbursement of fees currently collected in existing County Finance Plans and County Finance Plans under development.

The adopted Antelope Public Facilities Financing Plan and the Elk Grove/West Vineyard Public Facilities Financing Plans both contain development fee components for fire facilities. The Elk Grove/West Vineyard fee collected from development north of Calvine Road is deposited with Sacramento Metropolitan Fire District. Fire development fees collected south of Calvine are deposited with the Elk Grove Community Services District and are not part of this agreement. The Vineyard Springs and North Vineyard Station Public Facilities Financing Plans currently under development contain recommended development fee components for fire facilities. These programs when implemented will not include a fire component, however, interim fee agreements were entered into between the County and developers in the Vineyard Springs Comprehensive Plan area and interim fire fees have been collected. The development impact fire fees collected in these programs are for Sacramento Metropolitan Fire District facilities. The agreement between the County and the Fire District provides for the disposition of fees to the Fire District in programs already adopted, as well as those fire fees collected as part of interim fee agreements in Vineyard Springs.

To make certain duplicate fire development fees are not collected, it is necessary that your Board adopt changes to current ordinances in the Antelope and Elk Grove/West Vineyard programs, and to make changes to the interim fee agreements executed in Vineyard Springs. Amendments to the Vineyard Springs Fee Agreements will be brought to your Board in the near future. Collection of fire development fees south of Calvine, which are deposited with the Elk Grove Community Services District, will continue.

CONCLUSION:

It is recommended that your Board direct the Director of County Engineering and Administration to approve the attached agreement between the County of Sacramento and the Sacramento Metropolitan Fire District. It is further recommended that your Board introduce the attached ordinance amending the Antelope Public Facilities Financing Plan and the Elk Grove/West Vineyard Financing Plan, and continue full reading until May 20, 2003.

Respectfully submitted,

APPROVED:

Steven M. Pedretti, Director
Department of County Engineering
And Administration

Terry Schutten
County Executive

By: _____
Warren H. Harada, Administrator
Public Works Agency

cc: Kurt Schmidt
Holly Gilchrist
Anthony Santiago
Robert Davison

**AGREEMENT BETWEEN THE COUNTY OF SACRAMENTO AND THE
SACRAMENTO METROPOLITAN FIRE DISTRICT REGARDING
COLLECTION OF A CAPITAL FIRE FACILITIES FEE FOR NEW
CONSTRUCTION AND DEVELOPMENT**

THIS AGREEMENT is made and entered into as of this ____ day of _____, 2003, by and between the County of Sacramento, a political subdivision of the State of California, hereinafter referred to as "COUNTY," and the Sacramento Metropolitan Fire District, a district organized and existing under the laws of the State of California, hereinafter referred to as "METRO."

RECITALS

WHEREAS, on November 6, 2002, the Board of Directors of the Sacramento Metropolitan Fire District adopted District Ordinance 3-02, establishing a Capital Fire Facilities Fee Schedule for New Construction and Development (herein after "Fee") within the District; and

WHEREAS, California Government Code, Section 65962(b), requires a sixty (60) day waiting period before fees can become effective; and

WHEREAS, METRO has requested that COUNTY collect the Fee as part of its processing of applications for building permits; and

WHEREAS, COUNTY is willing to collect the Fee as long as METRO pays COUNTY'S actual costs for calculating, reporting, and collecting the Fee; and

WHEREAS, COUNTY and METRO desire to formally define the parameters for collecting the Fee; and

WHEREAS, in 1986 the COUNTY enacted a development impact fee to fund fire protection facilities in the Antelope Public Facilities Financing Plan Area pursuant to Sacramento County Code Section 16.80.040, which fee is administered by METRO; and

WHEREAS, in 1993 the COUNTY enacted a development impact fee to fund fire protection facilities in the Elk Grove/West Vineyard Public Facilities Financing Plan Area pursuant to Sacramento County Code Section 16.82.040, which fee is administered by METRO; and

WHEREAS, since January 2001 the COUNTY has been collecting an interim development impact fee to fund fire protection facilities in the Vineyard Springs Public Facilities Financing Plan Area; and

WHEREAS, the COUNTY desires to transfer any balances in the Vineyard Springs Interim Fire Fee Trust Fund to METRO; and

WHEREAS, COUNTY AND METRO desire to enter into this Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, COUNTY and METRO agree as follows:

I. SCOPE

This Agreement defines the parameters for COUNTY to collect the Fee on behalf of METRO within its political boundaries, for which County is either responsible for or under contract to issue building permits and collect fees associated with new construction or development within Sacramento County, deposit Metro's collected funds as directed, and prepare periodic statistical information reports for Metro.

II. METRO'S OBLIGATIONS

will SCL&A require annual financial report?

A. METRO shall provide COUNTY a map and physical narrative description of its political boundaries containing sufficient detail to enable COUNTY to determine if proposed new construction and/or development is in METRO'S jurisdiction, within Sacramento County, for which COUNTY is either responsible for or under contract to issue building permits and collect fees associated with that activity.

B. METRO shall, as required under California Government Code Section 66006, establish a separate capital facilities account for COUNTY to deposit funds collected in accordance District Ordinance 3-02. METRO shall produce, at the close of its fiscal year, a report detailing the beginning and ending balance in the capital facilities account, fee revenues deposited by COUNTY into the account, interest earnings on the account, any other income in the account, the amount of expenditures from the account, and the amount of refunds from the account.

C. Annually, not less than sixty (60) days prior to the beginning of its fiscal year, METRO shall notify COUNTY of the per square foot fee to be collected under METRO'S Fee for single-family units and duplexes, all non-sprinklered commercial development (except single-family and duplexes), and all sprinklered commercial development (except single-family and duplexes).

D. Annually, as part of its fiscal budget, METRO shall appropriate funds, based on COUNTY estimates, sufficient to reimburse COUNTY for its actual costs of time and materials for calculating, reporting and cashiering functions associated with collecting the Fee.

Pay County Annually?

III. COUNTY'S OBLIGATIONS

A. COUNTY shall develop or amend an existing building permit form that will enable COUNTY to collect a per square foot fee, as part of its permit process, for new construction or development at rates identified by Metro for a given fiscal year. *= will they need to do this?*

B. COUNTY shall cause to be deposited into METRO'S separate capital facilities account on a daily basis all funds collected by COUNTY in accordance with the Fee as part of the permit process. *daily?*

C. To enable METRO to comply with its required reporting obligations, COUNTY shall provide to Metro on a monthly basis a statement, in an electronic format, that at a minimum will report METRO'S permit activity by the type of property [single-family units and duplexes, all non-sprinklered commercial development (except single-family and duplexes), and all sprinklered commercial development (except single-family and duplexes)]; parcel number; address; Zip Code; square footage; fee collected; date fee collected; and date fee deposited in METRO capital facilities account. *do we need?*

D. By March 31st of each year, COUNTY shall provide METRO an estimate of costs for time and materials necessary for calculating, reporting and cashing functions related to the Fee collection for the following fiscal year. On an annual or as needed basis, COUNTY shall review its permitting process and the activity associated with the Fee to assure projected reimbursement amounts are sufficient to recover its actual costs. Any modifications to METRO'S estimated fiscal cost shall be reported to METRO to enable necessary adjustment in METRO'S fiscal budget.

E. On or before July 1, 2003, COUNTY shall transfer any balances in the Vineyard Springs Interim Fire Fee Trust Fund to METRO. Concurrently with the transfer of the balances, COUNTY shall provide to METRO a written statement of the amount of the balance transferred from this fund.

F. COUNTY shall continue to collect the Antelope Fire Fee and the Elk Grove/West Vineyard Sacramento Metropolitan Fire Protection District Fire Fee imposed pursuant to Chapters 16.80 and 16.82 of the Sacramento County Code, respectively, on building permits issued pursuant to applications submitted on or before June 20, 2003. COUNTY shall continue to deposit fees collected into the accounts already established for such funds until these fees are no longer collected.

IV. CONSIDERATION

In consideration for collecting the Fee, METRO shall reimburse COUNTY its actual cost of time and materials for calculating, reporting and cashiering functions. COUNTY shall apply its most current hourly labor rates when calculating its reimbursement requirement for employees whose services are used in collecting the Fee. COUNTY will use billable internal orders within the financial system to be reimbursed monthly, directly from METRO'S development impact fee fund as part of each month-end accounting period close process.

V. REFUNDS

In the event that COUNTY collects the Fee or a portion of the Fee in error or a building permit expires without construction taking place, COUNTY will recalculate the correct Fee amount, process a refund to the customer, if necessary, and notify METRO of this action.

VI. FEE WAIVER OR ADJUSTMENT PROCEDURES

For applicants applying for a building permit to replace an *occupied* dwelling unit or commercial/industrial structure, METRO has deemed that square footage credit for the structure demolished or destroyed will be applied to the new development on the same parcel. Alterations to residential structures shall be exempt from fees, unless additional square footage is created. Rehabilitation of commercial or industrial facilities shall also be exempt, unless rehabilitation results in higher density commercial or industrial uses e.g. more square footage.

VII. APPEAL

METRO'S Board of Directors shall hear all appeals for waiver or reduction in METRO'S Fee. The Board of Directors shall follow METRO'S existing Appeals Policy in deciding the issue and shall have the sole authority to grant or deny the appeal.

VIII. TERM

This Agreement shall be effective and commence as of the effective date of the Sacramento County Board of Supervisors' Ordinance amending the Sacramento County Code to delete the provisions imposing development impact fees for the Antelope Public Facilities Financing Plan Area and the Elk Grove/West Vineyard Public Facilities Financing Plan Area and shall end when either party terminates the agreement in accordance with Section IX.

IX. TERMINATION

Either party may terminate this Contract by written notice served upon the other party by Certified Mail delivered not less than one hundred eighty (180) days prior to the proposed date of terminated at the address indicated in Section XIII of this Agreement.

X. SAVING CLAUSE

In the event that any portion of this Contract shall at any time be declared invalid by any court of competent jurisdiction, or by governmental regulations or decree, such decision shall not invalidate the entire Contract, it being the expressed intention of the parties hereto that all other provisions not declared invalid shall remain in full force and effect.

XI. MODIFICATIONS

This Contract contains the entire understanding of the parties and no alteration, amendment, variation, or waiver of the terms of this Agreement shall be valid unless made in writing and signed by both parties. Waiver by either party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent, or any other right hereunder.

XII. INDEMNIFICATION

METRO shall defend, indemnify and hold harmless COUNTY, its Board of Supervisors, officers, directors, agents, employees and volunteers from and against all demands, claims, actions, liabilities, losses, damages, and costs, including payment of reasonable attorneys' fees, arising out of or resulting from the performance of the Agreement, caused in whole or in part by the negligent or intentional acts or omissions of METRO'S officers, directors, agents, employees, or subcontractors.

COUNTY shall defend, indemnify, and hold harmless METRO, its officers, directors, agents, employees, and subcontractors from and against all demands, claims, actions, liabilities, losses, damages and costs, including payment of reasonable attorneys' fees, arising out of or resulting from the performance of the Agreement, caused in whole or in part by the negligent or intentional acts or omissions of COUNTY'S Board of Supervisors, officers, directors, agents, employees, or volunteers.

XIII. NOTICE

Any notice, demand, request, consent, or approval that either party hereto may or is required to give the other pursuant to this Agreement shall be in writing and shall be either personally delivered or sent by mail, addressed as follows:

Sacramento Metropolitan Fire District
2101 Hurley Way
Sacramento CA 95825-3208
Attn.: Deputy Chief, George Appel

County of Sacramento
827 7th Street, Room 304
Sacramento CA 95814
Attn.: Chief, Development
& Surveyor Services

Either party may change the address to which subsequent notice and/or other communications can be sent by giving written notice designating a change of address to the other party, which shall be effective upon receipt.

XIV. GOVERNING LAWS AND JURISDICTION

This Agreement shall be deemed to have been executed and to be performed within the State of California and shall be construed and governed by the internal laws of the State of California. Any legal proceedings arising out of or relating to this Agreement shall be brought in Sacramento County, California.

XV. SUCCESSORS

This Agreement shall bind the successors of COUNTY and CONTRACTOR in the same manner as if they were expressly named.

XVI. INTERPRETATION

This Agreement shall be deemed to have been prepared equally by both of the parties, and the Agreement and its individual provisions shall not be construed or interpreted more favorably for one party on the basis that the other party prepared it.

XVII. ENTIRE AGREEMENT

This Agreement constitutes the entire contract between COUNTY and METRO regarding the collection, deposit and reporting of the Fee. Any prior agreements, whether oral or written, between COUNTY and METRO regarding the subject matter of this Agreement are hereby terminated effective immediately upon full execution of this Agreement.

XVIII. DUPLICATE COUNTERPARTS

This Agreement may be executed in duplicate counterparts. The Agreement shall be deemed executed when it has been signed by both parties.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first written above.

**COUNTY OF SACRAMENTO, a
political subdivision of the State
of California**

**SACRAMENTO METROPOLITAN
FIRE DISTRICT,**

By _____
Steven M. Pedretti, Director
Department of Public Works
Engineering and Administration

By _____
Rick D. Martinez, Fire Chief
Sacramento Metropolitan
Fire District

Date: _____

Date: _____

REVIEWED AND APPROVED BY COUNTY COUNSEL

By: _____

Date: _____

APPROVED AS TO FORM:

Don G. Price, General Counsel

Date: _____