

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

**TABLE OF CONTENTS**

<b>I</b>	<b>EXECUTIVE SUMMARY .....</b>	<b>2</b>
<b>II</b>	<b>BACKGROUND .....</b>	<b>4</b>
	A. Legislative Framework .....	4
	B. Relationship Between Spheres of Influence and Service Reviews .....	6
	C. Service Review Guidelines.....	7
	D. Why Fallen Leaf Lake CSD Was Not Included in the 2011 Fire and Emergency Services Municipal Services Review.....	8
	E. The 2006 and 2008 MSRs and Their Immediate Results.....	8
<b>III</b>	<b>DESCRIPTION OF AGENCY .....</b>	<b>10</b>
	<i>Fallen Leaf Lake Community Services District</i> .....	10
<b>IV</b>	<b>ENVIRONMENTAL REVIEW.....</b>	<b>25</b>
<b>V</b>	<b>ENVIRONMENTAL JUSTICE.....</b>	<b>26</b>
<b>VI</b>	<b>SERVICE REVIEW ANALYSIS AND DETERMINATIONS .....</b>	<b>28</b>
<b>VII</b>	<b>SOI DETERMINATIONS.....</b>	<b>40</b>
<b>VIII</b>	<b>REFERENCES AND SOURCES .....</b>	<b>42</b>
<b>IX</b>	<b>APPENDICES.....</b>	<b>43</b>
<b>X</b>	<b>MAPS.....</b>	<b>43</b>

**LIST OF TABLES**

Table 1:	Fallen Leaf Lake Community Service District Call Log .....	17
Table 2:	Fallen Leaf Lake Community Services District Fire Department – Revenues .....	18
Table 3:	Aid to Fire: Historical Supplemental Percentages.....	19
Table 4:	Fallen Leaf Lake Community Services District Park and Recreation Department – Revenues.....	21
Table 5:	Fallen Leaf Lake Community Services District General Fund – Revenues..	21
Table 6:	Fallen Leaf Lake Community Services District Fire Department – Expenditures.....	22
Table 7:	Fallen Leaf Lake Community Services District Park and Recreation Department – Expenditures .....	23
Table 8:	Fallen Leaf Lake Community Services District Administrative General Fund – Expenditures.....	24
Table 9:	2000 and 2010 Census Population by Race.....	27
Table 10:	Fiscal and Deployment Condition of the Fire Agencies .....	37

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

**I EXECUTIVE SUMMARY**

State mandates enacted in 2000 establish requirements for a Local Agency Formation Commission to conduct comprehensive reviews of all municipal services in its County. This Fallen Leaf Lake Community Services District MSR serves as the basis for the accompanying sphere of influence determinations and the background information that will be utilized when considering future government reorganizations.

This MSR is part of the Commission’s adopted schedule for the second cycle of MSR/SOI updates. It is also part of the Fiscal Year 2008-09 Work Plan. The services provided by the district are fire suppression and parks and recreation. Some of this report’s key findings are summarized in the table below:

Agency	Agency Population	Percentage of Firefighter Corps that is Volunteer	Average Property Tax Increment	Total Agency Revenues FY2011 (all services)	Total Agency Expenditures FY2011 (all services)	Nonrecurring Revenues as Percent of Total Revenue (fire services only)	2010 FESS Fiscal and Deployment Condition Assessment (fire services only)
Fallen Leaf Lake CSD	40-100 (permanent) 400-2000 (seasonal)	80-90%	5.34%	\$355,392	\$347,409	30%	Unstable

The information contained in this document does not explicitly plan for future services, nor will any action or change in services result directly as a result of LAFCO’s adoption of the document. This Service Review provides a description of existing services provided by the district and is inherently retrospective, taking a “snapshot” of existing conditions. However, this document will be used as a guide for future decisions by LAFCO in determining an agency’s ability to provide services.

Fallen Leaf Lake CSD struggles to operate a fire department with diminishing revenues. The loss of Aid to Fire means the District loses approximately \$60,000 in operating funds. In order to compensate, the District has raised its special tax to the maximum level authorized by voters, which mitigates the loss of Aid to Fire funds but does not fully offset them. To complicate matters, the permanent population is small relative to the total number of landowners within FLL. This means that the Board of Directors has to deal with the political reality that a small number of voters can impose its will on a much larger number of residents if and when they authorize an increase in special taxes.

On the parks and recreation side, the District outsources its general store and café to a vendor. In addition, the District is in the process of refurbishing its marina. The District’s website currently has minimal information available to the public.

---

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

For each of the six categories of required determinations, LAFCO staff has prepared recommendations recognizing the following: unique land use and planning conditions, government organization and fiscal circumstance that affect the provision of services, effects of demographic changes and growth, communities with different and similar service needs, and efforts to enhance service and impediments to doing so.

The service review and LAFCO's adoption of a resolution making determinations are categorically exempt from the California Environmental Quality Act (Class 6, §15306). In undertaking this service review and making determinations, LAFCO also considered its responsibilities under federal and state civil rights and environmental justice laws.

## II BACKGROUND

### A. Legislative Framework

In 1997, the State Legislature established the Commission on Local Governance for the 21<sup>st</sup> Century (CLG). The CLG was tasked with assessing governance issues and making recommendations, directing special attention to the Cortese-Knox Local Government Reorganization Act of 1985, the then-57 Local Agency Formation Commissions governed by the Act and citizen participation in local government. CLG members included a broad spectrum of constituent groups and perspectives including counties, cities, special districts, educators, industry and elected officials.

The CLG concluded that LAFCOs needed more specific background information, before decisions on specific applications were considered, to encourage orderly growth and to provide planned, well-ordered, efficient urban development patterns and to advantageously provide for the present and future needs of each county and its communities. Specifically, the CLG recommended that information on public service capacity and issues be gathered through periodic service reviews. These service reviews would ultimately constitute a statewide body of knowledge that could be used to resolve California's growth-related public service issues. Based on these recommendations, the State Legislature enacted Government Code §56430 as part of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH), which became effective on January 1, 2001.

Section 56430 of the CKH Act, in part and as amended effective January 1, 2012, states as follows:

- (a) In order to prepare and to update spheres of influence in accordance with Section 56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission. The commission shall include in the area designated for service review the county, the region, the sub-region, or any other geographic area as is appropriate for an analysis of the service or services to be reviewed, and shall prepare a written statement of its determinations with respect to each of the following:
  - (1) Growth and population projections for the affected area.
  - (2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.
  - (3) Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

- (4) Financial ability of agencies to provide services.
  - (5) Status of, and opportunities for, shared facilities.
  - (6) Accountability for community service needs, including governmental structure and operational efficiencies.
  - (7) The potential effect of agency services on agricultural and open space lands.
- (b) In conducting a service review, the commission shall comprehensively review all of the agencies that provide the identified service or services within the designated geographic area. The commission may assess various alternatives for improving efficiency and affordability of infrastructure and service delivery within and contiguous to the sphere of influence, including, but not limited to, the consolidation of governmental agencies.
- (c) In conducting a service review, the commission may include a review of whether the agencies under review, including any public water system as defined in Section 116275, are in compliance with the California Safe Drinking Water Act (Chapter 4 (commencing with Section 116270) of Part 12 of Division 104 of the Health and Safety Code). A public water system may satisfy any request for information as to compliance with that act by submission of the consumer confidence or water quality report prepared by the public water system as provided by Section 116470 of the Health and Safety Code.
- (d) The commission may request information, as part of a service review under this section, from identified public or private entities that provide wholesale or retail supply of drinking water, including mutual water companies formed pursuant to Part 7 (commencing with Section 14300) of Division 3 of Title 1 of the Corporations Code, and private utilities, as defined in Section 1502 of the Public Utilities Code.
- (e) The commission shall conduct a service review before, or in conjunction with, but no later than the time it is considering an action to establish a sphere of influence in accordance with Section 56425 or 56426.5 or to update a sphere of influence pursuant to Section 56425.

In addition, several sections of CKH empower LAFCOs to obtain information for service reviews:

- Section 56378 authorizes LAFCOs to initiate and make studies of existing governmental agencies. “In conducting those studies, the commission may ask for land use information, studies, and plans of cities, counties, districts, including school districts, community college districts, and regional agencies and state agencies and departments. (Those agencies) shall comply with the request of the commission for that information...”

---

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

- Section 56846 states, “Every officer of any affected county, affected city, or affected district shall make available to a reorganization committee any records, reports, maps, data, or other documents which in any way affect or pertain to the committee’s study, report, and recommendation and shall confer with the committee concerning the problems and affairs of the county, city, or district.”
- Section 56844 authorizes the Commission to undertake a study or report in place of a reorganization committee, thereby transferring those access rights.

**B. Relationship Between Spheres of Influence and Service Reviews**

The CKH Act requires LAFCOs to develop and determine the sphere of influence (SOI) for each applicable local governmental agency that provides services or facilities related to development. Government Code §56076 defines a SOI as “a plan for the probable physical boundaries and service area of a local agency.” Service reviews must be completed prior to the establishment or update of SOIs (§56430(a)). Spheres of influence must be reviewed and updated, as necessary, not less than once every five years (§56425). El Dorado LAFCO’s policies already contain the update requirement (Policy 4.2).

The information and determinations contained in a municipal service review are intended to guide and inform SOI decisions. Service reviews enable LAFCO to determine SOI boundaries and to establish the most efficient service provider for areas needing new service. They also function as the basis for other government reorganizations. Section 56430, as noted above, states that LAFCO can conduct these reviews “before, in conjunction with, but no later than the time it is considering an action to establish a SOI.”

In addition to the factors in Government Code §§56425 and 56430, the Commission’s Policies and Guidelines Section 4.4 require that it make the following determinations prior to establishing a sphere of influence:

- (1) The service capacity, level and types of services currently provided by the agency and the areas where these services are provided.
- (2) Financial capabilities and costs of service.
- (3) Topographic factors and social and economic interdependencies.
- (4) Existing and planned land uses, land use plans and policies; consistency with county and city general plans and projected growth in the affected area.
- (5) Potential effects on agricultural and open space lands.

---

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

- (6) A description of the services that will be provided to any areas which may be added to the sphere and the timing and method for funding expansion of facilities or services.
- (7) An analysis of the effects a proposed sphere of influence on other agencies and their service capabilities.

**C. Service Review Guidelines**

The Governor's Office of Planning and Research (OPR) was directed by statute (§56430) to prepare guidelines to assist LAFCOs in complying with the new service review requirements. In that regard, the final *Local Agency Formation Commission Municipal Service Review Guidelines* was released in August 2003. These guidelines were utilized in the preparation of this MSR.

The guidelines identify several possible goals and objectives for municipal service reviews to be achieved through written determinations in the nine required areas. These goals and objectives are as follows:

- Promote orderly growth and development in appropriate areas with consideration of service feasibility, service costs that affect housing affordability and preservation of open space, important agricultural land and finite natural resources.
- Encourage infill development and direct growth to areas planned for growth in general plans.
- Learn about service issues and needs.
- Plan for provision of high quality infrastructure needed to support healthy growth.
- Provide tools to support regional perspectives or planning that address regional, cross-county or statewide issues and processes.
- Develop a structure for dialogue among agencies that provide services.
- Develop a support network for smaller or ill-funded districts that provide valuable services.
- Provide backbone information for service provider directories or inventory reference documents for counties that do not have them.
- Develop strategies to avoid unnecessary costs, eliminate waste and improve public service provision.
- Provide ideas about opportunities to streamline service provision through use of shared facilities, approval of different or modified government structures, joint service agreements, or integrated land use planning and service delivery programs.

---

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

- Promote shared resource acquisition, insurance policies, joint funding requests or strategies.

The guidelines emphasize that “LAFCOs may need to modify these recommendations to reflect local conditions, circumstances and types of services that are being reviewed.” To that end, El Dorado LAFCO also utilized its own set of policies for service reviews (Policy 5 et seq.), which incorporate the goals and objectives listed above.

**D. Why Fallen Leaf Lake CSD Was Not Included in the 2011 Fire and Emergency Services Municipal Services Review**

Fire suppression in El Dorado County is provided through one city, one county water district, two community service districts, and ten fire protection districts (refer to Map 1). Ambulance services are overseen by the County of El Dorado, funded through two county service areas and outsourced to two joint powers authorities composed of the fire suppression agencies. In addition, the level of coordination and cooperation among the fire agencies in El Dorado County is extensive. Through the El Dorado County Fire Chiefs’ Association, the fire agencies coordinate the classification of calls, new recruit training, fire prevention standards, radio frequencies, and facilitate the discussion that affects all districts countywide. In addition, with the exception of Meeks Bay, all districts belong to a joint powers authority, providing the staff and ensuring the proper equipping of the ambulances that respond to medical calls. Consequently, one needs to see the system’s “big picture”: in El Dorado County, the fire and emergency response system is *functionally* integrated. That was the logic behind aggregating the service review of most fire and EMS agencies into a single *Fire and EMS* Municipal Service Review.

However, that only speaks to fire and emergency medical services. Fallen Leaf Lake Community Services District is a multi-function agency that provides other services besides fire suppression and EMS, so it seems more appropriate that all of its powers be analyzed in its own individual MSR. Just like in the 2011 Fire and EMS MSR referenced Fallen Leaf Lake CSD to round out its discussion, this MSR will reference the 2011 Fire and EMS MSR where appropriate.

**E. The 2006 and 2008 MSRs and Their Immediate Results**

In the inaugural cycle of municipal service reviews (2001-2008), studies were conducted based on the type of services provided by an agency, not on the agency itself. Consequently, as part of this cycle, Fallen Leaf Lake CSD appeared in two MSRs. The first was the 2006 *Countywide Fire Suppression and Emergency Services Municipal Services Review* and the second was the 2008 *General Government Services I Municipal Services Review*.

---

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

Both of these reports found that Fallen Leaf Lake CSD was providing adequate services, but that finances compromised its long-term ability to continue providing those services. When the Aid to Fire program was terminated in 2009, Fallen Leaf Lake CSD lost its largest and most prominent source of funds. While the Board of Supervisors chose to continue providing County General Fund monies to FLL, and has been doing so since 2010, a more long-term financial solution for Fallen Leaf Lake will need to be created or found.

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

**III DESCRIPTION OF AGENCY**

***Fallen Leaf Lake Community Services District***

Contact Information

**Address:** P.O. Box 9415  
South Lake Tahoe, CA 96158

**Phone:** 530-544-3300

**Website:** www.flcsd.org

Management Information

**Manager:** Garry Gerren, Fire Chief and General Manager

**Governing Body:** Board of Directors

**Board Members:** Tom Bacchetti Elected: 2009-2013  
Stephanie Neidig Elected: 2009-2013  
Lawrence Calof Elected: 2011-2015  
Stephen A. Malley Elected: 2011-2015  
Mike Cathcart Elected: 2011-2015

**Board Meetings:** Vary, meetings are four to eight times per year. Public forums held holiday weekends, July 4 and Labor Day.

**Staffing:** Secretary-treasurer, general manager/fire chief, paid and volunteer seasonal firefighters.

Service Information

**Empowered Services:** Fire protection and parks and recreation

**Services Provided:** Fire protection and parks and recreation

**Latent Powers:** None

**Area Served:** Six square miles, north of Angora Ridge Road approximately one mile south of Highway 89

**Population Served:** 400-2,000 during summer, 40-100 during winter

**Major Infrastructure:** Marina, store, fire protection facilities and equipment

Fiscal Information

**Budget:** \$356,035 for FY 2011-12

**Sources of Funding:** Property tax revenues, fire tax, and revenues from lease of the store and marina. Fire department is partially funded through grants and County funds.

**Rate Structure:** Fire assessment parcel fee: \$395 per year

---

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

**Background**

The Fallen Leaf Lake Community Services District (FLL) was formed in December 1982 under Government Code §61000, et seq., for the purpose of providing improved fire protection and related services in the Fallen Leaf Lake Basin. Park and recreation services were added to the CSD's authorized powers in 1987. The CSD covers six square miles (4,000 acres) and is located generally west/southwest of the City of South Lake Tahoe and north of Echo Summit. The district abuts Desolation Wilderness and is bounded on all sides by Eldorado National Forest Service lands. The district is approximately one mile south of Highway 89. All private lands are designated as SRA. Federally owned lands compose the majority of the district (refer to Map 1).

The principal natural features of the FLL include Fallen Leaf Lake in the center of the district, and steep, densely wooded ridges and mountains. Roads and access within the district are limited by terrain, weather and topography. Fallen Leaf Lake Road is not open year-round, although winter use is increasing because of the ski season. The popular Glen Alpine trailhead into Desolation Wilderness is in the district. Several other trails also originate in the district. Residential and visitor use in the district is an identified risk in the Lake Tahoe wildland area.

**Land Use and Population Forecasts**

Land uses include single family residential dwellings and agricultural designations for timber. There are commercial services in the lodge/resort/marina area. There are no industrial areas. Growth in the district is limited because of Tahoe Regional Planning Agency (TRPA) regulations; however, the renovation and rebuilding of existing homes can increase the size and complexity of a home. This, in turn, increases service demand without increasing the actual number of structures.

FLL contains approximately 90 registered voters within its boundaries. The communities served include year-round and summer owner-residents, Forest Service leaseholders, and numerous recreational users (day hikers and overnight backpackers). Numerous homes surround the lake, including Fallen Leaf Lake Associates (25 families), Fallen Leaf Lake Homeowners Association (at least 11 families), Fallen Leaf Lodge Homeowners Association (23 families), Fallen Leaf Tract Association, and Lakeview Corporation (42 homeowners). A total of 344 structures are contained in FLL's service area, including one three-story 20,000 square foot conference center, one three-story store/grill/residence and two marinas.

The estimated population is 10-100 residents during the winter season and 1,000-2,000 residents during the summer. Year-round residents include residents of some of the 35 newer "winterized" homes, the fire chief, security officer, and permanent Stanford Sierra Conference Center (Stanford Center) employees. An estimated 400 persons use the Stanford Center at any given time during the summer season.

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

**Services and Programs**

Empowered services under Government Code §61000 et seq. include fire protection and recreational services.

**Fire Protection and Emergency Medical Services**

The District operates one station with structure fire engines and wildland fire units. The nearby City of South Lake Tahoe Fire Department provides important automatic aid and assistance to augment the services provided by the Fallen Leaf Fire Department. Under the provisions of an annual contract with the District, the City has one fire engine and a battalion chief available on a 24-hour basis to respond automatically to fires, provided that the roads are passable. Appendix A contains a summary of fire-related programs and services provided by FLL and its fellow fire suppression agencies.

The potable water supply in the district is served primarily through two mutual water companies, Fallen Leaf Lake Mutual and Fallen Leaf Mutual Water Company, along with several other smaller, organized water providers in the district. The fire department pumps lake water with its fire boat.

Fire service levels vary within the district; structures closer to the lake with better access to water have an ISO rating of four and higher service response from the fire department. However, service is difficult to provide to some remote “walk-in” cabins with no road access at all, which have an ISO rating of nine. FLL’s last ISO rating was completed in March 2004.

**Park and Recreation Services**

The only recreational service provided by the District is the management of the marina and store, which the CSD contracts out to another entity. At its May 14, 2011 meeting, the District voted to accept the proposal of Tahoe Recreation, a division of California Land Management, to operate the District's general store and marina for a five-year period ending in 2016.

**Senate Bill 135**

In 2006, SB 135 (Kehoe, 2005), among other things, mandated the designation of a community services district’s powers as active or latent. Specifically, the bill defined and clarified “latent powers” as any service that a CSD is authorized to perform but LAFCO has determined, through its MSR process, is not being provided prior to January 1, 2006. In February 2008, the Commission determined Fallen Leaf Lake does not have any latent services.

**Infrastructure and Facilities**

**Fire Protection and Emergency Medical Services**

FLL has one fire station, Station 9, at 241 Fallen Leaf Road, on the south shore of Fallen Leaf Lake. The Fallen Leaf Fire Department also uses a USFS storage

---

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

building for seasonal winter storage and Lake Valley FPD and South Lake Tahoe's air filling station to refill air bottles for SCBA units.

Completed in 2000, Station 9 was the direct result of the construction of 35 new homes at Fallen Leaf Lake. Fallen Leaf homeowners provided 2.5 acres of land for public use, including a new fire station. The 2010 Fire and Emergency Services Study (FESS) conducted by Citygate Associates and administered by LAFCO on behalf of the County and the fire districts found that the station does not need to be replaced.

The 2010 FESS did find deficiencies in the District's heavy equipment, which is composed of a fire boat and four fire engines. One of those engines is 10 years old and all of the others are more than 18 years old, exceeding the NFPA recommended life span of 15 years for front line use.

Under the provisions of an annual contract with the district, the City of South Lake Tahoe (SLT) has one Type 1 engine and battalion chief available on a 24-hour basis to respond automatically to fires, provided that the roads are passable. In addition, SLT currently provides mapping and radio dispatching services within the District; however, dispatching functions may move to CALFIRE's Camino Dispatch Center.

There is dense wildland/interface exposure on all structures. In addition, narrow, dead-end and seasonal roads are a significant impediment to fast response time by emergency vehicles. Day-use visitors further congest roadways with vehicles, especially if they park them illegally. The fireboat, however, is unimpeded by traffic or parking problems, contributing to the low ISO rating for many homes because of its ability to pump water at a high volume of 500 GPM.

Some of the homeowners have installed pumps and other improvements to enhance fire protection. One innovative program implemented by the District to reduce fire risk is to train a select group of citizens to access floto pump hoses and nozzles located in secure centralized locations and connected to dry standpipes from the lake. The intent is to respond to a fire with this equipment in order to slow its spread until the fire department arrives. These pumps are located in difficult areas to access with a vehicle or along the lakeshore.

### **Park and Recreation Services**

FLL's recreation facilities include the marina, the general store and café building and the community building. FLL also owns one apartment on Beach Road. As stated earlier, the marina and the general store and café are operated and staffed by a third party.

When the general store operation moved to its current building, a community resident refurbished the Old Store for use by the community and is now referred to as The Fallen Leaf Community Center (FLCC). Since the refurbishment, the FLCC does not require more than preventative maintenance for its upkeep, which the

---

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

District budgets and performs. The Fallen Leaf residents use the facility either for personal use or reserve it for special activities.

FLL has replaced approximately 2/3 of the docks in the marina. The work was financed through the use of FLL's reserves. The remainder will be replaced once enough reserves are accrued. Reserves are also established for other improvement projects, including replacement of fire department and store facilities.

**Personnel and Staffing**

**Fire Protection**

The CSD employs one full-time employee, the fire chief, who resides at the lake year-round. A relief chief covers the time off during summer season (between May 15<sup>th</sup> and Sept. 15<sup>th</sup>). Traditional retirement and other benefits are not provided in this position and the annual salary is less than \$60,000. The District also has three seasonal salaried employees; with one firefighter on duty per shift. A part-time Secretary/Treasurer for the district works under contract and is based in South Lake Tahoe. There are no vacant paid positions.

The total headquarters staff is limited. While the District reports one Chief Officer, the reality is that this position's pay level only supports part-time work and the position serves, as needed, as a line firefighter responding to incidents. As the smallest fire suppression agency in El Dorado County, and one that is open only during the non-winter weather, the staffing can be best characterized as "everyone is a line worker."

FLL also participates in shared training with the City of South Lake Tahoe and Lake Valley FPD.

**Park and Recreation Services**

The district's administrative and park and recreation staff includes one secretary-treasurer. The secretary is an independent contractor with a separate agreement for each of the two services.

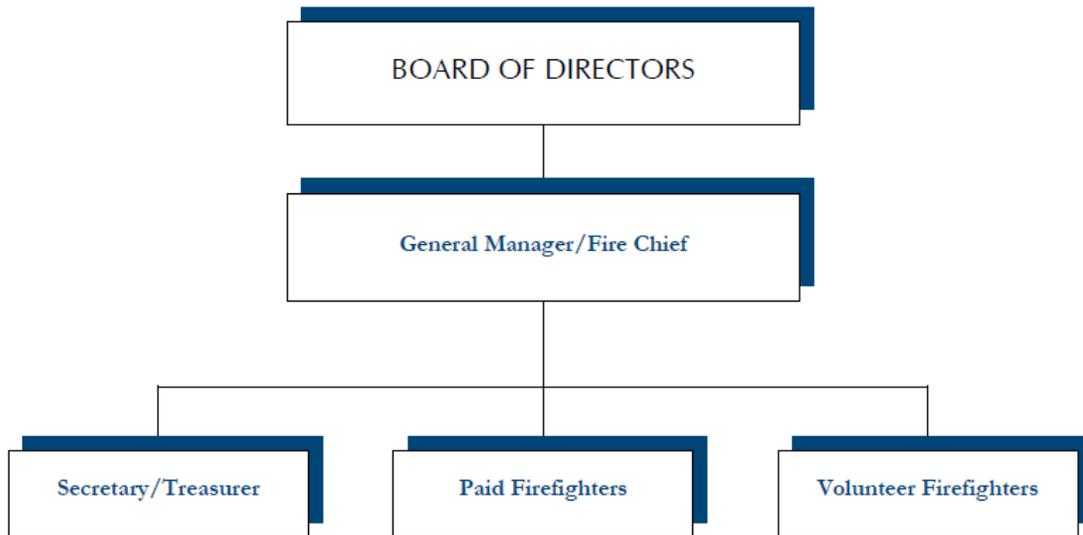
**Administration, Management, and Operations**

The chart below represents FLL's organizational structure:

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

FALLEN LEAF LAKE CSD ORGANIZATIONAL CHART



**Board of Directors**

FLL is governed by a five-member elected board of directors, elected at large to four-year staggered terms. Board members must be registered to vote at addresses within the district. Board members receive no compensation, stipends or benefits. Meetings are held at a minimum of three meetings per year in the fire station, typically on or near the three major summer holiday weekends (Memorial Day, 4<sup>th</sup> of July, Labor Day). One other “off season” meeting is usually convened. Typically 50-70 persons attend, depending on the issues appearing on the agenda.

The only standing committee that was identified by Chief Gerren is the Community Advisory Committee; however, the District’s bylaws allow for ad hoc committees as needed on other matters.

Because a large percentage of FLL residents are second homeowners, finding people to be members of the board is difficult. As noted earlier, a person must be a registered voter within the District to serve on the board. Since few people make FLL their home year round, the qualified candidate pool is very small. In the past, several FLL residents have contacted the LAFCO office to complain about prior board members, questioning their eligibility to serve. In 2011, the El Dorado County Registrar of Voters and the District Attorney sent a joint letter to registered FLL voters warning them against fraudulently registering to vote in Fallen Leaf if the home is not their primary domicile. As of mid-May 2013, the number of registered voters was fewer than 120.

---

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

**Administration—General**

The Fire Chief acts as a General Manager. The CSD office is located at the marina/store building at 400 Fallen Leaf Road. Records and archives are housed in the office and also at Station 9. Office hours are approximately 9 am to 5 pm on most days.

**Administration—Financial**

FLL is financed through property taxes, benefit assessments, interest payments, and leases. Between 2001-2011, FLL also received County supplemental funds (this program went by different names, such as “Augmentation Funds,” “Parity Funds,” “County Supplemental Funds” and “Aid to Fire.” This report will use these different names, but they all describe the same program). The amount of information currently available to the public on the District’s website is fairly limited and parts of it are outdated. The approved and preliminary budgets for Fiscal Year 2012-13 for fire, administration and parks and recreation are available online; however, there are no other financial documents posted, such as budgets for previous years, fee schedules, rental fees or financial statements/audits.

All accounting and banking is handled independently by the District. The County collects and holds tax and assessment revenues in a custodial account. FLL transfers funds and manages them through several checking and savings accounts, segregated by purpose. Financial policies define the purpose of each account, including a general fund for administration activities and a fiduciary fund. Separate accounts are organized for fire service operations, firehouse accrual account, apparatus accrual and administration. The district also has parks & recreation accounts for general operations, a commercial lease security deposit account and for other purposes.

**Administration—Operations**

Call and Response Data

All 911 calls and responses are recorded by the dispatch center at South Lake Tahoe. Electronic data are not available for FLL. Consequently, the data contained here is self-reported. The definitions for the call categories are:

- Structure Fire – Any fire response with an ignition component to any structure or improvement on any parcel. This category does not distinguish between commercial or residential, but calls are not related to a vegetation or vehicle fire.
- Non-Structure Fire – Any fire response with an ignition component that does not involve an improvement. This would be a vegetation fire, an escaped control burn or an illegal control burn.
- Vehicle Fire – Vehicle on or off roadway as primary ignition component.

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

- Vehicle Accident – Vehicular collisions, involving either singular accidents or multiple vehicles.
- Medical Aid – Calls requiring medical aid, not related to a structure or non-structure fire or to vehicle accidents and fire.
- Haz-Mat – Calls related to hazardous materials.
- Good Intent – False Alarms, accidental pulls, smoke checks, etc.
- Other – Miscellaneous calls not related to any other category.

**Table 1: Fallen Leaf Lake Community Service District Call Log**

Incident Type	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Structure Fire	0	1	0	1	1	1	1	0	0	1
Non-Structure Fire	7	11	5	8	4	10	3	1	0	0
Vehicle Fire	0	1	0	0	0	0	0	0	0	0
Vehicle Accident	0	1	1	1	0	1	0	0	0	0
Medical Aid	25	21	23	10	18	14	8	7	22	20
HazMat	4	1	2	0	1	0	1	0	0	0
Good Intent/False Alarm	8	6	4	2	4	7	3	0	1	3
Other	1	2	8	4	4	3	4	3	27	16
<b>Total Calls</b>	<b>45</b>	<b>44</b>	<b>43</b>	<b>26</b>	<b>33</b>	<b>36</b>	<b>20</b>	<b>11</b>	<b>50</b>	<b>40</b>

The 2010 FESS found that from 2006 through 2008, the Fallen Leaf Fire Department responded to an average of 32 incidents per year. Peak activity is May through September. Average arrival time for first Fallen Leaf Fire Department responder is 4:48 minutes from time of dispatch. Ambulance response times from dispatch to arrival average 18:57 minutes.

**Funding and Budget**

The discussion in this section is descriptive and amounts cited are approximate, based on information provided to LAFCO or available at the time of this report from other reliable sources. Unlike other multi-function districts, FLL keeps its two operations separate from each other and adopts individual budgets for each sector, as well as for the administrative functions. The revenue sources and expenditures between the two are distinct from each other. In addition, the fire and parks and recreation departments both contribute revenues to the administration division.

**Fire Services**

FLL is financed through property tax revenues and a special fire and EMS tax of, on average, \$595 per parcel, though a small percentage of parcels are only

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

charged half that amount and one parcel's special tax amount is \$22,610. Additionally, the district is financed through the lease of the store and marina. The Fire Department also receives grants for specific projects.

Earlier in the decade, the Fallen Leaf Lake Community Services District has made good faith loans between the recreation department and the fire department. However, that practice has stopped due to an admonishment from the El Dorado County Grand Jury. Since that review, all outstanding loans between the departments have been paid.

The Park and Recreation department has also paid off a \$20,000 interest free loan from the Fallen Leaf Lodge Homeowners Association.

**Table 2: Fallen Leaf Lake Community Services District Fire Department – Revenues**

Revenues	2006-2007 Actual	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Actual	2011-2012 Actual
<b>Taxes</b>	<b>\$186,002</b>	<b>\$196,850</b>	<b>\$204,404</b>	<b>\$198,106</b>	<b>\$206,549</b>	<b>\$249,623</b>
AV Property Taxes	19,633	18,615	20,716	19,855	23,404	26,695
Supplemental County Funding	56,993	60,422	60,454	55,853	0	38,690
Direct Assessments	104,765	115,507	122,430	122,067	182,574	183,720
Interest - County	4,611	2,305	804	329	571	518
Mutual Aid Reimbursements	0	47,506	19,564	0	0	0
FEMA/Other Grants	2,264	0	0	0	0	0
Assist to Firefighters	27,000	0	0	0	0	0
Accrual Accounts	5,133	9,074	122	188	0	2,209
Clothing Sales	1,671	2,575	1,392	0	3,554	2,880
Donations and Fundraisers	1,770	34,285	15,719	1,594	2,680	8,569
Sale of Assets	0	2,000	0	0	0	0
Miscellaneous Revenue	53	22,788	22,108	30,605	269	4,575
<b>Total Revenues</b>	<b>\$223,893</b>	<b>\$315,078</b>	<b>\$263,309</b>	<b>\$230,493</b>	<b>\$213,052</b>	<b>\$267,856</b>

Total assessed value within the district was \$83,393,916 in FY 2012-2013. The entirety of the FLL service area falls into two tax rate areas, collecting property tax increments of 4.9791% and 5.6972%.

The budget numbers shown here highlight two things. First, upon the cancellation of the Aid to Fire program, the District increased the special taxes residents pay to stabilize revenues. The special tax went from a pre-2010 level of \$395 to \$595, the maximum amount allowed by the voters. That increase led to a \$60,000 collection of additional revenues, which mitigated, but not fully offset, the loss of Aid to Fire. Second, the budgets also show the impact of Aid to Fire, pre and post-2009. Fiscal Year 2011-2012 indicates that even with the increase in special

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

taxes, the district needs additional revenue to return to pre-2009 levels. FY2011-2012 shows the impact that the one-time, post-Aid to Fire assistance of \$38,000 from the County had on District revenues.

*County Augmentation Funds*

Beginning in 2001, the County of El Dorado transferred monies out of its general fund to support eight of the county's 14 fire agencies. The amount each agency received varied, depending on the average property tax increment percentage for the district and subject to amendments. The original August 28, 2001 contract specified that the County General Fund's backfill to districts would be an amount sufficient to bring them up to a 13% property tax rate. Because of decreasing revenues going into County coffers, in 2007 the districts and the County negotiated an amount lower than the 13% threshold. The following table shows how the increments changed over time, from the beginning of Aid to Fire to the last year where 100% of the negotiated funds were provided:

**Table 3: Aid to Fire: Historical Supplemental Percentages**

FIRE DISTRICT	INCREMENT BACKFILL	
	2001 AGREEMENT	FY 2008-09
Fallen Leaf Lake CSD	6.47%	10.16%
Garden Valley FPD	5.95%	5.05%
Georgetown FPD	1.33%	1.30%
Latrobe FPD	5.97%	7.59%
Meeks Bay FPD	5.66%	4.04%
Mosquito FPD	3.01%	2.71%
Pioneer FPD	3.83%	4.35%
Rescue FPD	2.77%	2.45%

In 2009, the County terminated the contract on the grounds that it cannot continue this financial arrangement. Part of the termination of the contract was to use some of the Aid to Fire funds to commission a report on fire and emergency services. The end result was the 2010 FESS, which recommended that the County continue the County Augmentation Fund for two years to give the districts sufficient time to develop and implement a plan to become self-sufficient.

In June 2010, a fragmented Board of Supervisors agreed to a revised Aid to Fire agreement with the eight rural recipient districts. The 2010 program would allocate \$1.2M over two years to the six Western Slope recipients, with those funds coming from the ad valorem property tax revenues collected by County Service Area 7. Meeks Bay FPD would not be eligible for these new augmentation funds.

Fallen Leaf Lake CSD, as the only remaining Tahoe Basin recipient, would continue to receive augmentation funds out of the County's contingency funds for

---

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

FY 2011-12. The funding was not continued since that time. The fire chief indicated that the District has made deep, across-the-board cuts in its equipment and other unspecified line items. For example, the District has stopped purchasing turnouts and PPEs and has not made any repairs on its radios, hoses and apparatuses to bring them up to compliance with NFPA standards. Appendix B contains a 2009 letter the chief wrote to the Board of Supervisors specifying the types of cuts that FLL would have to implement if Aid to Fire was suspended. Since the elimination of the Aid to Fire program, the cuts have come from the programs and expenditures delineated in Appendix B.

In the 2010 FESS, Citygate estimated that it would need approximately \$349 per household for the District were to raise sufficient revenues to backfill the loss of County funding,. Approval of such a levy is highly unrealistically. Those hypothetical funds would be in addition to the \$595 special tax that District residents already pay. And this increase would also be on top of the \$150 fee the State charges for fire prevention in the State Responsibility Area. Adding to this is the political implication for the FLL Board of Directors since only a third of voters, those who permanently reside at Fallen Leaf Lake, get to decide on the matter of increased taxes.

#### *Grants*

In 2010, the District received funds from American Fire Grant totaling \$29,000 to install a single source exhaust system for all equipment.

#### **Park and Recreation Services**

The main revenue source for FLL's parks and recreation division is the lease of the store, marina and café. As indicated earlier in the report, FLL approved at its May 14, 2011 meeting the proposal of Tahoe Recreation, a division of California Land Management, to operate the District's General Store and Marina for a five-year period beginning in the 2011 summer season. The proposal calls for Tahoe Recreation to pay the District a minimum of \$50,000 plus 10% of gross revenues up to a limit of \$500,000. Additionally, the District will receive 5% of all revenues in excess of \$500,000.

EL DORADO LOCAL AGENCY FORMATION COMMISSION

**Table 4: Fallen Leaf Lake Community Services District Park and Recreation Department – Revenues**

Revenues	2006-2007 Actual	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Actual	2011-2012 Actual
FEMA	\$59,210	\$65	\$1258	\$0	\$0	\$0
Commercial Lease	87,418	90,041	90,041	90,041	82,500	90,537
Interest Parks and Rec. Account	1,504	4,779	3,980	1,472	648	370
Miscellaneous	0	1,225	500	750	2,500	20,879
<b>Total Revenues</b>	<b>\$148,133</b>	<b>\$96,110</b>	<b>\$96,779</b>	<b>\$92,263</b>	<b>\$85,648</b>	<b>\$111,786</b>

The District reports that the \$20,879 amount in “miscellaneous revenue” comes from utility reimbursements from Tahoe Recreation to FLL. The District is able to recover some costs from the vendor whenever expenses for some utilities (electricity, propane, water, wastewater and telephone) exceed the amounts specified in the contract.

**Administrative General Fund**

The revenue sources for the administration budget come from contributions from both of FLL’s divisions.

**Table 5: Fallen Leaf Lake Community Services District General Fund – Revenues**

Revenues	2006-2007 Actual	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Actual	2011-2012 Actual
Fire Dept. Administration	\$8,000	\$9,300	\$12,200	\$37,250	\$28,346	\$32,600
Parks & Rec. Administration	8,000	9,300	12,200	37,250	28,346	32,000
<b>Total Revenues</b>	<b>\$16,000</b>	<b>\$18,600</b>	<b>\$24,400</b>	<b>\$74,500</b>	<b>\$56,692</b>	<b>\$65,200</b>

**Expenditures**

Just like revenues, expenditures are budgeted separately by divisions.

**Fire Protection and Emergency Medical Services**

EL DORADO LOCAL AGENCY FORMATION COMMISSION

**Table 6: Fallen Leaf Lake Community Services District Fire Department – Expenditures**

Expenditures	2006-2007 Actual	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Actual	2011-2012 Actual
CDF Fuel Reduction Project 4-1	\$20,772	\$0	\$37,641	\$-37,641	\$0	\$0
Assist to Firefighters	26,537	0	12,527	0	0	0
CDF Prop 40 / FLLHOA Project	1,957	0	33,600	16,361	0	0
Apparatus	17,812	15,594	12,650	11,774	17,031	17,802
Equipment	11,678	32,117	22,154	9,606	7,053	17,802
Facilities	3,812	6,591	3,965	6,853	9,021	5,498
Community Projects	1,614	3,840	1,772	0	2,899	1,958
Automatic Aid	3,808	3,933	4,032	5,000	5,711	5,844
Fundraising	0	0	0	0	0	0
Office	2,877	5,538	3,699	2,701	4,673	5,032
Paid Personnel	88,530	118,840	110,594	62,808	116,635	121,503
Volunteer Personnel	8,955	15,037	12,954	13,292	10,173	4,451
Training	6,604	6,275	4,947	6,387	3,934	6,586
Administration/Overhead	8,074	9,300	12,200	37,250	25,493	32,600
Contingency	932	0	0	0	2,542	0
<b>Total Expenditures</b>	<b>\$199,541</b>	<b>\$217,065</b>	<b>\$272,735</b>	<b>\$134,391</b>	<b>\$205,165</b>	<b>\$219,076</b>

The primary expenditures is salaries and benefits, most of which are for the fire chief and the two salaried seasonal personnel. These expenditures have fluctuated over the years, from \$88,000 to \$121,000. The chief indicates part of his salary comes from the fire department and part comes from the administration budget.

There was a significant decrease in expenditures in FY2009-2010. According to the chief, expenses were cut to unrealistic and unsustainable levels, such as not keeping up with maintenance schedules and deferring some equipment purchases. He also indicated that raising the special taxes allowed the District to undo some of those cuts, but not at a level where the District is able to restore those expenses.

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

**Park and Recreation Services**

**Table 7: Fallen Leaf Lake Community Services District Park and Recreation Department – Expenditures**

<b>Expenditures</b>	<b>2006-2007 Actual</b>	<b>2007-2008 Actual</b>	<b>2008-2009 Actual</b>	<b>2009-2010 Actual</b>	<b>2010-2011 Actual</b>	<b>2011-2012 Actual</b>
Administrative	\$8,000	\$9,720	\$12,200	\$44,846	\$35,406	\$32,809
Marina	204	15,650	94,066	4,139	7,025	2,579
Utilities	2,370	992	1,705	2,682	6,742	20,500
New Store	8,330	2,578	8,522	16,393	21,797	4,393
Old Store – Community Bldg.	548	496	1,855	8,887	0	183
Capital Acquisitions	5,725	0	0	0	0	0
Insurance	17,874	17,507	15,486	15,815	15,770	16,257
Parks and Rec. Debt Service	1,000	1,000	1,000	1,000	0	0
Miscellaneous	53	211	514	381	1,892	2,690
Slip Deposit Refund Accrual	900	1,800	0	0	0	0
FEMA OES/Grant Services	56,350	0	124	0	0	0
Contingency	0	0	0	0	0	0
<b>Total Expenditures</b>	<b>\$98,985</b>	<b>\$49,954</b>	<b>\$135,472</b>	<b>\$94,141</b>	<b>\$88,632</b>	<b>\$79,411</b>

Since FLL does not maintain parks or offer any organized recreational programs, most of FLL’s park and recreation expenditures go towards the maintenance, upkeep and repair of the store and marina and to district insurance. A portion goes towards FLL’s administrative budget. Please note that the actual amounts shown in the “Utilities” line item matches the increase in the “Miscellaneous revenues” earlier in this section.

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

**Administrative General Fund**

**Table 8: Fallen Leaf Lake Community Services District Administrative General Fund – Expenditures**

Expenditures	2006-2007 Actual	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Actual	2011-2012 Actual
Contingency Fund	\$2,500	\$0	\$0	\$0	\$0	\$0
Election Fees	0	597	0	75	4,957	134
Insurance	2,635	2,635	2,635	2,985	2,985	2,485
<i>News From the Lake</i> Newsletter	486	548	0	213	366	0
GM Salary	1,000	2,327	10,498	59,237	25,693	30,504
Professional Fees	3,905	3,361	4,057	3,973	10,513	15,413
Secretarial Services	1,600	1,600	1,600	1,200	745	5,183
Supplies	10	71	781	290	2,530	755
Treasurer Services	2,400	2,400	2,400	1,800	0	0
Misc. Administrative	1,362	4,547	1,449	4,373	5,823	3,074
<b>Total Expenditures</b>	<b>\$15,998</b>	<b>\$18,086</b>	<b>\$23,420</b>	<b>\$74,146</b>	<b>\$53,612</b>	<b>\$57,548</b>

**Boundaries**

There have been no changes in the district’s boundaries since its formation; FLL’s sphere of influence remains coterminous with district boundaries. There have been no proposed or pending annexations. The boundary does not contain islands.

Lake Valley Fire Protection District adjoins FLL’s boundary along Angora Ridge, and there are close cooperative ties between the two fire service providers. In previous years, the CSD discussed combining with Lake Valley Fire Protection District because of severe post-ERAF financial concerns. Ultimately, FLL concluded it would cost too much to reorganize with Lake Valley FPD. Lake Valley FPD provides higher levels of service and staffing and its negotiated employee salaries and benefits could be prohibitively expensive for FLL.

Another legal complication to consolidation is that, unlike Lake Valley FPD (LAV), FLL is a multi-service CSD. One school of thought among governmental types is that once granted its authority to provide services, a CSD cannot be divested of it. Another school of thought is that LAFCO has been granted the ability to divest a CSD of its powers if it applies to LAFCO for that purpose. There is a significant overlap in both arguments, since the former may speak of the inability of a CSD being divested of its powers against its will. Regardless, if the former is true, for the Fallen Leaf Lake service area to be merged with another district may involve the dissolution of the CSD in its current form and re-forming the CSD as a parks and recreation provider only. For fire services, the FLL service area would be annexed into the service area of LAV. An option open to the District is simply for the CSD to outsource the provision of fire service to LAV.

## **IV ENVIRONMENTAL REVIEW**

The California Environmental Quality Act (CEQA, Public Resources Code §21000 et seq.) requires public agencies to evaluate the potential environmental effects of their actions. OPR's Service Review Guidelines Chapter 7, *Integrating Municipal Service Reviews with the California Environmental Quality Act*, advises that "no two municipal service reviews will be exactly alike and each needs to be evaluated on its specific merits and characteristics." The environmental review for El Dorado LAFCO's Service Review of the FLL is specific to this study and may differ from the environmental review of other service reviews and other LAFCOs.

Service reviews are intended to support sphere of influence updates, including the creation and amendment of SOI boundaries, as well as other government reorganization proposals. Such activities could influence future growth patterns, and as such are considered discretionary projects under CEQA. LAFCO has the principal responsibility for carrying out and approving this service review and therefore the principal responsibility for preparing CEQA documents as lead agency.

### **Exemption**

This service review qualifies for a Class 6 categorical exemption as outlined in Public Resources Code §15306. This exemption "consists of basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. These may be strictly for information gathering purposes, or as part of a study leading to an action which a public agency has not yet approved, adopted, or funded" (CEQA Guidelines §15306). This service review may lead to actions such as government reorganizations and SOI updates that could potentially affect the environment. However, as these actions have not yet been approved, adopted, or funded by LAFCO, the Class 6 exemption is applicable. A notice of exemption is attached as Appendix C. Any future projects that make use of this service review and the information contained herein will be subject to separate environmental review under CEQA.

## **V ENVIRONMENTAL JUSTICE**

State law defines environmental justice as “the fair treatment of people of all races, cultures, and incomes with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies” (Government Code §65040.12(e)). OPR explains that “as the primary agency with responsibility for approving changes in boundaries, LAFCOs play an important role in coordinating growth and ensuring that proposed changes are consistent with environmental justice obligations.” Changes of organization must be consistent with spheres of influence, and the information contained in this service review will guide future updates to agency spheres of influence.

OPR identifies several uses for data obtained in the service review process:

1. Improving the community participation process.
2. Identifying low-income/minority neighborhoods under-served by public facilities and services that enhance the quality of life.
3. Considering the equitable distribution of public facilities and services.
4. Considering infrastructure and housing needs.
5. Identifying low-income/minority neighborhoods where facilities and uses that pose a significant hazard to human health and safety may be over-concentrated.
6. Screening of issues for potential environmental justice implications.

Consideration of the issues listed above will assist LAFCO and other public agencies in identifying, preventing, and reversing historical problems of procedural and geographic inequity. In undertaking this service review and making the nine determinations, LAFCO used an open public participation process to screen for and identify environmental justice issues.

Demographic data for the study area is limited and generally does not clearly distinguish between population groups of different races, cultures, and incomes. The most recent data available, from the 2006-2010 American Community Survey conducted by the US Census, is displayed on Table 10 below. Unfortunately, the Census area boundaries do not correspond to FLL’s boundaries, but the data provides a demographic framework for the evaluation of environmental justice issues in the south Tahoe Basin. In addition, a statistically significant population of Hispanic/Latino (of any race) are located in the City of South Lake Tahoe (26.7%).

Data is available from the California Office of Education regarding ethnicity of student populations. These statistics are based on school attendance areas and school districts. For South Tahoe High School in the 2010-2011 and 2011-2012 academic year, whites comprise the largest racial group: Between 33%-54% of the student population. The largest ethnic minority population is Hispanic/Latino with

EL DORADO LOCAL AGENCY FORMATION COMMISSION

35%-56% of the student population. The demographic data from the Census suggests that most Latinos are concentrated in the City of South Lake Tahoe, with the unincorporated county being relatively homogenous with low numbers of racial or ethnic minorities counted.

**Table 9: 2000 and 2010 Census Population by Race**

Area	Total	RACE							Hispanic or Latino (Of Any Race)
		White	Black or African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races	
South Tahoe Basin, El Dorado County	29,638	24,070 (81%)	94 (0.3%)	368 (1%)	869 (3%)	28 (0.09%)	3,256 (11%)	953 (3%)	7,278 (25%)

Source: 2006-2010 American Community survey  
 Percentages may not add due to rounding

Income data available from the 2010 Census indicate there is one incorporated area where the median household is \$30,417 and a second one at \$35,814 (the average median income for the South Basin is \$49,751). These are highlighted because they will factor in the discussion about “disadvantaged communities” later in the report. At this time, suffice to say that LAFCO has not found any specific ethnic or economic neighborhoods that are underserved by FLL. No low income/minority neighborhoods were identified where facilities and uses pose a significant hazard to human health and safety.

Finally, the 2004 County General Plan does not address environmental justice directly. Although the Environmentally Constrained Alternative did contain related land use and housing policies, the 1996 Alternative and the 2004 General Plan do not contain those sections. The 2004 General Plan Housing Element includes Goal HO: “To provide housing that meets the needs of existing and future residents in all income categories.” The housing element also discusses the following special needs groups: people with disabilities, seniors, agricultural employees, female heads of households, homeless persons, and large families and households. Consequently, the extent that the County’s planning documents address environmental justice is in its discussion of these special needs groups. It must be noted, however, that the County General Plan rarely refers to the Tahoe Basin given that planning in this area is regulated by the Tahoe Regional Planning Agency.

## VI SERVICE REVIEW ANALYSIS AND DETERMINATIONS

As explained in Section II of this report, State Law requires the Commission to make certain determinations in an MSR (Government Code §56430) and prior to establishing an SOI (Government Cod §56425). The Commission's Policies & Guidelines Section 4.4 also requires additional determinations prior to establishing a sphere. To the extent that is feasible, both sets of determinations will be addressed in this section. In addition, the following sections will detail the meaning of each factor and explain how it applies to the fire suppression and emergency services agencies.

### **1. Growth and population projections for the affected area.**

*Purpose: To evaluate service needs based on existing and anticipated growth patterns and population projections.*

Information in this section addresses #3 and #4 of LAFCO Policy 4.4, which are:

- Topographic factors and areas of social and economic interdependencies.
- Existing and planned land uses, land use plans and policies, consistency with county and city general plans, and projected growth in the affected area.

Development in the district is close to the edge of the lake, with ownership of the largest parcels resting with either the US Forest Service or the State of California. Development in the privately held parcels is strictly regulated by the Tahoe Regional Planning Agency.

The US Census Bureau does not have a tract specific to the Fallen Leaf Lake community, but the permanent population should not have changed much between 2000 and 2010. The Census estimates the permanent population to be approximately 40. In contrast, the District estimates the winter population at approximately 100 residents, and the summer population fluctuating between 400-2,000. Citygate estimated the permanent population to be 388 based on the number of dwellings present in the District. This method, however, is probably faulty because over two-thirds of the homes in the District are second homes and not primary residences.

The building of new homes is rare due to TRPA regulations. If there is any development occurring, it is the replacement or refurbishing of existing homes.

#### *Growth In Demand For Fire Protection and Emergency Services*

The *2011 Fire Suppression and Emergency Services MSR (2011 Fire MSR) and SOI Study* (adopted by the Commission on August 24, 2011) explained that, countywide, El Dorado County's population is growing significantly older and its working age population increasing its commuting times (as measured by vehicle miles traveled) annually. These changes will be more acute for FLL:

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

- The seasonal population variation is so large that it guarantees FLL will have an insufficient pool of volunteers in the winter time and insufficient resources to accommodate the significant increase in service demand due to the influx of visitors and second homeowners staying in the area for the summer.
- Weather extremes not only invite visitors in the summer, but the winter weather makes some roads impassable, hindering intra-district movement and inter-district assistance from the South Lake Tahoe Fire Department or Lake Valley FPD.
- The number of permanent residents is so small in comparison to the total number of homeowners in the District that the approval of new taxes and benefits puts the FLL Board of Directors in a politically difficult position. It has the potential of imposing new levies that the majority of the population was unable to ratify at the ballot box. While this imposition, if approved consistent with the provisions of Proposition 218, is legal, politically it is problematic.

*Growth In Demand For Park and Recreation Services*

FLL offers no organized recreational programs nor does it have developed parks. The natural beauty of the lake and surrounding area attracts recreational and outdoor enthusiasts, however. The District does offer facilities for the use of its residents and visitors, such as the FLCC, the store and the marina. The District strives to maintain these facilities and its vendor contract for the store and marina ensures that these facilities are adequately staffed.

**2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.**

*Purpose: To identify the communities within the agency's service area or sphere of influence that has been traditionally unserved or underserved.*

For the past five years, various legislators have attempted to address the problem of poor fringe communities that lacked basic municipal services despite their proximity to cities and other local agencies providing those services. Senate Bill 244 (Wolk), effective on July 1, 2012, among other things, was written to assist disadvantaged communities that have been traditionally unserved or underserved. Through the MSR process, the assistance comes in two ways. First, the statute now requires the MSR to identify said communities. Second, the MSR is to document deficiencies in service related to basic public services, such as domestic water, sanitary sewers, paved streets, storm drains, and street lights. Beyond the MSR process, the bill also encourages local agencies to bring services to the disadvantaged communities up to the same standard as surrounding communities.

SB 244 focuses on “disadvantaged *unincorporated* communities” (DUCs) and its overall intent is to bring services up to the same standards as other communities by incorporating them. That approach is faulty as it applies to El Dorado County for two reasons. First, there are only two cities in El Dorado County and neither is in a financial or geographical position to extend services to all DUCs in the county.

---

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

Second, in this county it is special districts that provide a significant amount of municipal services, not cities. For example, water and wastewater services are both provided by South Tahoe Public Utility District in the south Tahoe Basin. Consequently, there is no advantage to annex DUCs into the City of South Lake Tahoe. When it comes to fire service, the level of service provided by Lake Valley Fire Protection District is comparable to that of the City, so there would be no “upgrade” in service. For these reasons, this MSR will focus on “disadvantaged communities” (DACs), regardless of their location inside or outside a city.

“Disadvantaged communities” are defined as inhabited territory with 12 or more registered voters that constitutes all or a portion of a “disadvantaged community,” which is defined in the Water Code to be “a community with an annual median household income that is less than 80 percent of the statewide annual median household income.” The United States Census does not publish demographic information related to income data at a level below “Census tract.” Consequently, for this report LAFCO relied on:

- GIS layers from the State Department of Water Resources (DWR), making available American Community Survey information at the “Census block group” level, which is one level lower than “Census tract”;
- The assistance of the County Surveyor’s Office, which was able to integrate the DWR’s GIS layers with the County GIS system, allowing the production of Map 2. This information was used to create Map 3, which contains the DACs and their location within FLL’s service area;
- The US Census’ DataFERRETT (FERRETT stands for Federated Electronic Research, Review, Extraction, and Tabulation Tool), which allowed LAFCO staff to extract demographic data at the Census tract level; and
- Additional income data from other sources were also used for this report, such as data from the California State Parks’ (CSP) Community Fact Finder viewer and the California Department of Education’s DataQuest

According to the US Census, the statewide median household income in 2010 is \$57,708, making \$34,624 the median household income for a disadvantaged community as defined by the Water Code. Early in its research, LAFCO staff found that, within the southern Tahoe Basin, the State Department of Finance (DOF) identified the entire City of South Lake Tahoe (SLT) as a disadvantaged community. In addition, DOF determined that the unincorporated sections of the south Tahoe Basin were not considered disadvantaged. As can be seen in Maps 2 and 3, DWR reached a different conclusion. In its estimation, DWR found that the disadvantaged communities were not contained exclusively within SLT’s city limits.

FLL’s service boundaries falls between two Census block groups. The northern block group (Tract 320 Block Group 3) includes the communities surrounding Emerald Bay all the way north to Meeks Bay. DWR states that the northern block

---

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

group does not have DACs. The southern block group (Tract 320 Block Group 2), which does contain DACs, includes the eastern and southern portions of Fallen Leaf Lake and includes portions of the communities west of the City of South Lake Tahoe as well as the community of Phillip and the cabins surrounding Echo Lakes.

Census Information from DataFERRETT

The DWR data does not provide any demographic information on the residents of that area. As noted in the Environmental Justice Section, whites comprise the largest racial category in the South Tahoe Basin at 81% of the population. Further, Latinos comprise the second largest ethnic group at 25% of residents (from a racial standpoint, anthropologists and demographers categorize most Latinos as white unless a person's primary ancestry can be traced back to Africa). DataFERRETT paints a more comprehensive demographic picture of the area around Fallen Leaf Lake.

Unfortunately, DataFERRETT only contains information at the Census Tract level, which is one level higher than Census block group. As noted earlier, FLL falls into two Census block groups, both of which comprise Tract 320. Using DataFERRETT, Appendix C was created, which should be viewed alongside Map 3 for the data to be placed in context; however, one should note that the DataFERRETT information for Tract 320 also includes the communities west of South Lake Tahoe, Tahoma and Meeks Bay. According to DataFERRETT, Tract 320 contains 666 individuals across 306 households. The medium household income is \$52,768. Only 5% of individuals live below poverty and only 23% of households make less than \$35,000 a year. No household is receiving public assistance or food stamps. Tract 320 is overwhelmingly Caucasian, Latinos or multi-race individuals comprising less than 10% of residents. Further, there appears to be no correlation between ethnicity, gender and poverty levels.

CSP

Other data sources shed additional light on DWR's findings. Utilizing the CSP viewer allows for a more specific determination of median household income since the viewer only displays data within a mile radius of a specified target. Clicking on the viewer along the shore line reveals that the median household income for the homes surrounding Fallen Leaf Lake never fell below the income level of \$60,000 and several places had MHHIs of over \$100,000. This was the case even in the eastern/southern portion of the lake that is in Tract 320 Block Group 2, identified by DWR as containing DACs. The CSP's data reinforces the conclusion that while Tract 320 Block Group 2 may contain DACs, the communities within FLL do not contain DACs. It is very likely that the DACs are found in the areas outside of the FLL service boundaries.

DataQuest

The Department of Education's DataQuest website is limited in that it only tracks K-12 students; however, it is possible to infer household income dynamics from

---

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

student data. For example, DataQuest categorizes a student as “disadvantaged” if the student is participating in Free or Reduced Price Meals or the student’s parental education index is “not a high school grad.” It is reasonable to assume that if a student is listed by DataQuest as disadvantaged, then those students’ parents are poor and very likely to be working at a low income job with few or limited benefits. Some of DataQuest’s information can be found in Appendix D.

FLL is entirely within the Lake Tahoe Unified School District’s boundaries. Since LTUSD only has one middle school, the DataQuest information is somewhat limited in identifying where there are pockets of poverty and understanding the location of neighborhoods that could be disadvantaged communities. Greater insight is gained when looking at the demographics for elementary schools. LTUSD has only one middle school that draws children from the Fallen Leaf Lake area and its surrounding communities.

At first glance, the DataQuest information contradicts Census and CSP data in that a large portion of Tahoe Valley Elementary’s school body (77%) participates in Free or Reduced Price Meals program and 79% of the student body is classified as “disadvantaged.” But Map 4 visually indicates that the Tahoe Valley Elementary School service boundaries stretch across multiple areas in the south Tahoe Basin that have been found to contain DACs (please refer to the 2012 South Tahoe Public Utility District’s MSR/SOI study, adopted for example). Consequently, Tahoe Valley Elementary draws from a more diversified population than FLL, explaining the school’s demographics. Other things that set FLL apart from the general Tahoe Valley Elementary population include:

- Since two-thirds of the homes in the FLL service are second homes, it stands to reason that the majority of families with homes in FLL have their children attend school elsewhere. In addition, a majority of the second home residents most likely enjoy being in Fallen Leaf Lake during the summer months when school is out.
- While 70% of residents in Tract 320 are between 18-64 years in age, a further look at the DataFERRETT age breakdown indicates that there are just as many residents in the 40-64 age range (228) as there are in the prime child bearing 18-39 age range (240).
- There are only 150 residents in Tract 320 who are under 18. Of these, the majority are under 5 years old (approximately 98). There are no children between 5-9 years of age, the majority of the age range that Tahoe Valley Elementary serves. There are approximately 34 FLL children aged 10-14, so it is unknown how many of these students are in Tahoe Valley Elementary’s student body count (434).
- Tract 320 is overwhelmingly Caucasian with less than 10% of residents being Latino. In contrast, DataQuest indicates Tahoe Valley’s student body is slightly more diverse racially. Ethnically, almost 40% of the student body is Latino.

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

These data point to the conclusion that while there are DACs in Census Block Group 2, those DACs are not found within the FLL service area .

**3. Present and planned capacity of public facilities, adequacy of public services and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.**

*Purpose: To evaluate the infrastructure needs and deficiencies of a district in terms of capacity, condition of facilities, service quality, and levels of service and its relationship to existing and planned service users, especially those in areas that have been traditionally unserved or underserved.*

Information in this section addresses #1 and #6 of LAFCO Policy 4.4, which are:

- Service capacity, level and types of services currently provided by the agency, and areas where these services are provided.
- A description of the services that will be provided to any areas which may be added to the sphere and the timing and method for funding expansion of facilities or services.

FLL's infrastructure consists of a store, a community center, a marina, a fire boat, four fire engines and a fire station.

*Fire and Emergency Services*

In the context of fire and emergency services, infrastructure needs and deficiencies signify whether facilities provide adequate capacity to accommodate current or projected demand for service in the county as a whole or in a particular area or region. The infrastructure elements of fire protection and emergency services include facilities (stations), rolling stock (engines and ambulances), dispatch systems, water supplies and roadways. Service also depends on trained personnel. Adequacy of service can be understood by reviewing response times, coverage, staffing (including training and staffing levels per capita) and mutual aid.

For a district as small as FLL, its ability to extend service is heavily dependent on its infrastructure needs. The 2010 FESS found that its station does not need to be replaced or expanded; however, the age of three of its four apparatuses exceeds NFPA standards. In addition, the District's finances are such that it can field no more than two salaried firefighters at any one time. FLL shores up this deficiency by using volunteers and having an automatic aid contract with the City of South Lake Tahoe Fire Department to have an engine and a battalion chief available on a 24 hour basis, subject to passable roads. As Citygate put it:

The total headquarters staff is limited. While the District reports 1 Chief Officer, the reality is that this positions pay level only supports part-time work and the position serves, as needed, as a line firefighter responding to incidents. As the

---

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

smallest District, and one that is open only during the non-winter weather, the staffing can be best characterized as “everyone is a line worker”.

In addition, while Citygate noted the following as a countywide problem, it can also apply to FLL specifically: “El Dorado County has a weight of attack problem. There are currently not enough on-duty firefighters Countywide plus paid-call firefighters and volunteers responding *quickly* to keep potentially serious emergencies contained and small, particularly if the paid-call firefighters and volunteers cannot provide an immediate response to fill out the necessary staffing.”

“Weight of attack” means the ability to assemble a sufficient number of firefighters in a reasonable period of time to control the emergency safely before it escalates to greater alarms. As demonstrated in the *2011 Fire MSR*, FLL and its fellow fire agencies are currently structured and staffed at levels where reinforcements must be called if the initial respondent engine cannot control or contain the emergency: volunteers are paged and backup engines from neighboring stations and districts must render assistance. The additional deployment of resources comes at the cost of precious time. By the time reinforcements have arrived at the scene, several additional minutes have passed. Citygate warns, “An under-staffed, and/or under-led token force will not only be unable to stop a fire, it also opens the County up for liability should the Fire Departments fail.”

The District utilizes the Chief and three salaried seasonal firefighters as the core of the fire department. Volunteer firefighters round out the corps. Budgetary problems can complicate matters for the District. The chief indicated that he has implemented across-the-board budget cuts as a result of losing Aid to Fire funds. The biggest impacts have been to equipment repairs and to the purchase of turnouts and other safety gear. Further, as noted in Appendix B, he probably has also postponed annual health check-ups for volunteers. The combined impacts put the District in jeopardy of being out of compliance with numerous laws and regulations calling for the safety of all firefighters. This, in turn, exposes FLL to potential lawsuits if something catastrophic occurs.

The District’s use of resident volunteers to man the floto pumps and other emergency equipment to handle the initial fire while District staff is deployed is commendable. But the weight of attack issue is still relevant: These non-firefighter volunteers are not a permanent solution. In all but the most minimal of emergencies, FLL’s resources are such that it must call for assistance from its neighbors. In addition, the use of non-firefighter volunteers puts the District in jeopardy to additional liability in case the manning of equipment exposes them to a dangerous situation. And since the majority of calls are medical-related, these types of volunteers are not equipped or trained to handle those emergencies.

As discussed earlier, FLL relies on a contract with SLT for emergency assistance. This contract is vitally important in order to minimize the weight of attack problem in the District. However, there is always the risk that the contract could be terminated in an effort to reduce costs and/or restructure the SLT department.

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

Park and Recreation Services

The District owns a marina, store and a community center. It has a contract with a vendor to staff and operate the FLL store. It has no organized recreational programs nor does it developed parks. However, there is no evidence that there is a an unmet need for parks. While the vendor contract generates revenue for FLL that assists it with maintenance and upkeep of the District's facilities, these funds are not sufficient to allow the district to offer any other programs or expand its facilities.

Infrastructure needs or deficiencies in service to disadvantaged unincorporated communities

As noted earlier, SB 244 requires LAFCOs to identify disadvantaged communities in the MSR and to document service deficiencies to these communities in the following areas:

- Unsafe drinking water.
- Inadequate wastewater.
- Inadequate sidewalks, storm drains, gutters and street lights.
- Dilapidated and/or unpaved roads.
- Insufficient garbage collection.
- High crime rates and inadequate law enforcement.
- Inconsistent emergency services.

As it relates to FLL, the only service that the District provides relative to the SB 244 requirements is "inconsistent emergency services." Setting aside that there are no DACs within FLL's service area, as noted in other parts of the MSR, there is a correlation between funding levels and service provision. The 2010 FESS found the service level at 2.0, with FLL relying on a service contract with the City of South Lake Tahoe. The FESS also found that FLL's finances puts it in the "Unstable Condition" category. Given the disappearance of Aid to Fire and given there are no identifiable sources of supplemental funding, FLL's ability to sustain coverage in the near future is in jeopardy. This will affect all residents equally, not just those in disadvantaged communities.

**3. Financial ability of agencies to provide services.**

*Purpose: To evaluate factors that affect the financing of needed improvements*

**4. Status of, and opportunities for, shared facilities.**

*Purpose: To evaluate the opportunities for a jurisdiction to share facilities and resources to develop more efficient service delivery systems.*

Information in this section addresses #2 of LAFCO Policy 4.4, which is:

---

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

- Financial capabilities and costs of service.

A successful financing plan for government services requires the right match between the type of expense and the source of funds. Types of expenses generally fall into one of three categories: (1) acquisition of facilities and major capital equipment, (2) employee expense, (3) ongoing operations and maintenance. Sources of revenue for local agencies include:

- Existing residents/taxpayers who provide ad valorem property taxes, special tax and benefit assessment district funding, funds to repay general obligation bonds, certificates of participation, and loans.
- Future residents in the form of development impact fees, and property tax increment growth.
- Users who pay fees for specific services such as facilities rental fees, administration fees, plan check fees, etc.
- Groups or individuals who volunteer time or donate money or land.
- Grants from the Federal or State government and other entities.

### **Funding Sources**

#### **Fire and Emergency Services**

Funding for fire services comes primarily from property taxes as a stable and discretionary source of revenue. However, FLL is experiencing the same thing as other fire districts: property tax amounts have diminished to the point they are insufficient to fund major capital improvements and their associated increase in operation and maintenance costs. Since the 1978 approval of Proposition 13, the sufficiency of these revenues has steadily declined; first because it removed the local government's abilities to raise revenue and later because the rate of increase is locked at 2% annually unless the property changes hands. Annually the District can expect to collect less than \$20,000 from property taxes.

The District also has a special tax for fire and emergency services. Most property owners pay \$595 to the District, which is the maximum amount authorized by the voters so far. Collectively, these funds amount to more than seven times the property tax receipts.

For perspective on the condition of the District's funds, the former Aid to Fire amounts were half as much as the special tax revenues and twice the amount of property tax receipts. This means the District's fire department is operating with \$60,000 less in revenue than they were in FY 2008-09. This does not take into account the diminution of property tax receipts as a result of the decrease in property values that led to the recession. As noted in the previous section, the cuts that have been identified have been significant. Further, it should be noted that the District is in a deeper hole if "strike team" revenues are lower than budgeted.

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

Grant income is subject to State or Federal planning priorities or voter discretion. As such, local agencies have little or no authority over the availability of this funding source. Grant money is a one-time source that is useful in funding certain special projects, but may be too unreliable or variable for ongoing expenses or recurring needs. Some could come with strings attached, such as a district committing itself to continue the programs the grant funded for a number of years after the grant expires. Grants have helped get funding for items that would have to be purchased out of budget in the past. A 2010 grant assisted FLL with some equipment upgrades.

Despite some success in securing infusions of one-time revenues, the fire side of FLL is in dire financial straits. It currently receives over half of its funding from non-recurring sources. That certainly was the conclusion by Citygate in the 2010 FESS. Combining the size of the reserve, stability of revenue sources and the unmet capital needs, Citygate made the following judgments regarding the fiscal and deployment conditions based on its analysis of the EDC fire agencies:

**Table 10: Fiscal and Deployment Condition of the Fire Agencies**

Best Condition	Modest Condition with Stretched Services	Unstable Condition
Cameron Park	El Dorado County FPD	Fallen Leaf Lake CSD
Diamond Springs/El Dorado FPD	Rescue FPD	Garden Valley FPD
El Dorado Hills County Water District		Georgetown FPD
Lake Valley FPD		Latrobe FPD
Meeks Bay FPD		Mosquito FPD
South Lake Tahoe FPD		Pioneer FPD

In terms of sharing resources, the District has an agreement with the City of South Lake Tahoe for back up emergency response. The District may also have its dispatch services outsourced to CALFIRE's Camino Center.

*Park and Recreation Services*

Funding for recreation services comes from the vendor contract FLL has to staff the store. It appears the contract is suitable to cover expenses, since, as noted before, the district only offers the marina, store and the FLCC as part of this service. Revenues go to cover facility maintenance and upkeep.

There are no nearby park and recreation districts that could share resources with FLL.

EL DORADO LOCAL AGENCY FORMATION COMMISSION

**5. Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies**

*Purpose: To consider Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers; an evaluation of management efficiencies; and local accountability and governance.*

Information in this section addresses #7 of LAFCO Policy 4.4, which is:

- An analysis of the effects of a proposed sphere of influence on other agencies and their service capabilities.

**General Governance and Accountability**

Fallen Leaf Lake CSD serves what could be one of the more isolated communities in El Dorado County once accessibility and weather conditions are factored in. The CSD has just started using a website at the address [www.fllcsd.org](http://www.fllcsd.org); however, the brief presence is sparse and outdated in several sections. FLL has tried to list information on its facilities, community calendar, invasive species, fire safety information and district accountability information to the public. Among other materials related to governance, the website contains current agendas, subcommittee assignments and meetings. The sections related to internal policies, master plan and approved budgets are outdated. Among the accountability documents FLL does not appear to have on its website are its audits.

The 2010 FESS found that the de facto staffing level at FLL's fire department is 2.0, which is consistent with countywide staffing levels.

The purpose of management is to effectively carry out the principal function and purpose of an agency. Good management will ensure that the agency's mission is accomplished and that the agency's efforts are sustainable into the future. The fire chief for the FLL Fire Division serves as the District's General Manager, mostly due to insufficient revenues to have both positions filled.

**Intergovernmental Relationships**

**Emergency Medical Services**

Fire protection districts in the county exercise a wide range of powers, but not emergency medical functions. EMS in the Fallen Leaf area is provided by a combination of funding from El Dorado County through CSA 3 and staffing from the fire agencies through the California Tahoe Emergency Services Operations Authority (or "Cal Tahoe"). While a member of this JPA, FLL personnel do not staff ambulances for Cal Tahoe.

**Other Governmental Structure Options**

As discussed in depth in the 2011 Fire MSR, almost all of the rural fire agencies are experiencing financial distress to some degree. In the past, fire agencies have explored the feasibility of various plans to shore up their revenue streams. FLL

---

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

has participated in the discussions; however, its role in participating in any district consolidation is questionable. As a multi-purpose CSD, its ability to merge with another non-CSD entity is problematic. One school of thought among governmental types is that once granted its authority to provide services, a CSD cannot be divested of it. Another school of thought is that LAFCO has been granted the ability to divest a CSD of its powers if it applies to LAFCO for that purpose. There is a significant overlap in both arguments, since the former may speak of the inability of a CSD being divested of its powers *against* its will. Regardless, if the former is true, for the Cameron Park fire service area to be merged with another district may involve the dissolution of the CSD in its current form and re-forming the CSD as a parks and recreation provider only. For fire services, the FLL service area would be annexed into the service area of the consolidated or consolidating district.

Another option for FLL is to contract for services to another entity. This would not involve the dissolution or re-formation of the CSD. Rather, it would involve another fire district or department, agreeing through a contract, to provide services within FLL, similar in arrangement to Cameron Park CSD's contract with CAL FIRE. This concept is not foreign to FLL since it currently contracts out its recreation services.

It should be noted that the District's geographic isolation presents a fiscal problem that is not subject to easy solutions. The station at Fallen Leaf Lake would have to be staffed full time because there are no neighboring fire stations nearby and because of severe weather conditions that can close off roads. Coupled with almost no headquarters (command) staff, there are little personnel costs that could be saved. With little or no savings in personnel or overhead costs and a very low revenue base, FLL is not a tempting target for a merger.

**6. The potential effect of agency services on agricultural and open space lands.**

Information in this section addresses #5 of LAFCO Policy 4.4, which is:

- Potential effects on agricultural and open space lands.

Development around Fallen Leaf Lake is dependent on who owns the land. If the parcel is publicly owned, then it is mostly protected from development and is being used as an open space resource. If the parcel is under private ownership, its development is severely restricted due to TRPA regulations. In neither state of ownership is the land within the District under agricultural use. Nevertheless, none of the services provided by FLL will have an effect on those parcels or introduce any growth inducing pressures.

## VII SOI DETERMINATIONS

The biggest challenge for FLL is finding an independent, stable recurring funding source for fire services. Absent that, providing fire services at an acceptable level is unachievable and unsustainable. The District's remote location makes it difficult to contract out for service and its type of district, a CSD, makes a merger with a nearby provider problematic. On the other hand, FLL's service demand is not expected to increase significantly from current needs.

In determining the sphere of influence for each local agency, Government Code §56425(e) requires the Commission to consider and prepare a written statement of determinations with respect to four factors. Staff recommends the following determinations for updating the sphere for the District:

**1. *The present and planned land uses in the area, including agricultural and open space lands.***

Present land use within the District is almost exclusively residential, with some recreational facilities near the south shore of the Lake. Growth and development potential is limited largely by TRPA regulations, as well as local topography, and there are not expected to be any substantial changes in the planned land use as a direct result of this review.

**2. *The present and probable need for public facilities and services in the area.***

Present needs for public facilities and services are currently being met. Probable needs for public facilities and services are not currently anticipated to vary from present needs, as future demands are expected to remain the same. Unless the financial situation changes, the District's ability to meet the demand for fire services will diminish over time.

**3. *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.***

The present capacity of public facilities provided is adequate to serve the existing community on the parks side. On the fire suppression side, it is unstable.

**4. *The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.***

The District serves a single community, which is the area immediately surrounding Fallen Leaf Lake, and is entirely included within the District boundaries.

---

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

Pursuant to Government Code Section 56425(i)(2), the Commission does hereby establish the functions and classes of services provided by Fallen Leaf Lake CSD as fire suppression and parks and recreation. Based upon the information contained in this document, it is recommended that the Fallen Leaf Lake CSD Sphere of Influence remain coterminous with existing boundaries as shown in Map 5.

## VIII **REFERENCES AND SOURCES**

### **Fallen Leaf Lake Community Services District's website (www.fllcsd.org) and Its Contents:**

- Postings 2010-2013 pages
- CSD Directors and Staff page
- Finance and Budgets page
- Fire Department page
- Community Calendar page
- Aquatic Invasive Species page

### **El Dorado County Documents:**

- 2004 El Dorado County General Plan
- El Dorado County Grand Jury Final Reports: 2007-2008, 2008-2009, 2009-2010
- Agreement to Provide Funding for Fire Protection and Emergency Medical Services, effective August 2001
- El Dorado County Office of the Auditor-Controller
- El Dorado County Office of the Registrar of Voters

### **El Dorado Local Agency Formation Commission Municipal Service Reviews:**

- Countywide Fire Suppression and Emergency Services Municipal Service Review, adopted 2006
- General Government Services I, adopted 2008
- Fire and Emergency Services Study for the El Dorado LAFCO (Volumes 1-3), prepared by Citygate Associates, accepted May 2010
- Final Fire Suppression and Emergency Services Municipal Services Review, adopted August 2011

### **Interviews with Fallen Leaf Lake CSD staff**

- Gary Gerren, Fire Chief/General Manager

### **Other Sources**

- California Emergency Management Agency, "Blue Ribbon Task Force Statewide Mutual Aid Survey – 2010"

---

EL DORADO LOCAL AGENCY FORMATION COMMISSION

---

- ISO website ([www.iso.com](http://www.iso.com)):
  - Press Release – “Nation’s Fire Departments Face Challenges in Staffing, Recruiting and Training Firefighters, and Accessing Water, Survey Finds,” issued December 2008
  - El Dorado County Fire Department ratings 2002-2006
- Sacramento Area Council of Governments ([www.sacog.org](http://www.sacog.org))
- US Census Service:
  - Population Projections ([www.census.gov](http://www.census.gov))
  - DataFERRETT (<http://dataferrett.census.gov/>)
- California State Parks’ Community Fact Finder ([www.parkinfo.org/factfinder2011/grantee.html](http://www.parkinfo.org/factfinder2011/grantee.html))
- California Department of Education’s DataQuest website (<http://data1.cde.ca.gov/dataquest/>)

## **IX APPENDICES**

Appendix A: Services and Programs

Appendix B: Aid to Fire

Appendix C: DataFERRETT

## **X MAPS**

Map 1: 2008 Fallen Leaf Lake CSD SOI

Map 2: DWR Disadvantaged Communities

Map 3: FLL and DACs

Map 4: Elementary School Boundaries

Map 5: 2013 Fallen Leaf Lake CSD SOI