



CALAVERAS COUNTY BOARD OF SUPERVISORS AGENDA SUBMITTAL

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|---|-----------------------------------|---|-------------------------------------|----------------------|
| ITEM TITLE Noticed Public Hearing to Consider Resolution Approving the Road Impact Mitigation (RIM) Fee Program Annual Report, Reaffirming the Capital Project List, Amending the Priority Project List, and Increasing the RIM Fee | | BOARD MEETING DATE October 25, 2011 | | AGENDA NUMBER |
| Dept: | Public Works | Supervisory District Number | All | |
| Contact: | Robert Pachinger, Senior Engineer | Consent Regular | <input checked="" type="checkbox"/> | |
| Phone: | (209) 754-6401 | | | |
| Published Notice Required? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | | Estimated Time: 15 Minutes | | |
| Public Hearing Required? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | | | | |
| () Power Point Presentation | | | | |
| (X) Resolution () Ordinance () Minute Order () Agreement | | | | |
| () Budget Transfer (Must be signed by Auditor) | | | | |
| () Other (specify) _____ | | | | |
| Dept. Head | | Counsel | | CAO |

RECOMMENDATION:

Public Works recommends that the Board convene a public hearing to present the status of the Road Impact Mitigation (RIM) Fee Program funds, and pending public input, take the following actions:

1. Approve the Annual Report (attached as Exhibit A-1) to comply with Government Code Section 66006 and County Code Section 12.10.210(B);
2. Reaffirm the RIM Project List (attached as Exhibit B) to comply with Government Code Section 66002 and County Code Section 12.10.110(B);
3. Amend the RIM Priority List;
4. Increase the RIM fee based on the Construction Cost Index since the fee was last increased in 2009, in conformance with Government Code Section 66018 and County Code Section 12.10.090(B)¹

DISCUSSION/SUMMARY:

Calaveras County's Road Impact Mitigation (RIM) Fee Program¹ funds transportation improvements required to mitigate the impacts of new development on the regional road system. Consistent with the Mitigation Fee Act (Government Code 66000 et. seq.), Public Works has prepared an annual report to inform the public and the Board of Supervisors as to

¹ Established by Ordinance No. 2777, amended in 2009 by Ordinance No. 2963, and codified as County Code Chapter 12.10.

the status of the fund accounts. The County is required to review the RIM fee capital projects and make modifications as needed, and may also adjust the RIM fee based on the Engineering News- Record Construction Cost Index.

1. Annual Report

The attached report includes details of the revenues and expenditures of the RIM Fee Program for fiscal year 2010-11 and describes the projects for which RIM funds were expended. During the reporting period, the program collected \$147,731 and earned \$108,838 in interest. The ending balance is \$7,820,139. As noted in the report, RIM funds were expended on one project – Mountain Ranch Road Guardrail and Safety Edge. Although work was also performed on other RIM Fee Program projects (Mountain Ranch Road Turnouts, Mountain Ranch Road Improvements, State Route 12/26 intersection improvements, and Murphys Grade Road safety improvements), the cost of this work was covered by other sources, thereby deferring the use of RIM funds for these projects.

2. Capital Project List

Government Code Section 66002(b) and County Code Section 12.10.110(B) require the County to review the RIM fee capital projects to add, modify, or remove RIM fee capital projects. The projects were determined by the 2004 RIM Fee Program Nexus Study and confirmed by the 2009 RIM Fee Program update and the 2010 program review.

At this time, staff recommends that no changes be made to the RIM capital project list. Note that new projects cannot be added unless a new nexus study is completed.

3. Priority Projects

Staff recommends that priority be assigned to RIM projects as follows:

1. State Route 12/26 Intersection
2. Mountain Ranch Road
3. Murphys Grade Road
4. SR 4 Wagon Trail
5. Pool Station Road

The list above reflects an adjustment to the current priority list by eliminating Jenny Lind and Milton Roads and adding SR 4 Wagon Trail and Pool Station Road.

The Wagon Trail project is a realignment of a section of Highway 4 between Copperopolis and Angels Camp. The Calaveras Council of Governments and Public Works are currently working on finalizing the environmental process and will be awarding a contract to complete preliminary engineering documents this fiscal year. State and federal funds have been programmed for the project. According to the RIM Fee Program Nexus Study, 19.2% of the cost of the Wagon Trail project is allocated to new development and is eligible to be funded by RIM funds.

Adding Pool Station Road to the priority list will enable the County to be in position to align County improvements with those to be constructed by the State when Caltrans improves the intersection of State Route 4 at Pool Station Road. The State project consists of realigning State Route 4 to correct the curve at the intersection and construct left turn channelization. Highway Safety Improvement Program (HSIP) funding has been programmed for Pool Station Road and will complement RIM funds to be used to increase capacity and safety on Pool Station Road.

Upgrades to Jenny Lind and Milton Roads will remain on the RIM Project List as they are important regional roads serving the west County communities and the County Solid Waste Facility. However, priority is being given to RIM Fee Program projects with additional sources of funding on hand or anticipated to be secured.

3. Fee Increase

Inflation Adjustment. Per County Code Section 12.10.090, the RIM fee may be adjusted by resolution of the Board of Supervisors based on the Engineering News Record Construction Cost Index (CCI). Staff recommends that the Board adjust the fee based on the average annual increase as listed in the CCI for the period since the last adjustment in 2009. This would result in a fee increase of 05.92%, and change the RIM fee for an equivalent dwelling unit (EDU), or single family residence, from \$4,062 to \$4,300.

The same rate of increase would be applied to the calculation of fees for non-residential uses, as reflected in the fee schedule attached as Exhibit C.

Other counties. A comparison (table at right) with neighboring counties' traffic impact fees demonstrates that Calaveras County's fees (showing the proposed increase) are relatively low. Amador, Tuolumne, and El Dorado were chosen for comparison because they are nearby, similar to Calaveras in the type of roads and traffic, and impose fees that are exclusively to mitigate traffic impacts. Other counties, such as San Joaquin, Colusa, and Butte, combine impact fees for roads with fees for other government services such as parks, libraries, and criminal justice. El Dorado County has eight zones; the fees for the highest and the lowest are shown.

| Comparison with Other Counties | | |
|--------------------------------|---------------------------|------------------------------------|
| County ² | Single Family Residential | Retail, Medium Volume per 1,000 sf |
| Amador | \$5,540 | \$7,202 |
| Tuolumne 2+ acre parcels | \$3,999 | \$5,187 |
| Tuolumne 2- acre parcels | \$2,953 | |
| El Dorado, highest | \$41,700 | \$9,640 |
| El Dorado, lowest | \$15,660 | \$8,860 |
| Calaveras | \$4,300 | \$2,440 ³ |

A fee increase is effective 60 days after approval by the Board. Since RIM fees are paid at the rate in effect at the time of issuance of building permit or other grant of entitlement, Public Works will publicize the pending increase to allow contractors and developers the opportunity to pay the current rate for projects with plan-checking already underway.

FINANCING:

The cost of transportation improvements that can be attributed to the impacts of new development is funded through the RIM Fee Program. County staff has been successful in obtaining state and federal funding to supplement the portion of the remaining costs of the

² Amador County fees were updated effective January, 2009; Tuolumne County fees were updated in July, 2011; and El Dorado County traffic impact fees were updated in August, 2010.

³ Rate for General Service Commercial, retail development in shopping centers smaller than 100,000 square feet.

improvements. County staff will continue to pursue other avenues for funding the projects. The general fund is not considered as a source of funding.

ALTERNATIVES:

If the Board chooses to not adopt the resolution as recommended, the Board may consider any of the following:

1. Direct staff to return with modification of the RIM Project List. Note that until a new nexus study is completed, projects may be modified or removed, but not added.
2. Modify the proposed priority of RIM projects. Only those roads that were listed on the 2004 Project List can be selected, unless a new nexus study is completed.
3. Amend the resolution to increase the RIM fee according to the Construction Cost Index for just one year, thereby increasing the fee by 02.71% (the annual average increase between 2009 and 2010) and changing the fee from \$4,062 to \$4,170 per EDU. Or, the Board may elect not to increase the fee at this time, leaving it at \$4,062 per EDU as set in 2009.

OTHER AGENCY INVOLVEMENT:

The Building Department will be supplied with flyers to inform contractors and developers of the pending fee increase.