

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

AGENDA OF JANUARY 22, 2020

REGULAR MEETING

TO: **Shiva Frentzen, Chair, and
Members of the El Dorado County Local Agency Formation
Commission**

FROM: **José C. Henríquez, Executive Officer**

**AGENDA ITEM #10: CONTINUED DISCUSSION ON PROVIDING DIRECTION TO
STAFF ON LAFCO INITIATING THE CONSOLIDATION OF
GARDEN VALLEY, GEORGETOWN AND MOSQUITO FIRE
PROTECTION DISTRICTS**

RECOMMENDATION

In August, the Commission considered providing direction to staff on the issue of initiating the consolidation of Garden Valley, Georgetown and Mosquito Fire Protection Districts. Staff recommends that the Commission table this item for six months to provide more time for the fire chiefs to develop their own proposal further.

REASON FOR RECOMMENDED ACTION

This is a continuation of the discussion held at the August Commission meeting on whether the Commission would initiate the consolidation of the three aforementioned districts or give the fire chiefs more time to create their own solution. After deadlocking on two competing motions, Chair Frentzen requested that the item be returned for the next meeting. The September and December meetings were subsequently cancelled. During these four months, two fire chiefs have been developing their own proposals that may accomplish similar goals the Commission is attempting to accomplish here.

BACKGROUND

The pros, cons and issues surrounding this potential action have not changed much and were covered in the August meeting's staff report and its attachments. As a result, they are attached here for your reference and review. There were some questions that were raised in the meeting, as well as thorough subsequent conversations and meetings, that will be answered in order for the Commission to have a more focused discussion in January.

Process

Should LAFCO initiate a consolidation, the action must be preceded by a study or MSR that supports the Commission decision to instigate the project. Since no study currently exists, technically and legally the Commission would direct staff to initiate a study. Only if the results of the study point towards an action (consolidation or dissolution) would the Commission be in a position to initiate a project.

Timing

How long the study takes – most likely in the form of an MSR – depends on several factors:

- The level of complexity involved is related to the scope of the study;
- The number of districts involved in the study; and/or
- How cooperative those districts are with information.

As an example of how those three factors interplay, studying the potential for consolidation of two districts would be less complex than studying the consolidation of three districts. Should the Commission decide to involve El Dorado County Fire Protection District (ECF) as part of the study, then the scope changes significantly because 1) ECF is much larger than the three districts in question and 2) the action could involve consolidating the three districts into ECF or detaching the Georgetown Divide portion of ECF to annex into the newly consolidating district. Lastly, if a district does not want to be involved in whatever action the Commission wants to take, it can seek to hold up the results of the study by delaying the disclosure of information or by providing partial or incomplete information that requires multiple inquiries to resolve. While districts are mandated to answer any request for information from LAFCO, there is no clause that mandates an expedited answer.

Should the results of the study recommend consolidation, should the Commission initiate it and should enough protests be submitted to trigger an election, the necessary paperwork should be submitted to the Elections Department by July 1, 2020. Otherwise, it would be a standalone mail-in election for the voters to decide the consolidation question.

Costs

The costs of the study would be absorbed by LAFCO's budget. It will entail LAFCO staff performing the study unless the Commission prefers to bring in a consultant. As noted in August, a consultant would cost between \$60,000 and \$90,000. The cost of processing the consolidation proposal would be absorbed by LAFCO, estimated to be in the range of \$5,000-\$45,000 depending on the complexity and any mapping errors that may be found along the way. If a standalone mail-in election is necessary, the cost would be approximately \$15,000, according to the Elections Department (the costs would be shared with other entities in the unlikely instance that paperwork for an election can be submitted by July 1, 2020 so the question appears on the November ballot).

El Dorado County FPD

At the August meeting, a question was asked on why ECF was not considered part of the action. The answer bears repeating because the scope of the study depends on it. The

Commission can only initiate a limited number of actions, with consolidations and dissolutions being two of those narrow sets of actions. ECF's involvement could be one of these three possibilities:

- Its consolidation with the three FPDs on the Divide to create a brand-new agency;
- Its annexation of one or more of the three FPDs on the Divide; or
- Detaching the Divide portion of ECF and annexing that service area into one of the three exiting FPDs and/or the annexation of that area into the consolidated district created as a result of the combination of two or three FPDs on the Divide.

Comments Since the August Meeting

LAFCO staff has been monitoring the various inter-district conversations and has heard from several individuals since the August meeting. Garden Valley FPD, which initially supported the idea of a LAFCO-initiated consolidation and for reasons that will be discussed in the following two paragraphs, has withdrawn its support of a LAFCO-initiated consolidation. Representatives from Mosquito FPD, which was voluntarily participating in a possible consolidation with Garden Valley FPD, have also indicated to staff that they do not wish to be part of any consolidation discussion, LAFCO-initiated or otherwise, for a minimum of two years.

Your Executive Officer has also met with Georgetown FPD Fire Chief Glenn Brown. His comments were that while he has confidence that LAFCO will conduct an impartial study, he cautions against LAFCO initiating the consolidation without the input or engagement of the community and residents of Georgetown. He states that Georgetown FPD is "fine," can continue to operate as a stand-alone fire department and does not require any type of intervention.

Garden Valley FPD has been actively pursuing another option involving El Dorado County FPD. The proposal from Chief Savacool is to detach the Divide portions from County Fire, annex that service area to Garden Valley and rename the expanded district to "American River FPD." County Fire has brought forward a counter proposal to annex Garden Valley FPD into County Fire. The discussions are ongoing and in flux.

Opportunity Cost

Opportunity cost is the loss of potential gain from other alternatives when one alternative is chosen. In other words, it is the cost of the path not taken. It must be kept in mind that this proposal has the potential to consume a lot of time and resources, the latter of which LAFCO has a finite amount of given its budget and staffing. Should the Commission decide to initiate the study and not outsource it, then your Executive Officer, among other things, will have to postpone working on next year's budget and provide limited support to Chair Frentzen in her role as a member of the CALAFCO Board. In addition, should the Commission contemplate initiating its own proposal, it would need to budget in the costs for mailings, an election and potential litigation for FY2020-21.

Finally, the initiation of a consolidation of Garden Valley, Georgetown and Mosquito FPD could have a detrimental effect on the discussions and negotiations between Garden Valley and El Dorado County FPDs on their proposals and counter-proposals. In addition, the Commission will set in motion a potential consolidation between three districts that are hostile to the idea. For all of these reasons, staff recommends that the Commission

set aside this proposal and table it for six months. It is possible that the situation might be clearer by the second half of 2020.

Attachments

- Attachment A: Agenda Item 7 of August 28, 2019 Staff Memo (*attachments listed as B through E below*)
- Attachment B: LAFCO Study Session I Staff Memo plus attachments (Agenda of September 26, 2018)
- Attachment C: LAFCO Study Session II Staff Memo (Agenda of January 23, 2019)
- Attachment D: Flowchart - LAFCO-Initiated Change of Organization/Reorganization
- Attachment E: Flowchart – District Consolidation – Registered Voter District (not initiated by LAFCO)
- Attachment F: Elections Calendar
- Attachment G: September 16, 2019 E-mail from Linda Webster, Assistant Registrar of Voters
- Attachment H: September 14, 2019 E-mail from Tony Crawford to Chair Frentzen
- Attachment I: September 16, 2019 Letter from Garden Valley Fire Protection District Chief Clive Savacool to the Boards of Directors for Georgetown and Mosquito Fire Protection Districts (subsequently withdrawn, refer to Attachment J)
- Attachment J: October 18, 2019 Letter from Georgetown Fire Protection District Board President Rod Williams
- Attachment K: October 19, 2019 Letter from Mosquito Fire Protection District Long Range Planning Committee Member Connell F. Persico
- Attachment L: October 17, 2019 Letter from Mosquito Fire Protection District Board President Barbara Mikel
- Attachment M: Fire Protection Provider and Divide Fire Protection District Maps
- Attachment N: October 21, 2019 Letter from Mosquito Fire Protection District Board Member Charles Schnell