



Tracy Rural County Fire Protection District

Board of Directors

Pete Reece
John Vieira
Jeff Ramsey
Matt Kopinski
Craig Miller

Clerk of the Board

Raychel Jackson

Board of Directors - Regular Meeting Agenda Tuesday, September 12, 2023 at 4:00 PM PST

Join Zoom Meeting

<https://us06web.zoom.us/j/83728621434?pwd=Qmd3a2dYYmZRc2p1RG5EbFh0Yndpdz09>

Call In Number: [1 \(669\) 900 6833](tel:16699006833)

Meeting ID: 837 2862 1434

Passcode: 992211

**Location: 835 N. Central Avenue
Tracy, CA 95376
2nd Floor**

Notice to the Public: Pursuant to Assembly Bill 361, this meeting will be conducted via teleconference

1. Roll Call and Pledge of Allegiance

2. Public Comment

Please, give your name, entity (if any), and address as well as what agenda item you wish to speak about to the Clerk of the Board so that your comments may be heard at the appropriate time. Comments must be limited to 3 minutes.

3. Consent Calendar

- 3.1 Adoption of the September 12, 2023 Agenda
- 3.2 Approval of the August 8, 2023 Minutes
- 3.3 Approval of September Warrant List
- 3.4 August Monthly Check Register

4. Regular Agenda

- 4.1 Review and Approve TRFD and Pacific Gateway Fire Development Impact Fee Nexus Study from Harris & Associates
- 4.2 Approve TRFD Final Budget for Fiscal Year 2023-2024
- 4.3 Receive an Update Regarding RFP for Financial Audit Services and Approve to Engage with Blomberg and Griffin, CPA to Conduct TRFD Annual Audit
- 4.4 Receive Updated Information Regarding Station Maintenance Issues
- 4.5 Discuss Engaging with Consultant Regarding Griffith Energy Storage

5. Committee Reports

5.1 JPA Representative Report

6. Informational Update

6.1 Fire Chief's Update

6.2 Conference Update from Clerk

7. Public Comment

For any items not on the agenda.

8. Board Member Comment

For any items not on the agenda and requests for future agenda items. No action will be taken on any questions or matters raised by the Board at this time.

9. Closed Session

9.1 Consult with Legal Counsel – Existing Litigation (*Tracy Rural Fire District v. San Joaquin Local Area Formation Commission*, San Joaquin Superior Court Case No. 2019-9687). (California Government Code section 54956.9). one case.

9.2 Conference with Real Property Negotiators (California Government Code section 54956.8)

Property: 22484 South 7th Street, Tracy, CA 95736

Agency Negotiators: Robert Pombo, District Realtor

Under negotiation: Price and Terms

10. Adjournment until Next Regular Session – October 10, 2023

Compliance with the Americans with Disabilities Act (US Code Title 42) – Assistance for Those with Disabilities: If you have a disability and need accommodation to participate in the meeting, please contact the Administration Office (209-834-7269) or email (raychel.jackson@tracyruralfire.org) at least 72 hours prior to the meeting to inform us of your needs and to determine if accommodation is feasible.



Tracy Rural County Fire Protection District

Board of Directors – Regular Meeting Minutes Tuesday, August 8, 2023 4:00 PM

1. Roll Call and Pledge of Allegiance

Chairman Reece called the meeting to order at 4:00 pm. All Directors present.

2. Public Comment

No Public Comment.

3. Consent Calendar

3.1 Adoption of the August 8, 2023 Agenda

3.2 Approval of the July 11, 2023 Minutes

3.3 Approval of August Warrant List

3.4 July Monthly Check Register

- Motion was made by Vice-Chair Ramsey, seconded by Director Kopinski to accept Consent Calendar. Motion passed.

4. Regular Agenda

4.1 Review and Discuss Preliminary Budget for Fiscal Year 2023-2024

- Motion was made by Vice-Chair Ramsey, seconded by Director Miller to approve the Tracy Rural Fire Preliminary Budget as is. Motion passed.

4.2 Receive Updated Information Regarding Station Maintenance Issues

- No Action.

4.3 Receive FY 22/23 Year End Close Report

- No Action.

5. Committee Reports

5.1 JPA Representative Report

- Vice Chair Ramsey provided a report from the July 26, 2023 JPA Special Board Meeting – board approved agreement with Schack & Company for the continued development of site plans and construction documents for the fire training facility and approved four agreements between Fire Plan Review, Fire & Risk Alliance, Interwest Consulting Group and CSG Consultants for fire inspection and plan review services.

6. Informational Update

6.1 Fire Chief's Update

- Chief Bradley provided the monthly report based on the Fire Chief Update dated August 7, 2023, that was provided to the Board of Directors and staff at the meeting.

7. Public Comment

No Public Comment.

8. Board Member Comment

Director Kopinski thanked all the firefighters for all the hard work.

9. Closed Session

Existing Litigation - *Tracy Rural Fire District v. San Joaquin County*, San Joaquin Superior Court Case No. 2020-9831 has been resolved.

10. Meeting Adjournment at 5:34 pm.

Raychel Jackson

Raychel Jackson, Clerk of the Board

September 6, 2023

TRACY RURAL COUNTY FIRE PROTECTION DISTRICT -- 49501 -- September 12, 2023

GENERAL OPERATING FUND	AMOUNT	ACCOUNT	VENDOR #
PETE REECE 30421 KOSTER ROAD TRACY, CA 95304	\$ 100.00	6226010900	. 0000010849
MATT KOPINSKI 33969 S. KOSTER ROAD TRACY, CA 95304	\$ -	6226010900	. 0000101809
CRAIG MILLER 5336 W. DURHAM FERRY ROAD Tracy, CA 95304	\$ 200.00	6226010900	. 0000105820
JEFF RAMSEY 27722 S. Bird Road TRACY, CA 95304	\$ -	6226010900	0000098549
JOHN VIEIRA 19700 SOUTH LAMMERS ROAD TRACY, CA 95304	\$ 100.00	6226010900	. 0000010852
BERRETH LAW GROUP 2020 WEST KETTLEMAN LANE, SUITE E LODI, CA 95242	\$ 997.35	6221005100	0000110532 GOVERNANCE Litigation
	\$ 2,872.64	6221005120	
	\$ 2,872.64	6221005130	
Total	\$ 3,869.99		
MICHAEL J. LEVY 1918 ARENA DRIVE DAVIS, CA 95618	\$ 1,020.00	6221005100	W9 Attached
TOTAL FOR GENERAL OPERATING FUND	\$ 5,289.99		

TRACY RURAL COUNTY FIRE PROTECTION DISTRICT -- 49591 -- September 12, 2023

CAO RESERVE FUND 49591	AMOUNT	ACCOUNT	VENDOR #
TOTAL CAO FUND 49591	\$0.00		

SIGNATURES OF BOARD MEMBERS

PETE REECE, CHAIR

JOHN VIEIRA, DIRECTOR

MATT KOPINSKI, DIRECTOR

JEFF RAMSEY, VICE CHAIR

CRAIG MILLER, DIRECTOR

TRACY RURAL COUNTY FIRE PROTECTION DISTRICT

Balance Sheet

As of August 31, 2023

Aug 31, 23

ASSETS

Current Assets

Checking/Savings

Bank of Stockton-Capital Outlay	515,398.18
Bank of Stockton-Operating	870,633.55
Bank of Stockton-Retirement	116,220.66
CA CLASS - Capital	596,489.43 *
CA Class - FFF	475,499.83 *
CA Class - Reserves	1,021,500.98 *
Fund 49501 - Operations	-2,140,153.41
Fund 49512 - Retirement Buyout	18,893.92
Fund 49515 - Fire Facility Fees	7,462.86
Fund 49519 - Emergency Reserve	1,036,989.00
Fund 49591 - Capital Outlay Res	526,123.31

Total Checking/Savings

3,045,055.31

Total Current Assets

3,045,055.31

TOTAL ASSETS

3,045,055.31

LIABILITIES & EQUITY

0.00

Notes:

*CA Class - Capital: Contributions \$591,000.00, Interest YTD \$5,489.43

*CA Class - FFF: Contributions \$474,507.41, Interest YTD \$992.42

*CA Class - Reserve: Contribution \$1,019,369.00, Interest YTD \$2,131.98

TRACY RURAL COUNTY FIRE PROTECTION DISTRICT
CA CLASS Investment Account Report
August 2023

	Type	Date	Name	Memo	Account	Split	Amount
Aug 23							
	Check	08/22/2023	California Class	opening investment account with CA Class	CA Class - FFF	Fund 49515 - Fire Facility Fees	474,507.41
	Deposit	08/22/2023		Deposit	CA Class - FFF	CA Class - FFF Interest	992.42
Aug 23							<u><u>475,499.83</u></u>

	Type	Date	Name	Memo	Account	Split	Amount
Aug 23							
	Deposit	08/31/2023	California Class	Deposit	CA CLASS - Capital	CA Class - Capital Interest	2,746.82
Aug 23							<u><u>2,746.82</u></u>

	Type	Date	Name	Memo	Account	Split	Amount
Aug 23							
	Check	08/22/2023	California Class	opening investment account with CA Class	CA Class - Reserves	Fund 49519 - Emergency Reserve	1,019,369.00
	Deposit	08/22/2023		Deposit	CA Class - Reserves	CA Class - Reserves Interest	2,131.98
Aug 23							<u><u>1,021,500.98</u></u>

TRACY RURAL COUNTY FIRE PROTECTION DISTRICT
Bank of Stockton - Capital Outlay

August 2023							
Type	Date	Num	Name	Memo	Account	Split	Amount
Aug 23							
Check	08/17/2023	3031	Cascade Fire Equipment Melo	Inv 5911 - E93 hose	Bank of Stockton-Capital Outlay	Equipment - New / Repairs	-17,326.50
Check	08/25/2023	3032	Construction, Inc	Inv. 4758; 4761; 4762	Bank of Stockton-Capital Outlay	-SPLIT-	-8,530.62
Deposit	08/31/2023			Interest	Bank of Stockton-Capital Outlay	Interest	23.81
Aug 23							-25,833.31

TRACY RURAL COUNTY FIRE PROTECTION DISTRICT
Bank of Stockton - Operating

August 2023							
<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Split</u>	<u>Amount</u>
Aug 23							
Check	08/01/2023		ProTech		Bank of Stockton- Operating	Station 5	-70.00
Check	08/02/2023	2023	Advanced Tech 209 Inc	Inv 4264 - air filters HVAC	Bank of Stockton- Operating	Station 5 Tracy Hills	-230.00
Check	08/02/2023		CalPERS		Bank of Stockton- Operating	PERS	-152.81
Check	08/02/2023		AT&T		Bank of Stockton- Operating	-SPLIT-	-170.37
Check	08/02/2023		Patriot Pest Managment		Bank of Stockton- Operating	-SPLIT-	-238.00
Check	08/02/2023		EcoWater Systems		Bank of Stockton- Operating	Station 3	-59.00
Check	08/02/2023		City of Tracy		Bank of Stockton- Operating	Station 5	-347.32
Check	08/02/2023	2025	Harris & Associates	Inv 58304	Bank of Stockton- Operating	Misc. Report	-4,327.50
Check	08/04/2023		Pacific Gas & Electric		Bank of Stockton- Operating	Station 3	-2,415.61
Check	08/04/2023		Pacific Gas & Electric		Bank of Stockton- Operating	Station 4	-1,899.87

TRACY RURAL COUNTY FIRE PROTECTION DISTRICT
Bank of Stockton - Operating

Type	Date	Num	Name	August 2023	Account	Split	Amount
				Memo			
Check	08/04/2023		Pacific Gas & Electric		Bank of Stockton-Operating	Station 5	-781.98
Check	08/04/2023		Pacific Gas & Electric		Bank of Stockton-Operating	Banta	-318.74
Check	08/09/2023	2024	Special District Financial Services, LLC	July Inv 049	Bank of Stockton-Operating	Business Office Services	-4,823.44
Check	08/09/2023		Jeff Ramsey		Bank of Stockton-Operating	Jeff Ramsey	-300.00
Check	08/09/2023		Matthew Kopinski	July stipend	Bank of Stockton-Operating	Kopinski, Matt	-300.00
Check	08/17/2023	2026	Air Exchange, Inc	Inv. 91610195	Bank of Stockton-Operating	Station 4	-965.70
Check	08/17/2023		Banta Inn	Staff lunch	Bank of Stockton-Operating	Miscellaneous	-111.28
Check	08/21/2023				Bank of Stockton-Operating	Miscellaneous	-2.00
Check	08/25/2023	2027	AT&T		Bank of Stockton-Operating	Phone	-443.60
Check	08/25/2023	2028	Anita Hurtado	Banta Cleaning Service	Bank of Stockton-Operating	Station 2 - Banta	-500.00

TRACY RURAL COUNTY FIRE PROTECTION DISTRICT
Bank of Stockton - Operating

Type	Date	Num	Name	August 2023	Account	Split	Amount
				Memo			
Check	08/25/2023	2029	Harris & Associates	project #12205110 01	Bank of Stockton-Operating	Misc. Report	-3,525.00
Check	08/25/2023		Delta Disposal Service		Bank of Stockton-Operating	-SPLIT-	-315.22
Check	08/31/2023	2030	Patriot Pest Managment	inv 227616, 229634; 229999, 229998; 230302 Reimburse ment CSDA	Bank of Stockton-Operating	-SPLIT-	-496.00
Check	08/31/2023	2031	Special District Financial Services, LLC	Annual Conference hotel	Bank of Stockton-Operating	Travel	-1,316.18
Aug 23							<u>-24,109.62</u>

TRACY RURAL COUNTY FIRE PROTECTION DISTRICT
San Joaquin County Operating Account

August 2023						
Type	Date	Name	Memo	Account	Split	Amount
Aug 23						
Check	08/08/2023	Berreth Law Group		Fund 49501 - Operations	-SPLIT-	-6,955.25
Check	08/08/2023	Craig Miller		Fund 49501 - Operations	Craig Miller	-100.00
Check	08/08/2023	Pete Reece		Fund 49501 - Operations	Reece, Pete	-300.00
Check	08/08/2023	John Vieira		Fund 49501 - Operations	Vieira, John	-100.00
Deposit	08/31/2023		Property Tax Revenue	Fund 49501 - Operations	-SPLIT-	130,847.70
Deposit	08/31/2023		Property Assessment	Fund 49501 - Operations	-SPLIT-	4,079.84
Aug 23						<u>127,472.29</u>



Tracy Rural County Fire Protection District

Agenda Item 4.1

STAFF REPORT

Meeting: Regular Meeting
Date: September 12, 2023
To: Board of Directors
Prepared by: Raychel Jackson, District Clerk
Approved by: Pete Reece, Chairperson

Re: Review and Approve Tracy Rural and Pacific Gateway Fire
Development Impact Fee Nexus Study from Harris & Associates

RECOMMENDATION

Action Item X Non-Action Item

It is recommended that the Board of Directors review and approve the Tracy Rural and Pacific Gateway Fire Development Impact Fee Nexus Study prepared by Harris & Associates.

BACKGROUND

On September 24, 1991, the Board of Supervisors of San Joaquin County approved Resolution 91-785 Establishing Fire Protection Fees for New Development within the Tracy Rural Fire Protection District at the rate of \$0.15 per square foot for residential, mobile home, agriculture buildings and commercial/industrial.

On October 10, 2022, the Board of Directors approved hiring a Harris & Associates to develop an impact fee nexus study as new development continues within the TRFD jurisdiction, additional capital facilities will be required to meet the service needs of future development.

DISCUSSION

Special districts are allowed to charge and collect development impact fees, or development impact mitigation fees, under the Mitigation Fee Act (Gov. Code §66000, et seq.) The fees are imposed by public agencies to mitigate the costs of providing infrastructure and facility improvements needed to serve new development. Development impact fees are implemented to ensure that new development pays a proportionate share for infrastructure and facilities required to serve such new development. Special districts may consider and adopt development impact fees programs, but only public agencies with land use authority (San Joaquin County) may adopt and collect such fees.



Tracy Rural County Fire Protection District

The nexus study evaluates the nexus (reasonable relationship) between projected development in the fee program and the necessary fire facilities that will be funded by the revised development impact fee program.

Once a special district proposed fee program is vetted with enabling land use agencies, the development industry and other local agencies should be consulted before the adoption of a development impact fee program. A public hearing is required before the approval of a development impact fee program. Following the Board of Supervisors public hearing and subsequent adoption of the Tracy Rural and Pacific Gateway Fire Development Impact Fee Nexus Study there is a 60 day waiting period prior to the fees becoming effective.

FISCAL IMPACTS

None.

ATTACHMENTS

1. Nexus Report

Tracy Rural and Pacific Gateway Fire Development Impact Fee Nexus Study

Tracy Rural County Fire Protection District

Draft – September 2023

Prepared for:



**Tracy Rural Fire District
793 S. Tracy Blvd., #298
Tracy, CA 95376**

Prepared by:



**1401 Willow Pass Road, Suite 500
Concord, CA 94520
(925) 827-4900**

This page was intentionally left blank.

Table of Contents

Section 1	Executive Summary and Introductory.....	3
	Introduction.....	3
	Nexus Study	4
	Nexus Requirement Summary	7
	Assembly Bill 602.....	7
	Fee Adjustment Procedures	8
	Timing of Fee Payment.....	9
	Credits and Reimbursement Policies	9
	Mark-ups	9
Section 2	Population and Land Use Assumptions	10
	Land Use Types	10
	Growth Forecasts	10
	Resident and Employment Density.....	17
	Floor Area Ratio	17
	Average Unit Sizes	18
Section 3	Fire Fees	19
	Background.....	19
	Existing Level of Service.....	19
	Cost Summary.....	21
	Fee Methodology	24
	Fee Summary	26
	Fee Comparison	27
	Nexus Requirement Summary	29
Section 4	Implementation and Administration.....	31
	Implementation	31
	Fee Program Administrative Requirements	31
	Programming Revenues with the CIP.....	32
	Fee Reporting.....	32
	Accessory Dwelling Units	33
	Specialized Development Projects.....	33
	Rebuild or Expansion Projects	33

Tables

Table 1-1: Proposed Fire Fees for the TRFD.....	5
Table 1-2: Proposed Fire Fees for the Pacific Gateway Development	6
Table 2-1: TRFD Projected New Development.....	11
Table 2-2: New Pacific Gateway Development Land Uses.....	12
Table 3-1: Proposed Fire Facilities for TRFD	22
Table 3-2: Fire Station 93 Buy-in for TRFD	22
Table 3-3: Fire Facilities for the Pacific Gateway Development.....	22
Table 3-4: Equivalent Dwelling Units for the TRFD.....	25
Table 3-5: Equivalent Dwelling Units for the Pacific Gateway Development	25
Table 3-6: Cost Per EDU for the TRFD	26
Table 3-8: TRFD Fire Fee.....	27
Table 3-9: Pacific Gateway Development Fire Fee	27
Table 3-10: TRFD Fire Fee Comparison	28
Table 3-11: Pacific Gateway Development Fire Fee Comparison.....	28

Figures

Figure 2-1: TRFD Jurisdiction.....	13
Figure 2-2: Pacific Gateway Development Preliminary Zoning Map	15
Table A-1: Capital Improvement Plan	37

Appendices

Appendix A: Capital Improvement Plan

Section 1 EXECUTIVE SUMMARY AND INTRODUCTORY

INTRODUCTION

The Tracy Rural Fire District (TRFD) is an independent special district within the San Joaquin County, California and provides essential fire protection services within its jurisdiction. The primary focus of the TRFD is to safeguard lives, property, and the environment from fire-related risks, and plays a crucial role in ensuring the safety and well-being of the areas it serves.

The TRFD's jurisdiction encompasses an area within the San Joaquin County, including both unincorporated and incorporated areas surrounding the City of Tracy and along the Lathrop city limits as shown in **Figure 2-1**. This area includes residential, office, commercial, industrial, and rural land uses. As the resident population and employment continue to grow, the demand for public infrastructure and services within the TRFD increases accordingly. California's Assembly Bill 1600 (AB 1600) adopted in 1987 and codified as California Government Code Section 66000 et. seq., allows the special district to impose Development Impact Fees on new development within the special district. Development Impact Fees are a one-time charge on new development that are collected and used by the special district to cover the cost of capital facilities, vehicles, and equipment that are required to serve new growth.

On September 24, 1991, the Board of Supervisors of San Joaquin County approved Resolution 91-785, Establishing Fire Protection Fees for New Development within the Tracy Rural Fire Protection District. Through the County, the TRFD has implemented this fee of \$0.15 per square foot for residential, mobile home, agricultural buildings, and commercial/industrial properties.

The City of Tracy Fire Department and the Tracy Rural Fire Protection District merged to form the South County Fire Authority through a Joint Powers Agreement in 1999. This merger enhanced the fire protection services throughout the City of Tracy and the TRFD's jurisdiction with several fire facilities serving both areas.

In May 2017, the South County Fire Authority (SCFA) Standards of Cover Study (SOC Study) was completed by Citygate Associates, LLC. The study assessed the adequacy of the current fire stations, including the existing and planned fire station locations for development within the SCFA jurisdictional boundaries. The SOC Study provided twelve technical findings and four recommendations, which included adopting updated deployment measure policies, adding fire stations in the City of Tracy area, relocating Fire Stations 94 and 97, and conducting a dispatch time analysis. Based on the SOC Study, the City of Tracy is currently in the process of updating their Public Safety Master Plan development impact fees that include partial funding for several of these fire facilities.

At this time, the TRFD seeks to update the Fire Protection Fees for New Development within the agency’s jurisdiction to incorporate the findings of the SOC Study, the findings of the Tracy Public Safety Master Plan and the anticipated additional County development within the SCFA jurisdiction, including the Pacific Gateway Project. The purpose of this Nexus Study is to identify the facilities, update the Fire Development Impact Fees, and incorporate the findings and Nexus Study that complies with legal requirements of Assembly Bill 1600 (AB 1600) and Assembly Bill 602 (AB 602).

NEXUS STUDY

Purpose

As development occurs in the TRFD, new capital facilities are required to mitigate the increased demand created by new residents and workers. Impact fees fund the capital facilities as well as the related administrative costs associated with the fee program. Incorporated in this Nexus Study are the Fire Fees for both the TRFD and the new Pacific Gateway Development. The Pacific Gateway Development will have its own separate fee as a new dedicated fire station will be necessary to serve this new development.

The City of Tracy is currently in the process of updating their Public Safety Master Plan and associated Development Impact Fees. As part of this process, several fire facilities within the TRFD jurisdiction are being constructed or relocated. TRFD’s fair share of the facility costs has been incorporated in this study. The SOC Study in conjunction with the findings of the City of Tracy’s draft *Citywide Public Safety Master Plan Update*, prepared by Indigo Hammond & Playle Architects, LLP (February 2023) and draft Public Safety Development Impact Fees serve as the basis of this study.

This report is designed to satisfy the AB 1600 and AB 602 requirements and provide the necessary technical analysis to support the adoption of the updated fees. The fees will be effective 60 days after the San Joaquin County Board of Supervisor’s final action establishing and authorizing the collection of the fees.

Updated Fees

Table 1-1 and **Table 1-2** summarize the proposed Fire Fees for the TRFD and the Pacific Gateway Development respectively. Pursuant to AB 602 guidance, residential development fees are to be assessed on a per square foot basis. Non-residential development fees are to be assessed per 1,000 square feet of building. Fees on Accessory Dwelling Units, Specialized Projects, and Rebuild Projects are detailed further in Section 4: Implementation and Administration. The Pacific Gateway project is not anticipated to contain residential development. However, residential fees

are calculated to ensure potential land use changes are accounted for in the fee program. Furthermore, there is not currently any anticipated development beyond the Pacific Gateway Development that will be served by the Pacific Gateway Fire Station. If additional development occurs within a two and a half mile radius of the Pacific Gateway Fire Station, the anticipated potential service area, and the development is deemed by the TRFD to be served by the Pacific Gateway Station the developments will be subject to the Pacific Gateway Fire Fee rather than the TRFD Fire Fee. This potential service area is shown in **Figure 2-1**.

Table 1-1: Proposed Fire Fees for the TRFD

Land Use	Tracy Rural Fire District (TRFD) Fire Fee ¹	TRFD Fire Administration Fee ^{1,2}	Total TRFD Fire Fee ¹
Residential ³	<i>(Fee per SF)</i>	<i>(Fee per SF)</i>	<i>(Fee per SF)</i>
Single Family Residential	\$0.23	\$0.01	\$0.24
Multi-Family Residential (Attached 2-4)	\$0.30	\$0.02	\$0.32
High Density Residential (Attached 4+)	\$0.45	\$0.02	\$0.47
Non-Residential ⁴	<i>(Fee per 1,000 SF)</i>	<i>(Fee per 1,000 SF)</i>	<i>(Fee per 1,000 SF)</i>
Office	\$271.68	\$13.58	\$285.26
Commercial	\$164.14	\$8.21	\$172.35
Industrial	\$53.77	\$2.69	\$56.46
Institution	\$39.05	\$1.95	\$41.00

Notes:

¹ The Pacific Gateway Development will have their own fees in lieu of the TRFD Fire Fees.

² Administration mark-up is 5% of the Fire Fee.

³ The fee for residential developments will be based on the livable square footage of the development.

⁴ The fee for non-residential developments will be based on the total building square footage.

Table 1-2: Proposed Fire Fees for the Pacific Gateway Development

Land Use	Pacific Gateway Development Fire Fee ¹	Pacific Gateway Development Administration Fee ^{1,2}	Total Pacific Gateway Development Fire Fee ^{1,3}
Residential ⁴	<i>(Fee per SF)</i>	<i>(Fee per SF)</i>	<i>(Fee per SF)</i>
Single Family Residential	\$1.34	\$0.07	\$1.41
Multi-Family Residential (Attached 2-4)	\$1.79	\$0.09	\$1.88
High Density Residential (Attached 4+)	\$2.64	\$0.13	\$2.77
Non-Residential ⁵	<i>(Fee per 1,000 SF)</i>	<i>(Fee per 1,000 SF)</i>	<i>(Fee per 1,000 SF)</i>
Office	\$1,606.56	\$80.33	\$1,686.89
Commercial	\$970.63	\$48.53	\$1,019.16
Industrial	\$317.97	\$15.90	\$333.87
Institution	\$230.94	\$11.55	\$242.49

Notes:

¹ The Pacific Gateway Development will pay these fees in lieu of the TRFD Fire Fees.

² Administration mark-up is 5% of the Fire Fee.

³ No additional development is anticipated in the proximity of the Pacific Gateway Development. However, if development occurs within a 2.5 mile radius that is deemed by the TRFD to be served by Pacific Gateway Station. The development shall pay the Pacific Gateway Fee rather than the TRFD Fee.

⁴ The fee for residential developments will be based on the livable square footage of the development.

⁵ The fee for non-residential developments will be based on the total building square footage.

NEXUS REQUIREMENT SUMMARY

AB 1600 was enacted by the State of California in 1987 creating the Mitigation Fee Act - Section 66000 et seq. of the Government Code. 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 of a development project:

1. Identify the purpose of the fee.
2. Identify the use to which the fee is to be put. If the use is financing public facilities, the facilities shall be identified.
3. Determine how there is a reasonable relationship between the fees use and the type of development project on which the fee is imposed.
4. 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.
5. 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.

The purpose of this report is to demonstrate that all fee components comply with the Mitigation Fee Act. The assumptions, methodologies, facility standards, costs, and cost allocation factors that were used to establish the nexus between the fees and the development on which the fees will be charged are summarized in subsequent sections of this report.

ASSEMBLY BILL 602

Assembly Bill (AB) 602, enacted by the State of California in 2021, amended Sections 65940.1 and 66019 of, and added Section 66016.5 to the Government Code. AB 602 requires that if a local agency conducts and adopts an impact fee nexus study after January 1, 2022, the local agency shall follow all of the following standards and practices:

1. Before the adoption of an associated development fee, an impact fee nexus study shall be adopted.
2. When applicable, the nexus study shall identify the existing level of service for each public facility, identify the proposed new level of service, and include an explanation of why the new level of service is appropriate.
3. A nexus study shall include information that supports the local agency's actions, as required by subdivision (a) of Section 66001 of the Government Code.
4. If a nexus study supports the increase of an existing fee, the local agency shall review the assumptions of the nexus study supporting the original fee and evaluate the amount of fees collected under the original fee.

5. A nexus study adopted after July 1, 2022, shall calculate a fee imposed on a housing development project proportionately to the square footage of proposed units of the development. A local agency that imposes a fee proportionately to the square footage of the proposed units of the development shall be deemed to have used a valid method to establish a reasonable relationship between the fee charged and the burden posed by the development. A nexus study is not required to comply with the requirements to calculate a fee imposed on a housing development project proportionately to the square footage of the proposed units if the local agency makes the following findings:
 - An explanation as to why square footage is not appropriate metric to calculate fees imposed on housing development project.
 - An explanation that an alternative basis of calculating the fee bears a reasonable relationship between the fee charged and the burden posed by the development.
 - That other policies in the fee structure support smaller developments, or otherwise ensure that smaller developments are not charged disproportionate fees.
6. Large jurisdictions shall adopt a capital improvement plan as a part of the nexus study.
7. All studies shall be adopted at a public hearing with at least 30 days' notice, and the local agency shall notify any member of the public that requests notice of intent to begin an impact fee nexus study of the date of the hearing.
8. Studies shall be updated at least every eight years, beginning on January 1, 2022.
9. The local agency may use the impact fee nexus study template developed by the Department of Housing and Community Development pursuant to Section 50466.5 of the Health and Safety Code.

The purpose of this report is to demonstrate that all fee components comply with the Mitigation Fee Act and AB 602. An analysis of level of service for applicable fee components is summarized in subsequent sections of this report.

FEE ADJUSTMENT PROCEDURES

The Fire Fees for the TRFD and Pacific Gateway Development may be adjusted periodically to reflect revised facility requirements, receipt of funding from alternative sources (i.e., state or federal grants), revised facilities or costs, changes in demographics, changes in the average unit square footage, or changes in the land use plan. In addition, the fees will be automatically updated each year on July 1st based on the June ENR CCI for San Francisco. The base index for the next update shall be the June 2023 ENR CCI of 15,367.26.

TIMING OF FEE PAYMENT

Fees will be collected at the time the building permit is issued. All residential projects will pay a fee based on the livable square footage of the residential units. For residential projects that include multiple buildings, fees will be due at the time of the building permit is issued for each building. The non-residential communal portion for high-density residential projects (i.e. clubhouse, maintenance facility, gym, etc.) will not be assessed impact fees as the impact is assumed to be captured in the residential fees. Areas that are accessible by the public (i.e. a leasing office) will be charged impact fees according to use. Further information on what portion of a project may be subject to fees is discussed within Section 2 – Average Unit Sizes.

CREDITS AND REIMBURSEMENT POLICIES

Fee credits and reimbursements may be allowed for developer-constructed facilities and shall be calculated specifically for each project as applicable.

MARK-UPS

Soft cost mark-ups are the costs that account for the functions that support construction including design, construction management, contingency, and fee administration. The mark-ups for design, construction management, and contingency are included in the estimated construction cost of the facility. The mark-up for fee administration is included as a mark-up on the fee. It is suggested that a separate fund be established for the Fee Administration portion of the fee. The following are the mark-ups utilized within the total project costs of the facilities identified in this Nexus Study.

Design.....	10%
Construction Management.....	10%
Contingency	15%
Fee Administration.....	5%

Section 2 **POPULATION AND LAND USE ASSUMPTIONS**

LAND USE TYPES

To ensure a reasonable relationship between each fee and the type of development paying the fee, the different land use types must be distinguished. The land use categories used in this analysis are defined below.

- **Single Family Residential (SFR):** Detached single-family dwelling units. Includes very low density, low density, and age-restricted units.
- **Multi-Family Residential (MFR):** Attached residential project consisting of 2 to 4 units.
- **High Density Residential (HDR):** Attached residential project consisting of 4 or more attached units.
- **Accessory Dwelling Unit (ADU):** A second unit, attached or detached from a single-family home.
- **Office:** All general, professional, and medical office development.
- **Commercial:** All commercial, retail, educational, hotel/motel development, and mixed-use development.
- **Industrial:** All manufacturing and warehouse development.
- **Institution:** Publicly owned recreation facilities and areas and similar facilities and areas; educational facilities meeting State requirements for primary, secondary, and higher education.

When developments may include more than one land use type, the fees will be calculated separately for each land use type.

GROWTH FORECASTS

Growth projections are used as indicators of demand. The existing population, as well as the population projections, are critical assumptions used throughout the fee sections that follow in this report. The following resources were used as part of this analysis:

- Estimates of total development through buildout projections were based on the County's 2035 General Plan Land Use Element
- Pacific Gateway Development based on the Pacific Gateways Draft Preliminary Zoning figure from the Community Development Department Application
- Estimated persons per household was based on the US Census American Community Survey
- Estimated residential units per acre was based on the San Joaquin County Community Development Departments Zoning Code and the City of Tracy's Master Plan

- Worker projections were based on the employment density per worker identified in the U.S. Green Building Council LEED BD+C Default Occupancy Counts.

Table 2-1 and Figure 2-1 identify the estimated new development in the county, excluding the Pacific Gateway Development, which will pay the TRFD fee. All unincorporated land located within the City of Tracy's Sphere of Influence was included in the City of Tracy Public Safety Impact Fees as this land is anticipated to annex into the City of Tracy. These parcels will be required to pay the City of Tracy Public Safety Impact Fees, even if they do not annex, as they will directly benefit from the City's public safety infrastructure. **Table 2-2 and Figure 2-2** identify the estimated new development within the Pacific Gateway Development. There is not currently any anticipated additional development that will be served by the Pacific Gateway Fire Station. If additional development occurs within a two and a half mile radius of the Pacific Gateway Fire Station, the anticipated potential service area, and the development is deemed by the TRFD to be served by the Pacific Gateway Station the development will be subject to the Pacific Gateway Fire Fee rather than the TRFD Fire Fee. This potential service area is shown in **Figure 2-1**.

Table 2-1: TRFD Projected New Development

Land Use	Acres ³	Units / Building SF ^{1, 2, 3}
Residential	<i>Ac.</i>	<i>Units</i>
Single Family Residential	732.3	1,677
Multi-Family Residential (Attached 2-4)	206.4	1,858
High Density Residential (Attached 4+)	3.8	71
Subtotal Residential	942.6	3,606
Non-Residential	<i>Ac.</i>	<i>Bldg SF.</i>
Office	18.1	355,188
Commercial	54.3	709,200
Industrial	486.3	10,591,178
Subtotal Non-Residential	558.7	11,655,566

Notes:

¹ Dwelling units per acre of 2.29 DU/Ac for Single Family, 9.0 DU/AC for Multi-Family, and 18.75 for High Density Residential were used to calculate the number of dwelling units.

² Based on a Floor Area Ratio (FAR) of 0.45 for office, 0.3 for commercial/retail, and 0.5 for industrial.

³ The Pacific Gateway Development is not included.

Table 2-2: New Pacific Gateway Development Land Uses

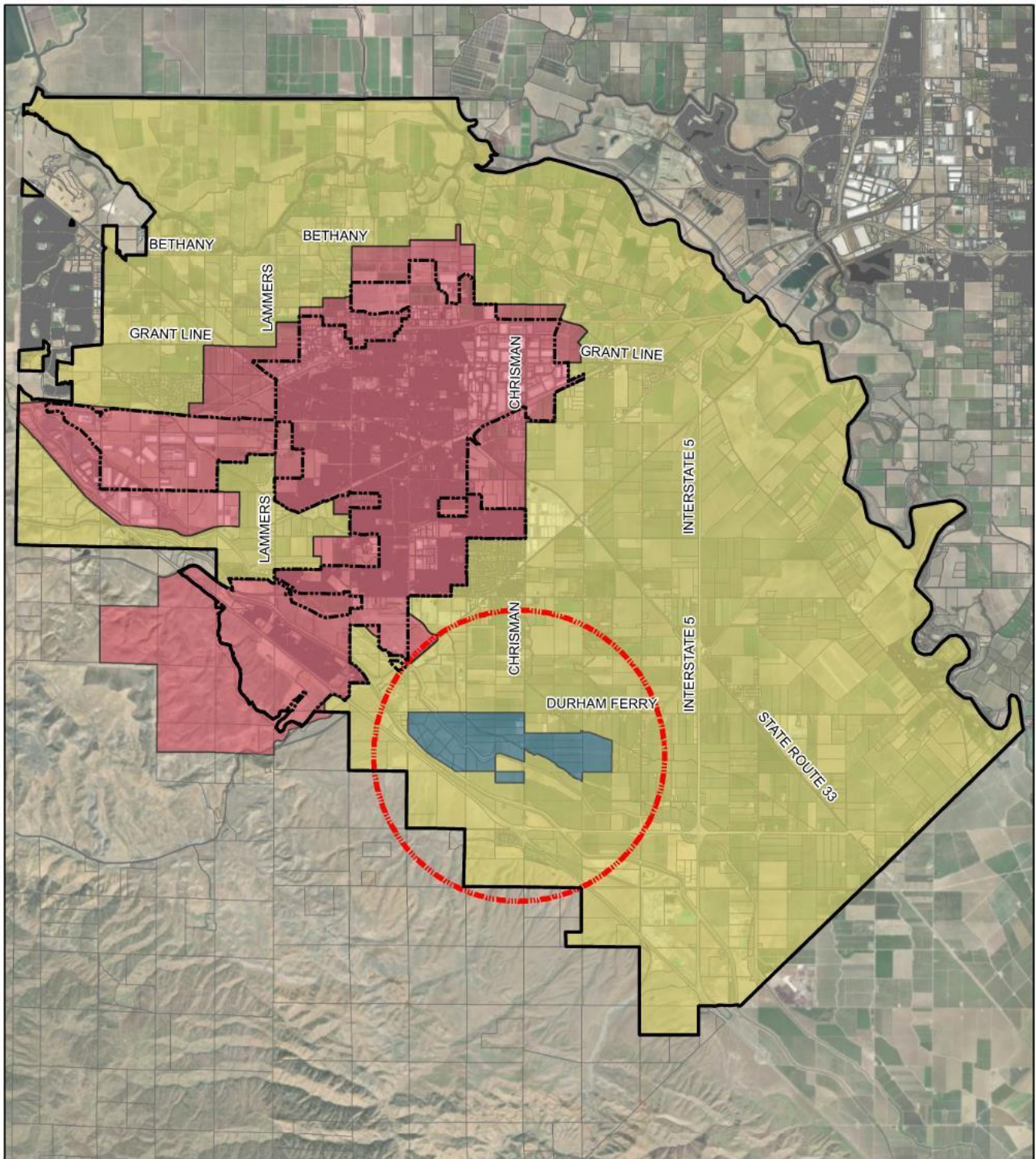
Land Use	Acres ¹	Bldg SF ²
Non-Residential		
Commercial	7.0	91,476
Industrial	1,499.0	32,648,220
Institution	67.0	817,186
Total	1,573.0	33,556,882

Notes:

¹ Based on the Preliminary Zoning Map from the Preliminary Entitlement Application revised November 18, 2021.

² Based on a Floor Area Ratio (FAR) of 0.3 for commercial/retail and 0.5 for industrial, and 0.28 for institution.

Figure 2-1: TRFD Jurisdiction



Legend

- Tracy Rural Fire District Jurisdiction
- City of Tracy City Limits
- Pacific Gateway Potential Service Area
- City of Tracy Public Safety Fee Area
- Pacific Gateway Fire Fee Area
- Tracy Rural Fire Fee Area



0 0.5 1 2 Miles

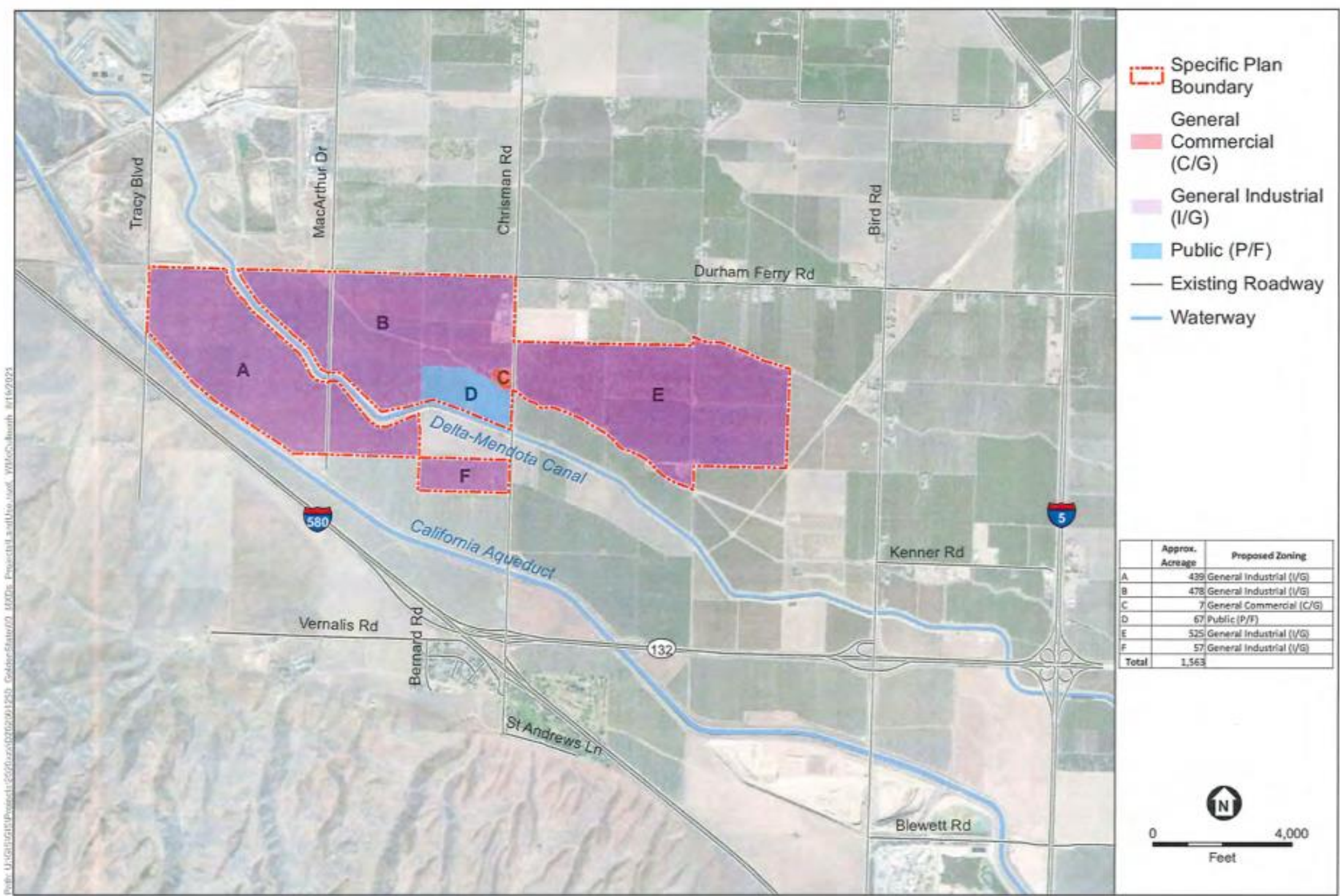


Harris & Associates

Figure 2-1
Tracy Rural Fire District
Jurisdiction Boundary and Fee Areas

This page was intentionally left blank.

Figure 2-2: Pacific Gateway Development Preliminary Zoning Map



SOURCE: ESA, 2021; ESRI, 2021

GoldenState Logistics Hub

PRELIMINARY DRAFT-SUBJECT TO REVISION

Preliminary Zoning



This page was intentionally left blank.

RESIDENT AND EMPLOYMENT DENSITY

Using persons per household (PPH) data for residential units and employment density data for non-residential buildings is a common metric used to establish a reasonable relationship between the demand created by the development project and the fees charged. The residential density factors were derived using information from the US Census American Community Survey (2021) and the employment density factors are based on U.S. Green Building Council LEED BD+C Default Occupancy Counts. The following average density factors are used for each land use type.

<u>Residential</u>	<u>Density</u>
SFR	3.50 residents per dwelling unit
MFR (attached 2-4)	2.80 residents per dwelling unit
HDR (attached 4+)	2.60 residents per dwelling unit
<u>Non-Residential</u>	<u>Density</u>
Office	1 worker per 300 square feet
Commercial	1 worker per 500 square feet
Industrial	1 worker per 1,500 square feet
Institution	1 worker per 2,100 square feet

FLOOR AREA RATIO

For non-residential land uses, the estimated building square footage is determined by using an average Floor Area Ratio (FAR) which is the proportion of the total building floor area to the building's lot size. The office, commercial, and industrial FAR assumptions are based on the City of Tracy's Master Plans and are consistent with the San Joaquin County Development Title. The Institutional FAR is based on the typical FAR for a university. The following are the FARs that are used in this analysis.

<u>Non-Residential</u>	<u>FAR</u>
Office	0.45
Commercial	0.30
Industrial	0.50
Institutional	0.28

AVERAGE UNIT SIZES

AB 602 suggests that fees imposed on a housing development project be calculated proportionately to the square footage of proposed units of the development. This Nexus Study converts the fees per unit to a fee per square foot using the average unit sizes for Single Family Residential, Multi-Family Residential (attached 2-4), and High Density Residential (attached 4+) based on the estimated average size of planned new development within each land use category. The average unit size is based on the livable square footage of the residential unit for all residential land uses.

Basing the average unit size on livable square footage for all residential units is not only consistent with industry standard for fee calculations, but it also provides a strong nexus between the impact of the unit and the fee amount. A good example of an industry standard are school fees in California. In California, school fees are based on assessable space, which means a quantity equal to the area (expressed in square feet) within the perimeter of a residential structure, not including the carport, walkway, garage, overhang, patio, enclosed patio, detached accessory structure or similar structure.

Multi-Family and High Density Residential projects that include communal spaces (i.e. clubhouse, maintenance facility, gym, etc.) will not be assessed impact fees on such areas as the impact is assumed to be captured within the residential fees. Areas that contain employees and are accessible by the public will be charged impact fees according to use (i.e. a leasing office would pay office fees). The non-residential area accessible by the public within a residential development will be based on the useable square footage.

Based on the estimated average size of planned new development within each land use category in the TRFD, the following average unit sizes were utilized for this study.

Single Family Residential.....	2,500 Square Feet Per Unit
Multi-Family Residential (Attached 2-4)	1,500 Square Feet Per Unit
High Density Residential (Attached 4+)	950 Square Feet Per Unit

The TRFD will monitor the average size of housing units based on new developments on an annual basis and if the size of units on average are significantly less than anticipated, the fees will be updated as part of the annual update to reflect this change in order to ensure the fee program does not fall short.

Section 3 FIRE FEES

BACKGROUND

This section presents an analysis of the Fire Development Impact Fees (Fire Fees) for both the TRFD and the Pacific Gateway Development. The Fire Fees cover the costs to mitigate the effects of new development on the TRFD's fire facilities. The Fire Fees are based on the costs identified in the City of Tracy's draft *Citywide Public Safety Master Plan Update*, prepared by Indigo Hammond & Playle Architects, LLP (February 2023) (Tracy's Public Safety Master Plan Update) and discussions with TRFD for fire stations that do not serve the City of Tracy.

Pacific Gateway is a new development that was not analyzed in the SOC Study. Through discussions with the SCFA, this development cannot be served by existing stations while maintaining the required Standards of Cover and will require a new single company fire station to serve this development. This fire station will be located in the Pacific Gateway development on a 1.5-acre site. To fund this fire station, Pacific Gateway will have a separate Fire Fee in-lieu of the TRFD Fire Fee. This fee includes the Pacific Gateway Station and their proportional share of the fire training facility.

Demand for services and the associated facilities is based on the TRFD's future service population, which includes both residents and workers. In calculating the service population for new growth, workers were weighted less than residents to reflect the lower service demand of workers. Workers are weighted at 0.5 that of a resident based on the methodology established in the City of Tracy's Public Safety Master Plan. The discount factor reflects the fact that employees typically generate less service demand than residents because they are present in the community for a limited portion of the day and nighttime hours.

EXISTING LEVEL OF SERVICE

The TRFD currently owns Fire Station 93, Fire Station 94, and Fire Station 95 within its jurisdiction. These fire stations in addition to Fire Station 91, Fire Station 92, Fire Station 96 and Fire Station 97 within the City of Tracy are operated by the SCFA. These fire stations along with a training facility ensure effective fire protection services. The fire stations are located to ensure adequate coverage and response times. However, due to new development and the findings and recommendations from the SOC Study, additional fire stations and modifications to the existing fire stations are required to maintain the necessary level of service. The following is a summary of the existing and proposed fire stations and facilities:

- Existing Fire Station 93, located at 1400 W. Durham Ferry Road has been serving the TRFD jurisdiction since its construction in May 2006. The station is currently equipped with a 2000 American LaFrance truck, 2015 Hi-Tech Spartan Pumper, and is staffed with three personnel. Based on the SOC Study and discussions with the TRFD, Fire Station 93 is adequately sized to serve the projected development. However, the station currently does not meet NFPA standards and must be renovated to ensure that the NFPA standards are met. Fire Station 93 will undergo a renovation and modernization to ensure that the NFPA standards are met and the station can continue to provide the established existing level of service to new development.
- Existing Fire Station 94 (Cordes Ranch) is located at 16502 W. Schulte Road and was built in 1955 to serve the City and unincorporated areas. This station houses a 2003 Pierce/Saber type 1 pumper ALS unit, 2020 Pierce Arrow XT Velocity Pumper, and a 2016 HME type 3 engine and is staffed with three personnel. The SOC Study recommended that to better serve the Cordes Ranch Specific Plan Area within the City of Tracy and the development in the unincorporated areas, Fire Station 94 should be relocated approximately 0.7 miles north on Hansen Road.
- Future Fire Station 99 (Ellis) is a new proposed fire station to be located adjacent to the Ellis development on a 0.9 acre site. This fire station is necessary in order to provide the required fire protection and services for the Ellis development within the City of Tracy as well as development that will occur in the unincorporated County.
- Future Fire Station (Pacific Gateway) is a new proposed fire station to be located in the Pacific Gateway Development on a 1.5 acre site. This station will be necessary in order to provide the required fire protection and services for this development. Since this station is required specifically to serve the Pacific Gateway development, they will be required to fund this station in its entirety and as such will have its own separate Fire Fee. There is not currently any anticipated additional development that will be served by the Pacific Gateway Fire Station. If additional development occurs within a two and a half mile radius of the Pacific Gateway Fire Station, the anticipated potential service, and the development is deemed by the TRFD to be served by the Pacific Gateway Station the development will be subject to the Pacific Gateway Fire Fee rather than the TRFD fee. This potential service area is shown in **Figure 2-1**.
- Fire Training Facility Phase 1 is currently under construction located at 1399 S. Chrisman to provide the facilities and equipment for training. Phase 2 & 3 will also provide further

spaces including classroom, offices, storage site utilities, and additional training areas and equipment. This facility will provide the necessary training for the SCFA fire fighters.

COST SUMMARY

The facilities and associated costs for the TRFD Fee are based on the City of Tracy's Public Safety Master Plan Update, which includes the fire stations and facilities shared between the TRFD and the City of Tracy, operated by the South County Fire Authority. The costs included in the TRFD Fee represent TRFD's fair share of the costs of new development in the County. Additionally, Fire Station 93, located at 1400 West Durham Ferry Road, has adequate capacity to serve the projected future development but does not currently meet NFPA standards, therefore the fees will be used to complete this modernization. New development's fair share of the fire station is determined by calculating the buy-in cost for the use of the existing capacity of Fire Station 93. Since the buy-in cost exceeds the modernization cost, the fees are calculated using the modernization cost. **Table 3-1** summarizes the TRFD facilities and the attributable cost to new development. **Table 3-2** summarizes the costs associated with new development's buy-in to Fire Station 93.

Pacific Gateway Development will be a new 1,563 acre development within the TRFD jurisdiction. This new development will have a variety of land uses including light industrial, business park, commercial spaces, a private university campus, and a Veterans of Foreign War Post. To ensure appropriate fire protection services for this development, a dedicated new single company fire station will be built on a 1.5-acre site. This development will have a separate fee that funds the new fire station. There is not currently any anticipated additional development that will be served by the Pacific Gateway Fire Station. If additional development occurs within a two and a half mile radius of the Pacific Gateway Fire Station, the anticipated potential service area, and the development is deemed by the TRFD to be served by the Pacific Gateway Station the development will be subject to the Pacific Gateway Fire Fee rather than the TRFD fee. This potential service area is shown in **Figure 2-1**. **Table 3-3** summarizes the cost for the new fire station in Pacific Gateway.

Table 3-1: Proposed Fire Facilities for TRFD												
Facility Name	Construction Cost	35% Mark-up ¹	FF&E and Vehicles	Solar ¹	Land Acquisition	Total Project Cost	Other Funding Sources	Remaining Cost	Percent of Cost Attributable to County ²	Cost Attributable to County	Pacific Gateway Funding ³	Total Cost for New Development in TRFD ⁴
Fire Facilities												
Fire Station 94 (Relocation - Cordes Ranch Area) ⁵	\$6,942,300	\$2,429,805	\$2,600,000	\$620,356	\$500,000	\$13,092,000	(\$1,000,000)	\$12,092,000	6.5%	\$785,980	\$0	\$785,980
Fire Station 99 (Ellis Area) ⁶	\$5,427,849	\$1,899,747	\$1,000,000	\$561,813	\$233,012	\$9,122,000	(\$825,332)	\$8,296,668	6.5%	\$539,283	\$0	\$539,283
Fire Training Facility - Phase 2 & 3 ⁷	\$6,793,881	\$2,377,858	\$500,000	\$692,252	\$0	\$10,364,000	(\$2,600,000)	\$7,764,000	10.0%	\$776,400	\$318,117	\$458,283
Total	\$19,164,030	\$6,707,410	\$4,100,000	\$1,874,421	\$733,012	\$32,578,000	(\$4,425,332)	\$28,152,668		\$2,101,663	\$318,117	\$1,783,546

Notes:

¹ Mark-up includes: 10% Design and Planning, 10% Construction Maintenance, 15% General Contingency. Mark-ups are included for in the construction cost and solar costs.

² Based on the percentages of cost attributable to new development in the County from the City of Tracy Public Safety Master Plan.

³ Pacific Gateway share of the Fire Training Facility - Phase 2 & 3.

⁴ Totals have been rounded to the nearest dollar.

⁵ Fire Station 94, will use the same fire engine from the existing Fire Station and as such, \$1,000,000 is shown as other funding sources.

⁶ Other City Funding Contribution is Ellis Fair Share.

⁷ The Fire Training Facility other funding sources include funding from a ARPA grant.

Table 3-2: Fire Station 93 Buy-in for TRFD								
Facility Name	Construction Cost	35% Mark-up ¹	FF&E and Vehicles	Land Acquisition	Total Valuation	Maximum Buy-In Cost		NFPA Compliance Renovation Costs to Spread ³
						Percent for New Development ²	Attributable Cost for New Development	
Fire Station 93 (Rural Fire District)	\$6,197,000	\$2,168,950	\$1,300,000	\$0	\$9,666,000	15.00%	\$1,449,900	\$1,296,500

Notes:

¹ Mark-up includes: 10% Design and Planning, 10% Construction Maintenance, 15% General Contingency. Mark-ups are included for in the construction cost and solar costs.

² Based on the anticipated future development to be served by Fire Station 93 in relation to existing development served by Fire Station 93 (approximately 107 acres/720 Acres).

³ Fire Station 93 was constructed in 2006 and has sufficient capacity to serve future development. However the station is not compliant with NFPA current standards and as such this station requires renovation and modernization. This will include upgrades such as enhancing personal protective equipment (PPE) and storage, installing solar panels, upgrading the emergency alerting system, improving the existing radio tower, and other improvements required for NFPA standards.

Table 3-3: Fire Facilities for the Pacific Gateway Development												
Facility Name	Construction Cost	35% Mark-up ¹	FF&E and Vehicles	Solar ¹	Land Acquisition	Total Project Cost	Other Funding Sources	Remaining Cost	Percent of Cost Attributable to County ²	Cost Attributable to County	TRFD Funding ³	Total Cost for the Pacific Gateway Development ⁴
Fire Facilities												
New Fire Station (Pacific Gateway) ⁵	\$6,197,192	\$2,169,017	\$1,000,000	\$620,356	\$375,000	\$10,362,000	\$0	\$10,362,000	100.0%	\$10,362,000	\$0	\$10,362,000
Fire Training Facility - Phase 2 & 3 ⁶	\$6,793,881	\$2,377,858	\$500,000	\$692,252	\$0	\$10,364,000	(\$2,600,000)	\$7,764,000	10.0%	\$776,400	\$458,283	\$318,117
Subtotal Fire Facilities	\$12,991,073	\$4,546,875	\$1,500,000	\$1,312,608	\$375,000	\$20,726,000	(\$2,600,000)	\$18,126,000		\$11,138,400		\$10,680,117

Notes:

¹ Mark-up includes: 10% Design and Planning, 10% Construction Maintenance, 15% General Contingency. Mark-ups are included for in the construction cost and solar costs.

² Based on the percentages discussed with the TRFD and the City of Tracy Public Safety Master Plan, prepared by Indigo and Hammond & Playle Architects, LLP (February 15, 2023).

³ TRFD share of the Fire Training Facility - Phase 2 & 3.

⁴ Totals have been rounded to the nearest dollar.

⁵ A new fire station on a 1.5 acre site will be needed to serve The Pacific Gateway Project.

⁶ The Fire Training Facility other funding sources include funding from a ARPA grant.

This page was intentionally left blank.

FEE METHODOLOGY

The Fire Fees for the TRFD and the Pacific Gateway Development uses the Planned Facilities Method to calculate the fee. The planned facilities method calculates the standard based solely on the ratio of planned facilities to the increase in demand associated with new development. This method is appropriate when planned facilities are mostly for the benefit of new development. This method may also be used when there is excess capacity in existing facilities that can accommodate new development.

The Fire Fees are calculated based on the cost per equivalent dwelling unit (EDU). An EDU factor is used to equate each land use to that of a single-family home. The EDU factor is calculated based on the density factor for each residential and nonresidential land use. Density is measured as "persons per dwelling unit" for residential uses or "square footage per worker" for nonresidential uses. The following steps are used to calculate the EDU Factor for each land use.

1. The residential units and non-residential square feet are multiplied by the density to calculate the resident and worker projections.
2. The resident equivalents are calculated by multiplying the employees assumed for each non-residential land use by 0.5.
3. The EDUs are then calculated by dividing the resident equivalents by the Single Family residential density (3.50).
4. Finally, the EDU factor is calculated by dividing each land uses EDUs by the residential units or nonresidential square footage in that category.

The EDU calculations for the TRFD are shown in **Table 3-4** and are based on the estimated buildout of land uses in the County excluding the Pacific Gateway Development.

Table 3-4: Equivalent Dwelling Units for the TRFD

Land Use	Units / Building SF	Density ¹	Resident/ Employee Projection	Resident Equivalent ²	EDUs	EDU Factor
Residential	<i>Units</i>	<i>Persons/unit</i>	<i>Residents</i>			<i>Units/EDU</i>
Single Family Residential	1,677	3.50	5,870	5,870	1,677	1.000
Multi-Family Residential (Attached 2-4)	1,858	2.80	5,202	5,202	1,486	0.800
High Density Residential (Attached 4+)	71	2.60	185	185	53	0.750
Subtotal Residential	3,606		11,257	11,257	3,216	
Non-Residential	<i>Building SF.</i>	<i>SF./Worker</i>	<i>Workers</i>			
Office	355,188	300	1,184	592	169	0.480
Commercial	709,200	500	1,418	709	203	0.290
Industrial	10,591,178	1,500	7,061	3,531	1,009	0.095
Subtotal Non-Residential	11,655,566		9,663	4,832	1,381	
Total				16,089	4,597	

Notes:

² Density is based on the City of Tracy's densities and measured as "persons per dwelling unit" for residential land uses and "square feet per worker" for non-residential land uses.

² Workers are weighted at 0.5 that of a resident. Resident Equivalents for Non-Residential is rounded to nearest whole number.

The EDU calculations for the Pacific Gateway Development are shown in **Table 3-5** and are based on the proposed 1,563 acres. There is not currently any anticipated additional development that will be served by the Pacific Gateway Fire Station. If additional development occurs within a two and a half mile radius of the Pacific Gateway Fire Station, the anticipated potential service area, and the development is deemed by the TRFD to be served by the Pacific Gateway Station the development will be subject to the Pacific Gateway Fire Fee rather than the TRFD fee. This potential service area is shown in Figure 2-1.

Table 3-5: Equivalent Dwelling Units for the Pacific Gateway Development

Land Use	Units / Building SF ^{1,2}	Density ³	Resident/ Employee Projection	Resident Equivalent ⁴	EDUs	EDU Factor
Non-Residential	<i>Building SF.</i>	<i>SF./Worker</i>	<i>Workers</i>			
Commercial	91,476	500	183	92	26	0.290
Industrial	32,648,220	1,500	21,765	10,883	3,109	0.095
Institution	817,186	2,100	389	195	56	0.069
Subtotal Non-Residential	33,556,882		22,337	11,170	3,191	
Total				11,170	3,191	

Notes:

¹ Land uses based on the Pacific Gateway proposed 2021 Preliminary Zoning for 1,563 acres.

² No additional development is anticipated in the proximity of the Pacific Gateway Development. However, if development occurs within a 2.5 mile radius that is deemed by the TRFD to be served by the Pacific Gateway Station. The development shall pay the Pacific Gateway Fee rather than the TRFD Fee.

³ Density is measured as "square feet per worker" for non-residential land uses.

⁴ Workers are weighted at 0.5 that of a resident. Resident Equivalents for Non-Residential is rounded to nearest whole number.

The cost per EDU for each fee component is calculated by taking the costs attributable to new development, subtracting the fund balance, and dividing by the total number of EDUs. The cost per EDU calculation is shown in Error! Reference source not found.6 and **Table 3-7**.

Table 3-6: Cost Per EDU for the TRFD

TRFD - Cost/EDU	
New Tracy Rural Facilities	\$1,783,546
Fire Station 93 Buy-In	\$1,296,500
Cost Attributable to Fee Program	\$3,080,046
Fund Balance ¹	\$477,334
Remaining Cost to Fund ²	\$2,602,712
Total EDUs	4,597
Cost/EDU ²	\$ 566.00

¹ Fund balance as of 05/31/2023.

² Rounded to the nearest dollar.

Table 3-7 Cost per EDU for the Pacific Gateway Development

Pacific Gateway Development - Cost Per EDU	
Cost Attributable to Fee Program	\$10,680,117
Fund Balance ¹	\$0
Remaining Cost to Fund ²	\$10,680,117
Total EDUs	3,191
Cost/EDU ²	\$3,347

¹ No funds have been collected.

² Rounded to the nearest dollar.

FEE SUMMARY

The Fire Fees for TRFD and Pacific Gateway Development are converted into a fee per square foot for residential land uses by multiplying the EDU factors from **Table 3-4** and **Table 3-3-5** by the cost per EDU from **Table 3-6** and **Table 3-7** and then dividing by the estimated average unit size of each land use. Both Fire Fees are converted into a fee per 1,000 building square feet for non-residential land uses by multiplying the EDU factors from **Table -4** and **Table 3-5** by the cost per EDU from Error! Reference source not found.6 and **Table 3-7**. A five percent (5%) administration mark-up is included in the fee. Error! Reference source not found.8 and **Table 3-9** summarize the Fire Fees for the TRFD and the Pacific Gateway Development.

Table 3-8: TRFD Fire Fee

Land Use	EDU Factor	Fire Facility Fee	Average Size ¹	TRFD Fire Fee	TRFD Fire Administration Fee ²	TRFD Total Fire Fee
Residential³		<i>(Fee per Unit)</i>	<i>(SF Per Unit)</i>	<i>(Fee per SF)</i>	<i>(Fee per SF)</i>	<i>(Fee per SF)</i>
Single Family Residential	1.000	\$566.00	2,500	\$0.23	\$0.01	\$0.24
Multi-Family Residential (Attached 2-4)	0.800	\$453.00	1,500	\$0.30	\$0.02	\$0.32
High Density Residential (Attached 4+)	0.750	\$425.00	950	\$0.45	\$0.02	\$0.47
Non-Residential⁴		<i>(Fee per 1,000 SF)</i>		<i>(Fee per 1,000 SF)</i>	<i>(Fee per 1,000 SF)</i>	<i>(Fee per 1,000 SF)</i>
Office	0.480	\$271.68	NA	\$271.68	\$13.58	\$285.26
Commercial	0.290	\$164.14	NA	\$164.14	\$8.21	\$172.35
Industrial	0.095	\$53.77	NA	\$53.77	\$2.69	\$56.46
Institution	0.069	\$39.05	NA	\$39.05	\$1.95	\$41.00

Notes:

¹ Average size based on the average unit size of planned new development.

² Administration mark-up is 5% of the Fire Fee.

³ The fee for residential developments will be based on the livable square footage of the development.

⁴ The fee for non-residential developments will be based on the total building square footage.

Table 3-9: Pacific Gateway Development Fire Fee

Land Use	EDU Factor	Fire Facility Fee	Average Size ¹	Pacific Gateway Fire Fee	Pacific Gateway Fire Administration Fee ²	Pacific Gateway Total Fire Fee ³
Residential⁴		<i>(Fee per Unit)</i>	<i>(SF Per Unit)</i>	<i>(Fee per SF)</i>	<i>(Fee per SF)</i>	<i>(Fee per SF)</i>
Single Family Residential	1.000	\$3,347.00	2,500	\$1.34	\$0.07	\$1.41
Multi-Family Residential (Attached 2-4)	0.800	\$2,678.00	1,500	\$1.79	\$0.09	\$1.88
High Density Residential (Attached 4+)	0.750	\$2,510.00	950	\$2.64	\$0.13	\$2.77
Non-Residential⁵		<i>(Fee per 1,000 SF)</i>		<i>(Fee per 1,000 SF)</i>	<i>(Fee per 1,000 SF)</i>	<i>(Fee per 1,000 SF)</i>
Office	0.480	\$1,606.56	NA	\$1,606.56	\$80.33	\$1,686.89
Commercial	0.290	\$970.63	NA	\$970.63	\$48.53	\$1,019.16
Industrial	0.095	\$317.97	NA	\$317.97	\$15.90	\$333.87
Institution	0.069	\$230.94	NA	\$230.94	\$11.55	\$242.49

Notes:

¹ Average size based on the average unit size of planned new development.

² Administration mark-up is 5% of the Fire Fee.

³ No additional development is anticipated in the proximity of the Pacific Gateway Development. However, if development occurs within a 2.5 mile radius that is deemed by the TRFD to be served by the Pacific Gateway Station. The development shall pay the Pacific Gateway Fee rather than the TRFD Fee.

⁴ The fee for residential developments will be based on the livable square footage of the development.

⁵ The fee for non-residential will be based on the total building square footage.

FEE COMPARISON

Table 3-10 and **Table 3-11** compare the proposed Fire Fees for the TRFD and the Pacific Gateway Development to the current fee. The percentage change is due to the following:

1. The estimated construction costs for facilities have been increased to keep up with the rising cost of construction.
2. The current fee has not been updated since its adoption in 1991.
3. Studies have been completed which identify the facilities necessary to serve the County to meet current standards of coverage.

4. Pacific Gateway is a new development and will fund its own Fire Station to provide the necessary fire protection for this development.
5. The methodology has changed to utilize density factors for residential and non-residential land uses rather than a flat fee to more closely reflect the impact each development type has on the fire facilities.

Table 3-10: TRFD Fire Fee Comparison

Land Use	TRFD Proposed Fire Fee	1991 Fire Protection Existing Fees	Percent Change
Residential	<i>(Fee per SF)</i>	<i>(Fee per SF)</i>	
Single Family Residential	\$0.24	\$0.15	60.0%
Multi-Family Residential (Attached 2-4)	\$0.32	\$0.15	113.3%
High Density Residential (Attached 4+)	\$0.47	\$0.15	213.3%
Non-Residential	<i>(Fee per 1,000 SF)</i>	<i>(Fee per 1,000 SF)</i>	
Office	\$285.26	\$150.00	90.2%
Commercial	\$172.35	\$150.00	14.9%
Industrial	\$56.46	\$150.00	-62.4%
Institutional	\$41.00	\$150.00	-72.7%

Table 3-11: Pacific Gateway Development Fire Fee Comparison

Land Use	Pacific Gateway Proposed Fire Fee	1991 Fire Protection Existing Fees	Percent Change
Residential	<i>(Fee per SF)</i>	<i>(Fee per SF)</i>	
Single Family Residential	\$1.41	\$0.15	840.0%
Multi-Family Residential (Attached 2-4)	\$1.88	\$0.15	1153.3%
High Density Residential (Attached 4+)	\$2.77	\$0.15	1746.7%
Non-Residential	<i>(Fee per 1,000 SF)</i>	<i>(Fee per 1,000 SF)</i>	
Office	\$1,686.89	\$150.00	1024.6%
Commercial	\$1,019.16	\$150.00	579.4%
Industrial	\$333.87	\$150.00	122.6%
Institutional	\$242.49	\$150.00	61.7%

NEXUS REQUIREMENT SUMMARY

AB 1600 requires that public agencies satisfy five requirements when establishing, increasing, or imposing a fee as a condition of approval of a development project. The required findings are as follows.

Requirement 1: Identify the purpose of the fee.

The purpose of the Fire Fees are to fund additional fire facilities that are needed to serve new development. Each new resident and worker generates the need for the TRFD to expand and modernize their facilities in order to provide adequate response times and hire and house new staff. Two separate fees are being established based on the fact that the Pacific Gateway Development requires construction of a new fire station that will only be used to serve this new development. The two fire fees will be collected into separate accounts and will be used to fund the facilities summarized in **Table 3-1, Table 3-2, and Table 3-3.**

Requirement 2: Identify the use of the fee.

The Fire Fees will be used to construct the facilities needed to serve the increased fire demands and to provide the required response time coverage to new developments in each of the fee areas. The TRFD Fees will be used to fund the fire facilities summarized in **Table 3-1 and Table 3-2.** The Pacific Gateway Development Fees will be used to fund the fire facilities summarized in **Table 3-3.**

Requirement 3: Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.

The Fire Fees will be used to fund new fire facilities necessary to serve the increased residents and workers as shown in **Table 3-1, Table 3-2, and Table 3-3.** The Fire Fees are calculated based on the estimated number of new residents or workers that are generated by each new development. Workers are weighed at a lower weight than residents to reflect their lesser impact on the facilities due to the reduced hours they spend in the City as compared to a resident. An EDU factor is used to equate each land use to that of a single-family home. The EDU factor is calculated based on the density factor for each residential and non-residential land use. Density is measured as "persons per dwelling unit" for residential uses or "square feet per worker" for non-residential uses. The cost per EDU is calculated and spread to each land use based on the EDU equivalent methodology ensuring a reasonable relationship between the fees use and the type of development project. These calculations are shown in **Table 3-4 through Table 3-9.**

Requirement 4: 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.

New development is anticipated to generate either new residents or workers. The addition of these new residents and workers directly creates the need for additional fire facilities, which is necessary in order to maintain the TRFD's required standards of coverage. Due to its location, the new Pacific Gateway Development will need its own fire station to serve this new development. Since the new fire station only serving this development, Pacific Gateway will have a separate fee. Both Fire Fees are based on the number of resident equivalents each new development is expected to generate, thus ensuring that the need for the facility is directly related to a particular development's impact. New workers generate a smaller demand than a resident and thus one worker is considered, on average, as equivalent to 0.5 times that of a resident. The relationship between the need for the facility and the type of development project is shown in **Table 3-4** through **Table 3-9**.

Requirement 5: 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.

The TRFD Fire Fee will provide the funding for the required fire facilities costs as summarized in **Table 3-1** and **Table 3-2**. The Pacific Gateway Development will have its own separate Fire Fee as a new dedicated fire station will be necessary to serve this new development. The fire facilities that will be funded by Pacific Gateway Fire Fees are summarized in **Table 3-3**. The costs are spread to each land use based on the number of new resident equivalents that the land use will generate calculated as an EDU factor. These calculations are shown in **Table 3-4** and **Table 3-5**. The fees per EDU calculated in **Table 3-6** and **Table 3-7** are then converted into a fee for each land use in **Table 3-8** and **Table 3-9** based on the EDU factor. By spreading the fee based on the EDU factor, each new development is only paying for their fair share of the required facilities since the need for the facilities directly correlates to the addition of new residents and worker equivalents.

Section 4 IMPLEMENTATION AND ADMINISTRATION

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 with at least 30 days' notice. In addition, notice of the time and place of the meeting, including a general explanation of the matter to be considered, and a statement that the data required by this section is available, shall be mailed at least 14 days prior to the meeting to any interested party who files a written request with the local agency for mailed notice of the meeting on new or increased fees or service charges. Any written request for mailed notices shall be valid for one year from the date on which it is filed unless a renewal request is filed. At least ten days prior to this meeting, the agency must make data on infrastructure costs and funding sources available to the public. Notice of the time and place of the meeting and a general explanation of the matter are to be published in accordance with Section 6062a of the Government Code, which states that publication of notice shall occur for ten days in a newspaper regularly published once a week or more. The new or increased fees shall be effective no earlier than 60 days following the final action on the adoption or increase of the fees. Following adoption of the fees, the fees and supporting information must be placed on the agency's website.

FEE PROGRAM ADMINISTRATIVE REQUIREMENTS

The Government Code requires the TRFD to report every year and every fifth-year certain financial information regarding the fees. The TRFD must make available within 180 days after the last day of each fiscal year the following information from the prior fiscal year:

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

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

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

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

As with the annual disclosure, the five-year report must be made public within 180 days after the end of the TRFD's fiscal year and must be reviewed at the next regularly scheduled public meeting.

PROGRAMMING REVENUES WITH THE CIP

The TRFD should maintain its Capital Improvement Program (CIP) to adequately plan for future infrastructure needs. The CIP should commit all projected fee revenues and fund balances to specific projects that are necessary to serve growth. The CIP provides documentation necessary for the TRFD to hold funds in a project account for longer than five years if necessary to collect sufficient funds to complete a project. In addition, the CIP is required per AB 602. This report outlines the projects that are to be funded with the fee program and forms the basis of the CIP. A summary CIP is included in this report as Appendix A.

FEE REPORTING

Assembly Bill No. 1483, which became effective January 1, 2020, requires that public agencies make the following information available on their website. The following information must be provided:

1. A current schedule of fees, exactions, and affordability requirements imposed by the city, county, or special district, including any dependent special districts, of the city or county applicable to a proposed housing development project, which shall be presented in a manner that clearly identifies the fees, exactions, and affordability requirements that apply to each parcel.

2. All zoning ordinances and development standards, which shall specify the zoning, design, and development standards that apply to each parcel.
3. The list of information required to be compiled pursuant to Section 65940.
4. The current and five previous annual fee reports or the current and five previous annual financial reports, that were required pursuant to subdivision.
5. An archive of impact fee nexus studies, cost of service studies, or equivalent, conducted by the city, county, or special district on or after January 1, 2018.

Any updates to the above information must be available within 30 days.

ACCESSORY DWELLING UNITS

An accessory dwelling unit (ADU) is a second unit that is attached or detached from a single-family home. In accordance with Assembly Bill No. 881 approved on October 9, 2019, fees will not be charged for an ADU that is less than 750 square feet. For an ADU that is 750 square feet or larger, the ADU will be charged proportionately in relation to the square footage of the primary dwelling unit. As residential fees are being charged on a square footage basis, ADU fees will be calculated by multiplying the Single Family Residential fee by the ADU's square footage.

SPECIALIZED DEVELOPMENT PROJECTS

The fees in this report may not apply to specialized development projects such as golf courses, cemeteries, sports stadium, or other specialized land uses. For specialized development projects the TRFD will review the development's impacts to determine the applicable fees. The fee rates presented in this Nexus Study may be reduced, exempted, or waived under certain circumstances as determined by the TRFD. Any exemption or reduction in fees will be based on the TRFD's independent analysis and review of the subject property.

Some developments may include more than one land use type. In these cases, the fee is calculated separately for each land use. The TRFD has the discretion to impose the fees based on the specific aspects of a proposed development regardless of zoning. The fee imposed should be based on the land use type that most closely represents the impacts of the development.

REBUILD OR EXPANSION PROJECTS

For reuse, expansions, density increasing, or rezone projects, the developer shall only be responsible for paying fees for the intensification or expansion. For example, if a homeowner wishes to build an addition to their home that is 100 square feet, the homeowner would be responsible for paying fees for the 100 square foot addition. The TRFD will review the new development's impacts to determine the applicable fees on a case by case basis.

In cases of rebuilding a structure after a demolition, impact fees will not be assessed on the rebuild to the extent that the overall size and use of the new structure is similar to the structure prior to demolition. Similarly, in cases of disaster, impact fees will not be charged on the rebuilding of the structures that were affected by the disaster to the extent that the overall size and use of the new structure is the same as the structure destroyed by the disaster. Impact fees will be calculated on the new rebuilt structure and the previous structure and the difference of fees will be assessed. No refunds will be made for rebuilds that have less impact fees than the previous structure.

Appendix A: Capital Improvement Plan

This page was intentionally left blank.

Table A-1: Capital Improvement Plan

Fire Facilities	Total Project Cost	Other Funding	DIF Project Cost
		Sources and Cost Attributable to City of Tracy	Attributable to the County
Fire Station 94 (Cordes Ranch Area)	\$13,092,000	\$12,306,020	\$785,980
Fire Station 99 (Ellis Area)	\$9,122,000	\$8,582,717	\$539,283
Fire Training Facility - Phase 2 & 3	\$10,364,000	\$9,587,600	\$776,400
New Fire Station (Pacific Gateway)	\$10,362,000	\$0	\$10,362,000
Fire Station 93 (Remodel) ¹	\$1,296,500	\$0	\$1,296,500
Total	\$44,236,500	\$30,476,337	\$13,760,163

Notes:

¹ A detailed summary of Fire Station 93 costs are included in Table A-2.

Table A-2: Fire Station 93 Capital Improvement Plan

Fire Station 93 Improvements	Cost
Personal Protective Equipment (PPE) Storage	\$30,000
Plymo-vent upgrade to accommodate the new Type 3	\$30,000
Air Lines plumbed to each apparatus	\$10,000
PPE Extractor and Dryer	\$50,000
Parking Lot Electric Security Gate	\$25,000
Decon apron with oil separator behind the station	\$200,000
Apparatus Bay Heating System	\$25,000
Upgrade Station Alerting (G-2 System)	\$75,000
Radio Tower Replacement	\$100,000
Replacement of both HVAC Units	\$60,000
Lighting Replacement with LED	\$10,000
Contingency (10%)	\$61,500
Solar Panels (includes mark-ups)	\$620,000
Total	\$1,296,500



Tracy Rural County Fire Protection District

Agenda Item 4.2

STAFF REPORT

Meeting: Regular Meeting
Date: September 12, 2023
To: Board of Directors
Prepared by: Raychel Jackson, District Clerk
Approved by: Pete Reece, Chairperson

Re: Approve Resolution 2023-10 to Adopt the Budget for Tracy Rural County Fire District for the Fiscal Year 2023-2024

RECOMMENDATION

Action Item X Non-Action Item

It is recommended that the Board of Directors approve the final budget for FY2023-2024.

BACKGROUND

The Fire Protection District Law of 1987 provides the Board shall adopt a preliminary budget before June 30 and adopt a final budget before or on October 1 of each year. On May 9, 2023, the Board of Director's approved a preliminary budget for FY 2023-2024.

DISCUSSION

Staff has prepared the FY2023-24 final budget based on current available information and with the direction of the Board of Director's from the May 9, 2023 preliminary budget meeting. The budget provides for the financial planning and evaluation for the operating and capital improvement accounts.

The General Fund is the general operating fund of the District. It is used to account for all financial resources. The major resource for this fund is property taxes and property assessments. Expenditures are made for public safety and other operating expenses. The proposed budget projects General Fund revenue of \$12.3M, an increase of \$1.4M. This revenue increase is primarily due to increased property tax revenue. The expenditure of \$12.2M has increased primarily due to UAL payments, and salary and wage increases.

The Capital Improvement Fund is used to account for the replacement of equipment, apparatus, building upgrades and construction of major capital projects. Resources are provided by transfers from the General Fund, grants, and fire facility fees. The proposed budget projects expenditures of approximately \$306,000.00 This includes annual payments



Tracy Rural County Fire Protection District

for E94 (\$112,437.72), BME (\$50,708.23), E93 (\$122,648.07)¹ and Equipment/Repairs (\$20,000.00). This includes a transfer into the Capital Improvements Fund from the General Fund in the amount of \$200,000.00.

The following are the apparatus payment structure:

Engine	Payment Amount	Remaining Balance	Remaining Payments	Due Date	Grant Amount
E94	\$112,437.72	\$425,954.53	4	April	
BME	\$50,708.23	\$196,372.40	5	August	\$67,147.00
E93	\$122,648.07	\$769,400.67			\$207,481.00

FISCAL IMPACTS

None.

ATTACHMENTS

1. FY 2023-24 Final Budget
2. Resolution 2023-10 – Approving and Adopting FY 2023-2024 Final Budget

¹ Payment not due until engine is delivered, between Feb-April 2024

ADOPTED BUDGET

General / Operating

FY23/24

Revenues

Property Taxes	\$	10,272,180.00
Property Assessments	\$	2,036,790.03
Homeowners / State Property Tax	\$	30,517.28
Interest	\$	10,000.00
Licenses, Permits		
Total Revenue	\$	12,349,487.31

Expenses

Audited Financial Statements	\$	8,300.00
Auditors Direct Assessment	\$	16,000.00
Auditors PR & AP Charges	\$	135,000.00
Auditors Tax Admin Charges	\$	600.00
Administrative	\$	57,881.25
Consultant Reports	\$	11,800.00
Director Fees	\$	20,000.00
Elections	\$	-
Facility Maintenance		
Station 93	\$	40,000.00
Station 94	\$	40,000.00
Station 95	\$	15,000.00
Banta	\$	5,000.00
Fund Transfers		
Capital Outlay		
Apparatus/Equip	\$	200,000.00
Building Maint/Impr	\$	-
Medical Leave Buyout	\$	150,000.00
Emergency Reserve	\$	-
Insurance - General Liabil.	\$	50,000.00
Legal Services	\$	145,000.00
Membership/Association Dues	\$	12,000.00
Miscellaneous	\$	15,000.00
Office Expense	\$	14,100.00
Retirement / CalPERS	\$	1,233,833.45
SSJCFA - JPA	\$	9,956,839.00
Travel	\$	3,000.00
Utilites	\$	82,000.00
Total Expense	\$	12,211,353.70
Net Income	\$	138,133.61

Capital Improvement

ADOPTED BUDGET

FY23/24

Revenues

Funds Transfer - Apparatus	\$	200,000.00
Funds Transfer - Building	\$	-
Total Revenue	\$	200,000.00

Expenses

Apparatus / Equipment

Engine Loan - 2021 Pierce (E95)	\$	112,437.72
Engine Loan - 2022 BME	\$	50,708.23
Engine Loan - 2023 Pierce (E93)	\$	122,648.07
Equipment / Repairs	\$	20,000.00
Total	\$	305,794.02

Training Tower	\$	-
----------------	----	---



Tracy Rural County Fire Protection District

Resolution No. 2023-10

APPROVING AND ADOPTING THE BUDGET OF THE TRACY RURAL COUNTY FIRE DISTRICT FOR THE FISCAL YEAR 2023-2024

WHEREAS, the District is required to adopt a budget per the Fire Protection District Law of 1987 on or before October 1 of each year, the Board must adopt a final budget which conforms to the accounting and budgeting procedures for special districts;

WHEREAS, the Board of Directors has reviewed and considered the Budget for Fiscal Year 2023-2024;

WHEREAS, the Budget provides a comprehensive plan of financial operations for the District including an estimate of revenues and the anticipated requirements for expenditures, appropriations and reserves for the forthcoming fiscal year;

WHEREAS, the Fiscal Year 2023-2024 Preliminary Budget was adopted on May 9, 2023, at the Regular Board Meeting;

WHEREAS, the Board desires to approve and adopt the District's Budget for Fiscal Year 2023-2024.

NOW THEREFORE, BE IT RESOLVED, by the Board of Directors of Tracy Rural County Fire Protection District that:

The District does hereby approves and adopts the Tracy Rural County Fire District's Budget for Fiscal Year 2023-2024.

Motion passed.

Passed, approved, and adopted this 12th day of September, 2023.

Pete Reece, Chairman of the Board

ATTEST:

Raychel Jackson, Clerk of the Board



Tracy Rural County Fire Protection District

Agenda Item 4.3

STAFF REPORT

Meeting: Regular Meeting
Date: September 12, 2023
To: Board of Directors
Prepared by: Raychel Jackson, District Clerk
Approved by: Pete Reece, Chairperson

Re: Receive an Update Regarding RPF for Financial Audit Services and Approve to Engage with Blomberg and Griffin, Certified Public Accountants to Conduct the Tracy Rural County Fire District Annual Fiscal Year Audit Ending June 30, 2023.

RECOMMENDATION

Action Item X Non-Action Item

Receive update regarding the RFP for financial audit services and approve to engage with Blomberg & Griffin to conduct the TRFD annual fiscal year ending June 20, 2023.

BACKGROUND

According to various State and Federal laws, the District is required to have annual audits and the District engages an independent Certified Public Account to act as auditor for the District. The District approved a contract with Blomberg & Griffin to provide independent auditing services. The District has utilized the services of this firm for at least the last eight fiscal years (FY 15/16 – 22/23). Government Code §12410.6(b), states in part that starting in the FY 2013-2014, a local agency shall not employ a public accounting firm to provide audit services to a local agency if that audit company has performed audit services for that local agency for six consecutive fiscal years. However, the District may continue to use the same audit firm if another managing partner prepares the annual audit report.

DISCUSSION

On July 11, 2023, the Board of Directors directed staff to prepare and submit a Request for Proposal for Audit Services. Staff worked with legal counsel and the financial ad hoc committee to prepare the RFP. On July 31, 2023, the RFP was finalized and published on the CSDA website in the RFP section and staff contacted and submitted the RFP to various firms who are familiar with special districts. The deadline to submit bids ended August 31, 2023. No bids were received. The District did receive one letter and 2 phone calls indicating they would not be able to submit a proposal at this time due to work load.

Blomberg & Griffin provided an independent audit proposal for review and approval.



Tracy Rural County Fire Protection District

FISCAL IMPACTS

The District has budgeted \$8,300.00 for audit services. The proposed fee is not to exceed \$7,750.00 plus the preparation of special district financial transaction report with State of California in the amount of \$750.00, approximately \$8,500.00.

ATTACHMENTS

1. Blomberg & Griffin Independent Audit Proposal.



Blomberg & Griffin Accountancy Corporation
Certified Public Accountant

INDEPENDENT AUDIT PROPOSAL

To The Board of Directors
Tracy Rural County Fire Protection District
793 S. Tracy BLV #298
Tracy, CA 95376

September 6, 2023

Dear Directors:

Thank you for the opportunity to submit the following proposal to serve as independent auditor for the Tracy Rural County Fire Protection District.

We propose to conduct an audit of the financial statements of the Tracy Rural County Fire Protection District for the year ended June 30, 2023.

We will plan and perform the audit in accordance with generally accepted auditing standards in the United States of America and minimum audit requirements of the State Controller's office will include tests of the accounting records and other procedures considered necessary under the circumstances. If our audit report is other than unmodified, we will fully discuss the reason with District's manager prior to presentation of the report. If during the audit we become aware of significant deficiencies in the design or operation of internal controls or of ways management practices can be improved, we will communicate such information to the District Board of Directors in a separate letter.

We propose to begin the audit for the year ended June 30, 2023, as soon as the District records are available. Setup, pre-list and certain other procedures would begin on notification of the contract. Fieldwork would begin soon after District personnel complete trial balance. The draft of the audited financial statements would be completed by November 30, 2023.

Our fee for the above services is based on hourly rates ranging from \$75 to \$125 per hour with a maximum fee not to exceed \$7,750. for the fiscal year ended June 30, 2023.

Tracy Rural County Fire Protection District- Audit Proposal – Page 2

This audit proposal is for a financial audit and the above fees include our entire out of pocket expenses including up to 7 bound copies of the audit report. Additional copies are available at \$10 each.

We will need the cooperation and assistance of District personnel to successfully complete the audit. Such assistance will include obtaining copies of documents, contracts, invoices, etc., various audit inquiries and assistance with preparation of the audit confirmations and other standard auditing procedures.

Should the District need additional services, our fee assisting shall be billed at the rate of \$125 per hour in addition to the audit fee discussed above. Such additional fees, if any, will be discussed with the District in advance of providing such services.

Should you need any additional information regarding this proposal please call John direct at (209) 466-3894.

Respectfully Submitted,



John E. Blomberg, CPA
Blomberg & Griffin Accountancy Corporation
john@blombergcpa.com

Approved By:

Signature

Dated



Tracy Rural County Fire Protection District

Agenda Item 4.4

STAFF REPORT

Meeting: Regular Meeting
Date: September 12, 2023
To: Board of Directors
Prepared by: Raychel Jackson, District Clerk
Approved by: Pete Reece, Chairperson

Re: Update Information Regarding Station Maintenance Issues

RECOMMENDATION

Action Item X Non-Action Item

Receive an update on Station 93, Station 94 and Station 95 maintenance issues and modifications and provide direction to staff concerning future projects.

BACKGROUND

Station 93, located at 1400 W Durham Ferry Road, was constructed and occupied in 2006. Station 94, located at 16502 West Schulte Road, was remodeled from an existing 20+ year old ranch house into a fire station in 1995. Over the years, both stations have experienced maintenance issues that can be attributed to their age and the normal wear and tear related to fire station operations.

DISCUSSION

Ongoing maintenance and repairs at all stations. Update on solar at Station 93; update on Cost for maintaining property; update on the punch list for Station 95;

FISCAL IMPACTS

None.

ATTACHMENTS

None.



Tracy Rural County Fire Protection District

Agenda Item 4.5

STAFF REPORT

Meeting: Regular Meeting
Date: September 12, 2023
To: Board of Directors
Prepared by: Raychel Jackson, District Clerk
Approved by: Pete Reece, Chairperson

Re: Discuss Engaging with a Consultant Regarding Griffith Energy Storage Project

RECOMMENDATION

Action Item X Non-Action Item

It is recommended that the Board of Directors discuss hiring a consultant firm to review and prepare comments on the Draft Environmental Impact Report regarding Griffith Energy Storage Project.

BACKGROUND

Griffith Energy Storage, LLC has applied to the San Joaquin County Community Development Department for a Site Approval to construct, operate, maintain and decommission a 400-megawatt battery energy storage system and associated facilities and infrastructure.

The energy storage facility would house lithium-ion batteries totaling 400-MW of energy on a 106-acre site and only an estimated 32 acres would be used for the Project, which is located at 20042 W. Patterson Pass Road. The Project would provide reliable and flexible power to the local electrical system. This Project would begin in 2024 and is anticipated to come online in 2025.

The District and staff have attended a Project Meeting as well as provided comments on the Notice of Preparation regarding this Project, per our land use attorney.

DISCUSSION

On January 27, 2023, the District provided a response to the Notice of Preparation to determine the levels of fire hazards of battery/energy storage technologies since we have limited information and details about the technology proposed for the project and the potential fire hazards and risks.



Tracy Rural County Fire Protection District

On August 18, 2023, the Draft Environmental Impact Report became available for public review and comment period from August 28, 2023 and concludes on October 12, 2023. Fire Marshal Spears is connected with a consultant company, Code Concepts Group, LLC that specializes in these types of applications and would be willing to assist in reviewing the DEIR and also assist in commenting on possible mitigation measures that are needed. This consultant reviewed a similar location in Kern County.

The DEIR is available from the County website using the following link:

<https://www.sjgov.org/commdev/cgi-bin/cdyn.exe/file/APD%20Documents/PA-2200137/Griffith%20Energy%20Storage%20Project%20Draft%20EIR.pdf>

FISCAL IMPACTS

The hourly cost is \$250/hour and at this time, the time commitment is unknown. The Board could request a not to exceed amount.

ATTACHMENTS

None.