



COUNTY OF NEVADA
COMMUNITY DEVELOPMENT AGENCY
DEPARTMENT OF PUBLIC WORKS
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NEVADA COUNTY BOARD OF SUPERVISORS
Board Agenda Memo

MEETING DATE: December 5, 2023
TO: Board of Supervisors
FROM: Heba El-Guindy, Director of Public Works
SUBJECT: **Resolution of Application to the Nevada County Local Area Formation Commission for Formation of a County Service Area in North San Juan for the North San Juan Fire Suppression System**

RECOMMENDATION: Approve the attached Resolution.

FUNDING: Funding for filing of this application comes from the General Fund. A budget of \$3,000 is requested for the filing of the application with the Local Area Formation Commission (LAFCo) and is budgeted in the Economic Development budget.

BACKGROUND: The attached Resolution is a formal action for the Board of Supervisors to apply to the Nevada County Local Area Formation Commission for formation of the County Service Area (CSA) to support the operation and maintenance of the North San Juan Fire Suppression System (Project). A CSA formation creates the funding mechanism for the operation, maintenance, and administration of the system. The cost for providing fire suppression services would be financed by parcel charges levied on each of the 142 parcels within the CSA boundary.

The Project involves construction of a 330,000-gallon water storage tank, approximately 4,200 feet of water mains and 10 fire hydrants in the commercial core of North San Juan to provide fire water storage and distribution for commercial and residential uses in the area. Completion of the Project is intended to remove a barrier for economic development and provide a reliable, robust means of fire water supply in North San Juan. Providing fire suppression within the commercial core of North San Juan is significant for fire safety because the community area serves as the only main fire break along the San Juan Ridge.

An Initial Study/Mitigated Negative Declaration (IS/MND) has been completed for this Project to meet the California Environmental Quality Act (CEQA) requirements. With appropriate mitigation measures in the IS/MND, the document concludes that the Project will have a less than significant environmental impact. This CEQA document is included in the Board's Agenda as Item 23-4885 and approval of this Resolution of Application is contingent on the approval of Item 23-4885. If Item 23-4885 is not approved, then this Resolution of Application will be withdrawn until the appropriate CEQA document for the Project is approved.

Following completion of construction, the system will be operated by the North San Juan Fire Protection District for its entire lifetime, but ownership will be retained by Nevada County. Cost estimates for the Project will be further refined during the Project's detailed design phase, with current initial estimates summarized as follows:

- Planning-level construction costs are estimated at \$2.5M,
- Staff time, permitting, and environmental mitigation is estimated at \$0.5M,
- The total Project cost is estimated at \$3.0M for the above-mentioned items.

Funding for the Project is planned to be provided by a mix of general fund, federal grants, and potentially state or local grants if pursued. The current funding outlook for the Project consists of the following:

- The County is anticipated to receive \$1.05M from federal earmarked funds for construction through the United States Department of Agriculture (USDA) Community Facilities Program and will be required to match at least 25% of the federal earmark (\$0.35M) from state or local funds.
- The non-USDA grant funded and match portion of the Project (\$1.6M) remains unfunded. .

The County will continue to explore grant opportunities for the unfunded portion of this Project including, but not limited to, the California Housing and Urban Development, Community Development Block Grant Program and the Federal Emergency Management Agency Building Resilient Infrastructure and Communities Program.

A boundary map, legal description, and a plan for services (in the form of engineering and proposed fee studies) have been prepared for the Project in accordance with LAFCo and Proposition 218 requirements and are included as attachments to this Report. The annual cost for operation and maintenance of the system is expected to total approximately \$18,172 per year. The fee is proposed to be an annual parcel charge spread amongst the 142 parcels within the zone of benefit, which results in a fee of approximately \$128 per parcel per year.

Staff is requesting that the Board of Supervisors approve the attached Resolution and authorize County Staff to complete and file an application with LAFCo to begin the CSA formation process detailed in the attachments.

Item Initiated by: Steven Whittlesey, Senior Civil Engineer
Approved by: Heba El-Guindy, Director of Public Works

Attachments:

- Attachment A - Resolution of Application for Formation of a County Service Area in North San Juan for the North San Juan Fire Suppression System
- Attachment B - "Exhibit A" North San Juan Fire Suppression System CSA Plan for Service
- Attachment C - IS/MND for the North San Juan Fire Suppression System, September 2023
- Attachment D - "Exhibit B1" North San Juan Fire Suppression System CSA Boundary Map by Nevada City Engineering, Inc. dated November 8, 2023
- Attachment E - "Exhibit B2" North San Juan Fire Suppression System CSA Boundary Legal Description by Nevada City Engineering, Inc. dated November 8, 2023
- Attachment F - North San Juan Fire Suppression System Final Engineering Study by Sauers Engineering, Inc. dated November 21, 2023
- Attachment G - North San Juan Fire Suppression System Final Fee Study by Sauers Engineering, Inc. dated November 21, 2023
- Attachment H - CSA Formation Process, Informational Handout by LAFCo
- Attachment I - Sample LAFCo Application Packet – to be completed by County Staff upon Board approval of the Resolution of Application