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**I EXECUTIVE SUMMARY**

State mandates enacted in 2000 establish requirements for a Local Agency Formation Commission to conduct comprehensive reviews of all municipal services (MSRs) in its county. The 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 service review includes a summary and analysis of the two fire suppression agencies in the county, along with subsequent updates to their respective spheres of influence. 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 districts and is inherently retrospective, taking a "snapshot" of existing conditions.

This MSR is part of the Fiscal Year 2014-15 Work Plan. Some of this report's key findings are summarized in the table below:

Agency	Agency Population (2010 FESS Estimate)	Percentage of Corps that is Volunteer	Average Property Tax Increment (not including Aid to Fire)	Agency Revenues FY2013	Agency Expenditures FY2013	Nonrecurring Revenues as Percent of Total Revenue (2010 FESS Estimate)	2010 FESS Fiscal and Deployment Condition Assessment
El Dorado Hills CWD	31,027	15.6%	18.63%	\$14,344,643	\$12,901,652	5%	Best
Latrobe FPD	901	54.5%	5.23%	\$160,364	\$237,795	60%	Unstable

Shaded cells means LTB participated in the County's Aid to Fire program 2001-2009

Overall, this MSR found that both fire agencies have properly trained personnel and sufficiently well-maintained equipment to serve the public well. However, finances define the ability of Latrobe FPD and El Dorado Hills CWD to field staff on any and all emergencies. Fire suppression and emergency services are expensive services to provide: From training personnel to purchasing and maintaining equipment. Consequently, there is a direct correlation between funding and the level of service to be provided. County residents expect a high level of service and the agencies have so far provided it. But there is a cost associated with that level of service and in certain areas residents have not provided the level of financial support to maintain them. Consequently, there is a disconnect between resident expectations of fire service and agency revenues.

Financially, the agencies can be divided in roughly three categories: those whose finances are secure, those whose finances are sound but not great, and those whose finances, at best, cover the bare minimum. Agencies in the third category can respond to no more than two, perhaps three depending on equipment and volunteer availability, simultaneous calls at any one time; assuming that the responding unit(s) are sufficient to respond and contain the emergency. The table above tells the tale of two fire districts. One collects sufficient, reliable and stable revenues to provide services whereas the other cannot afford full time staff and relies on unstable sources of revenue. The latter must rely on its reserves to continue to fund services.

This scarcity led to the contract from services with EDH to some operational coordination with EDH and ultimately the two board of directors working towards a working governance and fiscal model that would allow the two communities to be under the same umbrella. A proposal to dissolve Latrobe FPD and annex its service area and sphere of influence into El Dorado Hills CWD has been submitted to LAFCO. EDH is confident the new property tax reallocation formula approved by the Board of Supervisors in June 2014 will allow it to stabilize and possible expand services in case LAFCO approves project.

The structure of this report is as follows: Section II contains important background information, Section III contains the descriptions for all agencies covered in this report, Section IV contains the service review and sphere of influence determinations, Section V has the environmental review determinations, Section VI contains the references, and Section VII contains the appendices.

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

This MSR and LAFCO's adoption of subsequent resolutions making sphere of influence determinations are statutorily exempt from the California Environmental Quality Act [Class 6, §15061(b)(3)]. In undertaking this service review and making sphere of influence determinations, LAFCO considered its responsibilities under federal and state civil rights and environmental justice laws. The activities are covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The MSR and sphere of influence updates have no possibility for causing a significant effect on the environment.

## 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, 2009, 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) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.
  - (3) Financial ability of agencies to provide services.
  - (4) Status of, and opportunities for, shared facilities.
  - (5) Accountability for community service needs, including governmental structure and operational efficiencies.
  - (6) 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.
- (c) 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 Section 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...”
- 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.

## **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* were released in August 2003. These guidelines were utilized in the preparation of this service review document.

The guidelines identify several possible goals and objectives for municipal service reviews to be achieved through written determinations in the six 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.
- 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. 2006 and 2011 MSRS and Their Immediate Results**

As part of the inaugural cycle of municipal service reviews (2001-2008), El Dorado LAFCO issued the *Countywide Fire Suppression and Emergency Services Municipal Services Review*, adopted by the Commission in August 2006, reviewing the fourteen fire suppression agencies under its jurisdiction. The

MSR found that population growth, State guidelines for equipment and training and rising costs of liability and workers compensation insurance have introduced financial challenges to some, if not most, agencies threatening their long term financial stability.

In addition to these, the MSR identified that the key service boundary-related issue facing these agencies was the provision of service without receiving revenues to offset this cost. Specifically, this issue comes in two varieties:

- 1) Areas outside of any fire agency, and
- 2) Service boundaries not matching current resources.

In December 2006, LAFCO staff held a workshop in conjunction with the El Dorado County Fire Chiefs' Association to discuss this issue and brainstorm possible solutions, all centering around three potential proposals. In ascending order of complexity, the proposals were:

1. The annexation of service holes;
2. The annexation of service areas outside of, but between, fire agencies to the most logical service provider irrespective of current sphere designations; and
3. The realignment of boundaries based upon current and future resources on the ground.

The consensus was that the chiefs would pursue all three options and have further discussions with their neighbors and their respective boards of directors. In the meantime, they requested that LAFCO affirm their current spheres of influence in order to comply with the January 1, 2008 deadline established in State Law. Consequently, the Commission reaffirmed the spheres of influence for all agencies between 2007 and 2008.

A consequence of the MSR was that the topic of consolidation arose, not only among the fire agencies but among other governmental entities. While some FPDs have started discussing adjusting their boundaries, for a few others the report led to the topic of consolidation, the El Dorado County Grand Jury and the El Dorado County Board of Supervisors have also entered the discussion. In 2007, the Grand Jury openly questioned the County's contribution of funds ("Aid to Fire") to eight fire districts and recommended that those districts consolidate with larger neighbors. In June 2009, the County withdrew from the Aid to Fire contract.

The 2010 Countywide Fire and Emergency Services Municipal Services Review and Sphere of Influence study expanded on the work of Citygates' 2010 Fire and Emergency Services and reaffirmed the issues highlighted in the 2006 MSR but did not lead to substantial action or changes. This MSR was prompted by the diligent work of the directors and staffs at El Dorado Hills CWD and the Latrobe FPD and by the changed fiscal circumstances of LTB.

## **E. Aid to Fire**

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. This program went by



different names, such as “Augmentation Funds,” “Parity Funds,” “County Supplemental Funds” and “Aid to Fire.” 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 backfill to districts would be an amount sufficient to bring them up to a 13% property tax rate. Because of decreasing revenue coming into County coffers. Since 2007 the districts and the County have negotiated an amount lower than the 13% threshold until the program came to an end in 2012. This was a significant blow to LTB since half of its budget relied on Aid to Fire funding.

### III AGENCY DESCRIPTIONS

#### A. El Dorado Hills County Water District

##### **Background**

El Dorado Hills County Water District (EDH) was formed pursuant to the Water Code on July 11, 1960 by Resolution 65-60 of the Board of Supervisors. EDH is located in the westernmost portion of El Dorado County (refer to Map 1). The district boundary includes the greater community of El Dorado Hills and a portion of Sacramento County south of Highway 50 (this land is now inside the City of Folsom's city limits). Major access roads/inhabited corridors include Highway 50, El Dorado Hills Boulevard, Silva Valley Parkway, Green Valley Road, Francisco Drive, Salmon Falls Road, Bass Lake Road and Latrobe Road.

The district is bounded on the west by the City of Folsom and Sacramento County, on the north by Folsom Lake, on the east by Cameron Park CSD and El Dorado County and Rescue FPDs, and on the south by Latrobe FPD.

The EDH boundary encompasses approximately 40 square miles (25,600 acres) in the most populous area of the county. Approximately 2,500 acres are designated as LRA and the remainder as SRA. Except for the densely developed core area, the entire district is a risk area for wildland urban interface.

##### ***Land Use and Population Forecasts***

El Dorado Hills, which comprises EDH's urban core, is largely comprised of large scale master-planned communities, residential subdivisions organized as single family residential "villages," and associated commercial and retail uses. Agricultural lands include the Tong ranch in the center of the district, some grape-growing areas to the north and grazing lands in the south. Although a significant portion of the grazing lands within the district are currently under Williamson Act contract, most of them are in a non-renewal status. Most of these lands have also been purchased by developers.

Commercial areas include the 900-acre Business Park (approximately 110 buildings and 2.6 million square feet), Town Center south of Highway 50, and various small neighborhood shopping strips such as the Raley's center off Saratoga Way and the intersection of Green Valley Road and Francisco Drive. Total commercial space within the district is approximately 3.8 million square feet. The Business Park also includes some industrial uses. A portion of Folsom Lake and Brown's Ravine Marina lies within the boundaries of the District.

The 2010 FESS estimated the population within the district to be 31,027 people based on the number of homes in the district and estimated household size. Total future residential development within the district is estimated at 11,355 units or an additional 34,065 people. This development includes projects that are in the planning stages, approved, or under construction. Of this amount, approximately 12% of the projected new residents will live in the Bass Lake area, which will require additional entitlements for service before development

will occur and 18% will live in Serrano. In addition, development is likely in Valley View, east of Latrobe Road and in Carson Creek, between the county line and west of Latrobe Road.

### ***Water Supply***

The water supply source for fire suppression throughout EDH is EID, although some parts of the fire district are not within EID's boundaries.

### ***ISO Rating***

The district has an ISO rating of 3 in areas within 1,000 feet of a hydrant and 8B in areas further from a hydrant. EDH's last ISO rating was completed in February 2005.

### **Infrastructure and Facilities**

EDH currently operates four fire stations; Station 84 at 2180 Marina Station (which is in the process of being demolished and rebuilt); Station 85 at 1050 Wilson Boulevard; Station 86 at 3670 Bass Lake Road; and Station 87 at 4680 Golden Foothill Parkway. All stations have operated with ALS since 1995.

The district also owns a 21-acre regional training facility on Cypress Point Court the El Dorado Hills Business Park. The facility includes an administrative office, classrooms, driving area, rescue area and training tower. For a fee, EDH opens the training facility up to other agencies, including the California Highway Patrol.

### **Equipment and Vehicles**

EDH owns nine engines, four Type 1 structure engines and five Type 3 wildland engines, supplemented with a Type 1 water tender, a breathing support vehicle and two Type 1 trucks. The engines all have a capacity of at least 500 gallons and have the ability to deliver from 500 to 1,500 gallons per minute (GPM).

None of the district's major response apparatus listed are more than 20 years old. The 2010 FESS also indicated that the district has savings for planned replacements in sync with national best practice recommendations.

### **Personnel and Staffing**

EDH is staffed by six chief officers (including the fire chief, administrative chief, division chief and three battalion chiefs), 48 career personnel, five administrative support personnel, and over 30 volunteers.

The district uses NFPA standards as guidelines for staffing. Staffing is set internally and requires a minimum of three (3) three-person engine companies, one (1) four-person truck company, and one (1) shift battalion chief 24-hours a day. The district maintains a staffing level of 1.7 firefighters per 1,000 residents.

This ratio assumes that three volunteers are equal to one paid firefighter. NFPA hiring standards are adopted locally for training and as entry level rules and regulations. An internal staffing analysis is performed annually.

In 2013, EDH entered into a six month sharing agreement with Rescue FPD (RES), whereby RES Fire Chief Tom Keating performs the duties of the EDH Administrative Chief. In exchange, EDH provides Battalion Chief coverage and Fire Prevention and Training Program coordination to RES. The districts have

indicated the agreement will be extended to a longer term if it ends up working well for both agencies.

All non-management employees are members of the IAFF and the district has an MOU for benefits with its bargaining unit. The district recruits from a waiting list of staff and volunteers and does not experience any significant problems with finding employees.

The El Dorado Hills Firefighters' Association (EDHFA) is compensated \$15 per call and \$15 per drill for every volunteer from the district. Currently, the district does not have any shared volunteers and, according to district policy, board members cannot be volunteer firefighters.

The Training Division sets training priorities each year. Firefighters participate in various specialized classes including FDIC West, Fire Mechanics' Academy, Phoenix IMS Symposium, S-290 Wildland, NFPA Updates, National Fire Academy and the County Training Officers Academy. Paramedics are trained according to state standards. EDH contracts with a private company for an employee assistance program, consisting of annual training in eight areas, including employee violence and sexual harassment.

Although EDH does not have any formal shared training arrangements, the district occasionally participates with other districts in drills and special programs, including a joint Live Fire Training Series with the Folsom Fire Department at the Roseville Tower and the Sacramento Regional High Rise Drill in Sacramento. EDH hosts the region's Low Rise Drill.

## **Administration, Management, and Operations**

### ***Board of Directors***

EDH is governed by a five-member board of directors. Directors are elected district wide and serve four year staggered terms. Directors receive a stipend of \$100 per meeting but no mileage reimbursement or benefits. Funds are budgeted each year for board training although participation is infrequent.

The board meets the third Wednesday of every month at 7:30 pm at the district office in Station 85. Public attendance at meetings is usually low; meetings are occasionally covered by local media. Handicapped accessible meeting parking is available at the station. Staff provides notice by posting meeting agendas at all stations, at the El Dorado Hills CSD office and on the district website.

Board members sit on several committees including standing committees for administration, fire and building (projects, district facilities) and various ad hoc committees. Legal counsel has been provided by Hefner, Stark and Marois, LLP since the district's formation. Counsel performs an annual training review of board member conduct and requirements. New Brown Act laws are reviewed at the annual strategic planning meeting. FPPC training is provided only if counsel advises the need for such training. New board members receive an orientation and manual.

### ***Administration—General***

EDH headquarters are located at Station 85. Office hours are Monday through

Friday from 7:30 am to 5:00 pm. Records and archives are kept at the office. The district also maintains a website at [www.edhfire.com](http://www.edhfire.com).

Workers' compensation insurance for staff and volunteers is provided by the State Workers' Compensation Fund. Atwood Insurance Agency, through VSIS, provides liability insurance at \$1,000,000 per occurrence for staff and volunteers. Atwood also provides insurance for Errors and Omissions as well as vehicle insurance.

EDH has an adopted mission statement and rules and regulations (September 2004). The rules and regulations contain articles on district and employee rights, code of ethical conduct, duties and responsibilities, general rules, hiring and promotions, uniform regulations, grievance procedures and disciplinary action. The district also has standard operating guidelines including a reimbursement and charges policy.

### ***Administration—Financial***

EDH revenues are deposited in the County Treasury. The County Auditor collects the district's tax revenue and transfers it to district accounts. A standard 1% tax collection administration fee is charged by the County Auditor. No direct charges are assessed for other banking and accounting services provided by the County to the district. Funds sufficient for daily operating expenses are held in a checking account at Bank of America. Remaining funds in excess of immediate needs are invested in LAIF (Local Agency Investment Fund).

Receivables and payables are processed in-house. Payroll is also processed in-house, except for check printing, which is contracted out through ADP. The district contracts with an independent auditor for an annual audit.

EDH has an adopted purchasing policy that addresses purchasing limits and signature authority. Each of the chief officers has a district credit card and the district has one additional authorized agent credit card. Staff submits a monthly financial report to the board.

The 2010 Countywide Fire Suppression and Emergency Services MSR/SOI prepared by LAFCO noted that the 2010-2011 Grand Jury took EDH to task over the cost of "hidden escalators" in the current labor contract, finding that the district was "overspending its budget" in "questionable spending practices" in salaries and benefits that were disproportionate given the district's size, in comparison to other jurisdictions and the Grand Jury's finding that call volume was down from 2006-2010.

The District's response was to indicate that most of the concerns about the labor contract and compensation were already addressed in a new agreement that was negotiated before the Grand Jury issued its report and was ratified in June 2011. The District took exception to the conclusions about the budget and organizational structure, stating that "The district has not overspent its budget in any year" and that the district's staffing and deployment strategy is designed to ensure optimal response time and effectiveness in its service area with its mixture of urban, suburban and rural land uses. EDH has not been the subject of a Grand Jury investigation since then.

**Administration—Operations****Call and Response Data**

EDH publishes a monthly call log report. The Village Life newspaper publishes a synopsis of this report. The state requires fire reporting through CFIRS (California Fire Incident Reporting System). Calls are logged internally through the Fire House® software program and filed permanently. Statistical data compiled from the call logs is used in the annual report and is available to the public.

The following call data was collected from CAL FIRE's Camino Dispatch Center. These data are the calls generated within the district and do not necessarily include all of the calls that the district responded to with its own resources. As indicated earlier, the 2006 data is irretrievable. The definitions for the call categories to be used in this study 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.
- 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: El Dorado Hills County Water District Call Log

Incident Type	2003	2004	2005	2006	2007	2008	2009	2010
Structure Fire	34	29	51		76	75	47	33
Non-Structure Fire	52	72	76		48	53	39	42
Vehicle Fire	43	32	33		11	10	15	14
Vehicle Accident	176	200	193		189	158	161	153
Medical Aid	900	914	1029		1218	1193	1198	1235
HazMat	39	46	33		31	28	49	26
Good Intent/False Alarm	227	209	231		504	437	438	491
Other	597	697	582		34	42	32	45
<b>Total Calls</b>	<b>2068</b>	<b>2199</b>	<b>2228</b>	<b>0</b>	<b>2111</b>	<b>1996</b>	<b>1979</b>	<b>2039</b>

Incident Type	2011	2012	2013
Structure Fire	22	29	15

Non-Structure Fire	48	42	46
Vehicle Fire	12	14	18
Vehicle Accident	148	128	131
Medical Aid	166*	149*	143*
HazMat	24	28	28
Good Intent/False Alarm	504	523	599
Other	12	52	45
<b>Total Calls</b>	<b>969</b>	<b>965</b>	<b>1,025</b>

\* CALFIRE is rerunning these numbers as they appear to be inconsistent with historical data

EDH's internal standard requires response times of six minutes or less to 90% of the incidents within the district. This standard is based on NFPA studies and other information indicating the critical stages for fires and medical aid. The six minutes begin from receipt of the call to equipment on scene.

### Maintenance and Equipment

NFPA also sets national equipment standards that are widely recognized by the industry. Although not adopted locally, EDH uses these standards as guidelines and makes adjustments for local conditions and preferences. These guidelines are also used to determine the range of types of equipment and the number of staff per piece of equipment. Currently, the amount of personal equipment currently meets district requirements.

EDH has an internal vehicle and facility maintenance and record keeping program through Fire House. The district contracts for preventative vehicle maintenance and most facility maintenance is performed in-house. The district does not report any problems with deferred maintenance. From a long term planning point of view, equipment replacement is included in the Five-Year Plan.

Vehicles are replaced based on mileage as tracked by Fire House. One staff person has designated authority for maintenance.

### **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.

### Revenues

Table 2: El Dorado Hills County Water District Funding and Budget – Revenues

Revenues	2004-2005 Actual	2005-2006 Actual	2006-2007 Actual	2007-2008 Actual	2008-2009 Actual
Property Taxes	8,873,393	11,059,331	12,728,480	13,628,483	14,053,183
Interest	171,034	381,068	728,075	741,971	383,845
Development Impact Fees	2,661,786	1,783,169	1,157,418	1,069,825	185,811
Misc. Operating Revenue - Other	772,164	1,193,238	2,372,847	1,943,969	2,265,469
<b>Total Revenues</b>	<b>\$ 12,478,377</b>	<b>\$ 14,416,806</b>	<b>\$ 16,986,820</b>	<b>\$17,384,248</b>	<b>\$16,888,308</b>

Revenues	2009-2010 Actual	2010-2011 Actual	2011-2012 Actual	2012-2013 Actual	2013-2014 Budgeted
Property Taxes	13,159,516	12,002,181	11,861,078	11,931,966	12,117,697
Interest	126,881	98,535	69,802	55,656	80,000
Development Impact Fees	169,726	382,159	695,722	1,062,498	575,000
Misc. Operating Revenue - Other	1,605,338	1,301,183	1,269,982	1,294,523	1,380,000
<b>Total Revenues</b>	<b>\$ 15,061,461</b>	<b>\$ 13,784,058</b>	<b>\$ 13,896,584</b>	<b>\$14,344,643</b>	<b>\$14,152,697</b>

Total assessed value within the district is \$6,947,876,972 in FY2013-2014, a drop of almost \$1 billion since FY2008-2009. EDH currently receives an average percentage of 18.42% of the property tax revenue within district boundaries. The district does not have any special taxes or assessments.

EDH receives development impact fees of \$1.16 per square foot for all residential, commercial/industrial, and institutional units. These fees were last updated by the district on May 21, 2008 by Resolution 2008-02.

### Grants

EDH did not notify LAFCO of any grants awarded to it since 2006.

### Expenditures

Table 3: El Dorado Hills County Water District Funding and Budget – Expenditures

Expenditures	2004-2005 Actual	2005-2006 Actual	2006-2007 Actual	2007-2008 Actual	2008-2009 Actual
<b>Salaries and Benefits</b>	<b>\$7,681,194</b>	<b>\$8,424,409</b>	<b>\$9,403,275</b>	<b>\$11,872,210</b>	<b>\$13,004,304</b>
Salaries/Wages	4,832,846	5,302,852	5,830,681	7,582,497	8,234,214
Retirement and Other Benefits *	1,564,728	1,673,236	2,195,652	2,810,176	2,574,780
Health Benefits **	772,856	996,138	1,084,584	1,213,342	1,821,950
Workers' Comp Insurance	496,364	437,783	277,958	251,595	360,960
Director Pay	14,400	14,400	14,400	14,600	12,400
Services and Supplies	1,232,880	1,258,475	1,430,835	1,217,239	1,227,811
Fixed Assets	8,854,000	1,303,500	5,817,866	4,583,165	1,173,497
Depreciation	0	850,000	850,000	0	0
Uncategorized Expenses	160,000	160,000	160,000	0	0
Budget from Reserves	0	2,038,019	0	0	0
<b>Total Expenditures</b>	<b>\$17,928,074</b>	<b>\$14,034,403</b>	<b>\$17,661,976</b>	<b>\$13,089,449</b>	<b>\$14,232,115</b>

Expenditures	2009-2010 Actual	2010-2011 Actual	2011-2012 Actual	2012-2013 Actual	2013-2014 Budget
<b>Salaries and Benefits</b>	<b>\$13,592,502</b>	<b>\$13,386,059</b>	<b>\$11,739,057</b>	<b>\$11,853,715</b>	<b>12,319,448</b>
Salaries/Wages	8,469,444	8,159,694	6,897,891	6,957,143	7,082,288
Retirement and Other Benefits *	2,881,631	3,032,137	2,624,903	2,640,923	2,718,465
Health Benefits **	1,856,114	1,772,239	1,758,501	1,826,063	1,983,997
Workers' Comp	370,513	406,189	444,662	418,985	519,898



Insurance					
Director Pay	14,800	15,800	13,100	10,600	14,800
Services and Supplies	1,213,962	1,058,299	1,032,133	1,047,937	1,412,994
Fixed Assets	927,143	1,010,801	144,617	1,254,113	5,053,100
Depreciation	0	0	0	0	0
Uncategorized Expenses	0	0	1,094,218	659,573	0
Budget from Reserves	0	0	0	0	0
<b>Total Expenditures</b>	<b>\$14,806,464</b>	<b>\$14,444,358</b>	<b>\$12,771,190</b>	<b>\$12,901,652</b>	<b>18,785,542</b>

\* Includes, Education Pay, Life Insurance, Disability, Medicare, and Unemployment

\*\* Includes P.E.R.S. Health, Dental/Vision, and Retiree Health

The primary expenditure for EDH is salaries and wages, which increased by approximately 44% from FY 2004-2005 to FY 2012-2013. Salaries and benefits constitutes the majority of costs, from a low of 43% in FY 2004-2005 to as high as 93% in FY 2010-2011. However, as a percentage of budget, salaries and benefits has dropped by almost 30% from FY 2012-2013 to FY 2013-2014.

### Boundaries

The first response area for EDH does not correspond exactly to the district's boundary. The chief reports that EDH is consistently the first responder to the easternmost portions of the City of Folsom and Sacramento Metropolitan FPD. The Bass Lake Station also responds first to some parts of western Cameron Park and Rescue. Almost all Latrobe calls are directed to both Latrobe FPD (LTB) and EDH. EDH is often the first responder to these calls.

As a result, EDH has been involved in several past consolidation and reorganization efforts. In 1993, the district approached Cameron Park CSD, but the CSD board voted against the concept. Similarly, EDH approached LTB in 2002 but the Latrobe FPD board also voted against consolidation. In 2003 the residents of RES voted against consolidation in an advisory election.

For the past 18 months, LTB and EDH have worked strategically to make the merging of the departments not only possible but also to convince their respective constituency the value of the endeavor. From an operational standpoint, the departments conducted joint training sessions, a contract for service and various internal financial, budgetary and labor studies to integrate the departments. On January 23, 2014, the EDH Board of Directors voted to apply to LAFCO to annex the LTB service area and its sphere of influence.

It must be emphasized that despite the careful, strategic approach the districts have taken to ensure the success of the merger, the effort is still dependent upon a large increase in the property tax revenue generated within Latrobe to pencil out. While landowner's property taxes are capped by Proposition 13, these larger revenues will have to come from an increase in LTB's percentage share of property taxes.

LAFCO approved three proposals for annexation to EDH in the past five years. The Alto Reorganization in 2010 and the Malcolm-Dixon Estates and Diamante projects, both in 2014. Other areas for potential annexations include the service area holes formerly under Williamson Act (Tong Ranch area and Dixon Ranch area).

To the north of EDH is a part of the county between EDH and Rescue FPD boundaries. These lands are within Rescue FPD's SOI; however, according to EDH and data from other sources, including Camino Dispatch, access into the areas is only possible from El Dorado Hills, hence EDH is the first responder for all incidents in that area.

In 1998 and 2003, proposals were submitted to LAFCO to incorporate the proposed City of El Dorado Hills. The proposals were initiated by registered voters and the County Board of Supervisors, respectively. The proposals both specifically excluded any changes to the organization of EDH as a district. While those incorporation efforts were unsuccessful, any future incorporation in this area will shift lands currently designated as SRAs to LRAs for wildland fire protection services; thereby, shifting the costs of wildland fire protection to the local fire provider. This will have a direct fiscal and environmental impact to the district or to the future city, should EDH be reorganized as a city department.

### **Community Outreach and Involvement**

EDH is affiliated with the El Dorado Hills Firefighters' Association and the EDH Auxiliary. The EDHFA consists of both Paid and Volunteer Firefighters and the Auxiliary membership mainly consists of staff spouses. The district co-sponsors events with both groups. The EDHFA holds one major fundraiser each year and donates the funds for community purposes including schools and hospitals.

Several community groups use district facilities including the El Dorado Hills Chamber of Commerce, youth organizations, youth sports leagues and DMV 55 Alive classes. The district does not charge any rental fees for these agencies.

EDH also participates in community events by staffing safety fairs, bike rodeos, business expositions, EDHCSD events, Friends of the Library events and others. District staff stands by at high school and peewee football games. Some overtime is budgeted for public education duties. The public can read district news on the EDH website.

EDH is a member of a variety of organizations, including the El Dorado Hills Chamber of Commerce, the El Dorado Hills Rotary Club, the Boys and Girls Club, Big Brothers Big Sisters, NFPA, IAFC, the County Chiefs' Association, the County Training Officers Association and the County Prevention Officers Association.

## **B. Latrobe Fire Protection District**

### **Background**

Latrobe Fire Protection District (LTB) was formed pursuant to the Health and Safety Code on April 1, 1982 by LAFCO Resolution L-82-10.

LTB is located in the southwestern corner of El Dorado County, serving the greater community of Latrobe (refer to Map 2). The district is bounded on the west by Sacramento Metropolitan FPD, on the northwest by El Dorado Hills CWD, on the north by El Dorado County FPD, on the southeast/east by Diamond Springs/El Dorado FPD, and on the south by Amador County FPD.

Major access roads/inhabited corridors include Latrobe Road and South Shingle Road.

LTB's boundary encompasses approximately 36 square miles, or 23,000 acres, of primarily rural lands. The entire territory is designated as SRA with no LRA lands. The entire district is a risk area for wildland or wildland urban interface fires.

### ***Land Use and Population Forecasts***

Major natural features include the Cosumnes River along the southern boundary and Ben Bolt Ridge, which runs north-south through the district. Approximately 70% of the district's territory is agricultural and 30% is residential with roughly 12,048 acres in Williamson Act contracts. Two thousand two hundred three acres of these are under notice of non-renewal. Residential lands are clustered into eight main areas. There are no commercial or industrial lands but there is one small winery.

The 2010 FESS estimates LTB's population to be 901 people based on the 402 dwelling units. The area experiences really slow growth. Prior to the recession, there typically 10-30 housing starts per year. Since 2008, there have been about five annually. There is currently one large development, Rancho Victoria, that is still in the planning phase with the County. It entails approximately 80 acres and currently is planned for 36 homesites. The planned development is located on South Shingle Road just West of Latrobe Road and behind the Millers Hill School.

### ***Water Supply***

The water supply sources for fire suppression include water tenders, some gravity-fed ponds, and 5,000 to 400,000 gallon tanks, each connected to a hydrant. The 400,000 gallon water tank is pressurized by an electronic pump system and fed from ground water wells. The remaining hydrants are gravity fed from ponds or tanks and require hard suction to retrieve water during operations. The district must conserve pond water and use or develop new wells to fill its water tenders.

### ***ISO Rating***

The district has an ISO rating of 3 in areas within 1,000 feet of a hydrant and 9 in areas further from a hydrant. LTB's last ISO rating was completed in October 2013.

### ***Infrastructure and Facilities***

LTB currently operates two fire stations; Station 91 on South Shingle Road and Station 92 on Ryan Ranch Road. Both stations are equipped with three bays; Station 91 also has two offices and Station 92 has one meeting room, an office and a kitchen. Both were built approximately 20-25 years ago. The 2010 FESS found that neither station needs to be replaced.

Community groups, homeowners' associations, and road zones of benefit frequently use Station 92 for meetings. There are no fees charged to community groups for use of the fire facilities. Station 92 is not a staffed station but houses

apparatus that is used as incidents require them. Station 92 is also used as an indoor training facility and for LTB Board and other department meetings.

In addition, the district owns five acres of undeveloped land in the Sunridge Meadow subdivision, which may be used in the future for the location of a third fire station. A future Station 93 may be needed in 5-10 years depending on future growth within response area 93. The district has no other plans to expand its facilities.

### **Equipment and Vehicles**

LTB owns and operates four engines; one is a 1996 Type II with a capacity of 500 gallons and the capability to deliver 500 gallons per minute (GPM). A 2009 Type II with 2000 gallons of water and 750 GPM pump. The other two engines are Type III with a capacity of 500 gallons and the capability to deliver 150 to 300 GPM, respectively. The district also owns one 2009 water tender with a 2,000 gallon capacity; one 2008 rescue/patrol vehicle with a 300 gallon capacity that delivers up to 200 GPM and four command vehicles. The district wants to replace the 300-gallon tender with another rescue squad in the next few years, budget permitting, since the 1980s era tender is currently using a smaller pump than its normal size in a reduced mode because of its age.

### **Personnel and Staffing**

LTB is staffed by 5-8 part-time employees and 7-17 volunteers. Part-time staff includes one assistant chief and between four and seven firefighters. Volunteer staff includes one chief, one assistant chief and two captains. This allows the district to staff Station 91 from 8:00 am to 6:00 pm Monday through Friday. Informal staffing analysis is done annually by day of the week and time of day. LTB's staffing standards and minimum staffing levels are for two 10-hour shifts, seven days a week. There is a supervisor who works no more than 30-hours a week. Chief Chris Couper indicates that this minimal staffing level basically guarantees a scattered schedule for all staff, with the paid staff working and receiving less than full time wages.

All volunteers receive the Volunteer Length of Service Award (LOSA). The LOSA is administered by PERS; however, staff and volunteers do not receive PERS benefits. There are no other health or retirement benefits paid for by LTB.

The County Training Officers Association sets the Volunteer Academy training requirements. LTB staff and volunteers attend the 6- to 8-week Volunteer Fire Academy, the National Fire Academy, various fire conferences and one or two training sessions per year sponsored by the Training Officers Association. The district has shared training arrangements and many joint operations with EDH, El Dorado County Fire Protection District and Diamond Springs-El Dorado Fire Protection District. LTB also holds training sessions every other week, either as internal training sessions or joint training with EDH. Paid LTB staff also works with EDH staff three times a week for a total of 9 hours a week.

The principal staffing problem for LTB is retention of quality volunteers, which it must rely on because of its limited funding and the turnover of early career

firefighters. The district relies heavily on local community volunteers to minimize its response times during non staffed hours. Due to the significant time commitments and levels of training required to be an active volunteer firefighter, this represents a significant challenge for the department to acquire and retain quality volunteers. The district provides all volunteers initial training through the annual Volunteer Fire Academy. The district has an informal agreement that volunteers must become inactive as firefighters in order to serve on the Board of Directors.

## **Administration, Management, and Operations**

### ***Board of Directors***

LTB is governed by a five-member Board of Directors, all of whom are elected district-wide to serve four-year staggered terms. There is a limited amount of public interest in Board openings when they occur and Board turnover is very low. Directors receive a \$50 per month stipend. Training for board members is “on-the-job.”

The board meets the second Monday of every month at 7:00 pm at Station 92. Three directors are required for a quorum as mandated by the Health and Safety Code. Members of the public generally attend meetings infrequently and the media is invited but coverage is minimal.

Meeting facilities and parking are all accessible. Notice is posted at both stations. The district implements the Brown Act by policy.

### ***Administration—General***

LTB Headquarters is located at Station 91. Office hours are Monday through Friday from 9:00 am to 5:00 pm. Records and archives are split between the two stations. Financial and business records are at Station 92 whereas personnel and run reports to the district office are at Station 91. The district website is <http://www.firehouse.com/region/departments/latrobe-fire-protection-district>; however, the amount of online information available to the public is limited to staffing numbers and basic description of the Latrobe Area.

Workers’ compensation insurance for staff and volunteers is provided by FDAC FACIS. Atwood Insurance Agency provides general and professional liability insurance for staff and volunteers. The LTB Board recently enacted SDI for the paid personnel by proclamation. As mentioned earlier, selected long term volunteers who have worked for the District more than 10 years also receive Volunteer Length of Service Award through CalPERS.

### ***Administration—Financial***

All district funds are kept in the County Treasury and the County Auditor provides all accounting and banking services, including payroll services. All County services are provided through informal arrangements, and included in the 1% property tax administration fee. The board secretary keeps track of financial transactions and sends the information to the County.

The chief can approve expenditures of any amount within a budget line item and other expenditures up to \$500. All items are approved by the board before

payment. Staff presents an annual County-produced financial report to the board.

### ***Administration—Operations***

#### ***Call and Response Data***

Activity levels and call logs are managed through a proprietary computer program modeled after CFIRS/NFIRS, developed for LTB by a volunteer. The logs are reviewed individually prior to filing and are reviewed annually for statistical purposes; they are not published.

The following call data was collected from CAL FIRE's Camino Dispatch Center. These data are the calls generated within the district and do not necessarily include all of the calls that the district responded to with its own resources. The 2006 data is irretrievable. Please refer to the El Dorado Hills CWD section for a description of the categories.

Table 4: Latrobe Fire Protection District Call Log

<b>Incident Type</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Structure Fire	2	1	1		3	4	2	1
Non-Structure Fire	3	13	7		4	3	3	6
Vehicle Fire	1	0	0		1	1	0	1
Vehicle Accident	15	27	19		15	12	10	16
Medical Aid	33	30	20		29	26	31	31
HazMat	1	1	1		0	1	1	1
Good Intent/False Alarm	8	4	7		11	10	7	16
Other	33	24	27		2	4	1	0
<b>Total Calls</b>	<b>96</b>	<b>100</b>	<b>82</b>	<b>0</b>	<b>65</b>	<b>61</b>	<b>55</b>	<b>72</b>

<b>Incident Type</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Structure Fire	0	0	0
Non-Structure Fire	3	3	2
Vehicle Fire	1	0	2
Vehicle Accident	14	21	11
Medical Aid	4*	9*	4*
HazMat	1	2	0
Good Intent/False Alarm	8	10	19
Other	2	0	2
<b>Total Calls</b>	<b>33</b>	<b>45</b>	<b>40</b>

\* CALFIRE is rerunning these numbers as they appear to be inconsistent with historical data

#### ***Maintenance and Equipment***

Officers make recommendations to the board for the type and amount of necessary equipment. The district's internal standard requires one water tender, one Type I engine, and one Type III or a combination Type I engine/water tender and Type III engine per staffed station. LTB's goal is to achieve NFPA standards for equipment quality. LTB recently received a CAL FIRE grant to

purchase brand new turnouts for most of its staff. The department has no long-term debt.

Vehicle maintenance is performed both in-house and by hourly contract for larger needs. A mechanic is hired annually to inspect the district's vehicles according to state standards. Building and facilities maintenance is performed by volunteer or paid LTB staff. The most important needs for maintenance are moderate roof repairs and new paint for the stations.

#### Contract for Services

In 2012 LTB entered into a contract for services agreement with EDH whereby EDH commits to sending at least one engine to any service-related incident within the LTB service area 24-hours a day, seven days a week. The \$25,000 contract is a year-to-year agreement with an automatic renewal provision. LTB can release the engine if LTB has sufficient coverage to handle the incident, even if the EDH engine is en route. This agreement is categorized as a win-win for both districts since LTB is able to ensure guaranteed coverage to its residents and EDH is receiving payment to offset its costs for service.

#### **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.

#### Revenues

Table 5: Latrobe Fire Protection District Funding and Budget – Revenues

Revenues	2004-2005 Actual	2005-2006 Actual	2006-2007 Actual	2007-2008 Actual	2008-2009 Actual
Fund Balance	\$-12,787	\$15,241	\$42,671	\$43,818	\$114,885
<b>Taxes</b>	<b>125,251</b>	<b>135,859</b>	<b>143,804</b>	<b>143,176</b>	<b>147,250</b>
Property Taxes	89,789	100,063	109,481	111,954	113,615
Direct Assessments	35,453	35,796	34,323	30,046	33,635
Penalties/Cost Delinquent Taxes	277	122	199	334	262
Interest	575	2,664	4,794	3,489	2,140
Intergovernmental – State	1,252	1,192	1,194	0	1,154
Intergovernmental – Other	119,864	132,422	148,754	209,226	223,837
Development Impact Fees	0	494	34,516	0	64,135
Miscellaneous Revenue	2,046	0	0	34,661	3,500
<b>Total Revenues</b>	<b>\$236,477</b>	<b>\$287,993</b>	<b>\$375,932</b>	<b>\$436,324</b>	<b>\$557,163</b>

Revenues	2009-2010 Actual	2010-2011 Actual	2011-2012 Actual	2012-2013 Actual	2013-14 Budgeted
Fund Balance	\$159,134	\$247,593	\$ -	\$ -	\$ -
<b>Taxes</b>	<b>135,828</b>	<b>140,203</b>	<b>138,482</b>	<b>149,331</b>	<b>136,800</b>
Property Taxes	101,322	105,517	104,966	113,513	106,800
Direct Assessments	34,506	34,686	33,516	35,818	30,000
Penalties/Cost Delinquent Taxes	425	340	182	223	200
Interest	1,072	1,112	1,154	1,477	300
Intergovernmental – State	1,166	1,196	3,922	9,280	500
Intergovernmental – Other	425,823	108,145	118,345	-	-
Development Impact Fees	-	6,000	10,000	-	-
Miscellaneous Revenue	10,774	20,722	37,989	53	-
<b>Total Revenues</b>	<b>\$734,222</b>	<b>\$525,311</b>	<b>\$310,074</b>	<b>\$160,364</b>	<b>\$137,800</b>

Total assessed value within the district was \$214,683,851 in FY2013-2014, a drop of almost \$16 million in assessed value since FY 2008-2009. LTB currently receives an average percentage of 5% of property tax revenue within district boundaries.

Landowners in the district pay a \$60 parcel fee, which generated over \$35,000 in FY 2012-2013. Very small or unbuildable parcels are either excluded or have their fee reduced as determined by LTB staff. Assessment fees represented 22% of LTB's revenues in FY2012-13, which is a significantly higher proportion of the district's budget than in FY 2007-2008, when the parcel tax constituted only 7%.

LTB has development impact fees of \$0.95 per square foot for structures intended for residential, commercial and industrial use, including additional square footage added to already existing structures when the addition is in excess of 500 square feet. A fee of \$0.47 per square foot for unoccupied detached accessory buildings over 250 square feet. The fees were last updated in 2013.

Payments for past capital equipment purchases have primarily been funded with development impact fees.

LTB also receives revenue from the JPA for medical-related services and training. When the old Aid to Fire program was in place, it constituted almost 40% of LTB's budget. When the program ended in 2011, LTB faced really tough choices. Other Aid to Fire-recipient districts cut personnel and other expenditures to cope with the loss of revenue. This was not a realistic option for LTB since it already has minimal staffing and capital expenditures. As a result, the LTB Board of Directors made a choice but to dip into its reserves until some other alternative is found (consolidation, contract for service or some other reorganization). For the past two years, LTB has spent approximately \$40,000



annually, though it could easily go through \$100,000 a year to increase any service standards.

### **Grants**

The district received a CAL FIRE grant to purchase ten sets of SCBA for \$8,000.

### **Expenditures**

Table 6: Latrobe Fire Protection District Funding and Budget – Expenditures

<b>Expenditures</b>	<b>2004-2005 Actual</b>	<b>2005-2006 Actual</b>	<b>2006-2007 Actual</b>	<b>2007-2008 Actual</b>	<b>2008-2009 Actual</b>
<b>Salaries and Benefits</b>	<b>\$105,123</b>	<b>\$111,764</b>	<b>\$110,819</b>	<b>\$126,266</b>	<b>\$104,387</b>
Salaries/Wages	71,167	78,594	87,782	101,294	79,539
Retirement and Other Benefits *	16,157	16,981	9,409	8,451	6,477
Workers' Comp Insurance	17,799	16,189	13,628	16,521	18,371
Services and Supplies	92,784	115,921	119,933	161,414	118,246
Fixed Assets **	28,329	17,638	76,361	83,140	116,031
Reserves	15,000	0	25,000	25,000	-
<b>Total Expenditures</b>	<b>\$241,236</b>	<b>\$245,322</b>	<b>\$332,114</b>	<b>\$395,820</b>	<b>\$338,664</b>

<b>Expenditures</b>	<b>2009-2010 Actual</b>	<b>2010-2011 Actual</b>	<b>2011-2012 Actual</b>	<b>2012-2013 Actual</b>	<b>2013-2014 Budgeted</b>
<b>Salaries and Benefits</b>	<b>\$115,800</b>	<b>\$103,014</b>	<b>\$128,928</b>	<b>\$134,086</b>	<b>\$143,220</b>
Salaries/Wages	72,771	81,943	106,726	110,165	116,200
Retirement and Other Benefits *	30,033	11,743	10,965	12,977	15,020
Workers' Comp Insurance	12,996	9,328	11,237	10,944	12,000
Services and Supplies	82,549	84,512	63,938	98,709	113,350
Fixed Assets **	281,786	5,458	54,967	5,000	-
Reserves	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$480,135</b>	<b>\$192,984</b>	<b>\$247,833</b>	<b>\$237,795</b>	<b>\$256,570</b>

\* Includes Disability and Medicare

\*\* Includes Equipment, and Capitalized Leases

The primary expenditure for LTB is salaries and benefits, which has decreased as a percentage of total expenditures by almost 12% in the past four years.

### **Boundaries**

For the past 18 months, LTB and EDH have worked strategically to make the merging of the departments not only possible but also to convince their respective constituency the value of the endeavor. From an operational standpoint, the departments conducted joint training sessions, a contract for service and various internal financial, budgetary and labor studies to integrate the departments. These have indicated there is value for the departments to become one. On February 3, 2014 the LTB Board of Directors voted to apply to

LAFCO for dissolution. The Board is also supportive of EDH's annexation of their service area and sphere of influence.

From a constituency standpoint, various public workshops and outreach efforts have been held to engage the community. These touch upon various topics, from what the larger department will look like, to issues of service capabilities and political representation. Chief Couper alone estimates he has held three workshops on his own, five joint workshops with EDH and at least 5 workshops representing subsets of the Latrobe Community.

It must be emphasized that despite the careful, strategic approach the districts have taken to ensure the success of the merger, the effort is still dependent upon a large increase in the property tax revenue generated within Latrobe to pencil out. While landowner's property taxes are capped by Proposition 13, these larger revenues will have to come from an increase in LTB's percentage share of property taxes.

### **Community Outreach and Involvement**

LTB is affiliated with the Latrobe Firefighters' Association (LFFA), whose membership is fairly small and mostly consists of volunteers. The district holds periodic events for the public at its stations depending on the availability of volunteers. The LFFA, along with the Odd Fellows and Latrobe School Parent Teachers organization, held joint pancake breakfasts at the Odd Fellows hall monthly as a fundraiser. At least five community groups including zones of benefit boards, homeowners' associations, and road groups use the district's stations for meetings.

LTB is a member of the County Chiefs' Association, the California Fire Chiefs' Association, and the National Fire Protection Association and membership to California State Firefighters' Association is provided for all volunteers.

**IV 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. The most recent data available, from the 2008-2012 American Community Survey conducted by the US Census, is displayed on below.

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	
Western El Dorado County	33,444	27,959 (83.6%)	346 (1.03%)	31 (0.09%)	2,835 (8.5%)	0 (0%)	129 (0.4%)	2,144 (6.4%)	2,349 (7%)

	Income Below Poverty Level			Median Household Income
	Total	Male	Female	
Western El Dorado County	1,291	665	626	\$117,528

**V SERVICE REVIEW ANALYSIS AND DETERMINATIONS**

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.

The EDH and LTB service areas are a study in contrasts. EDH’s service area is mostly within the County’s El Dorado Hills Community Region, an area designated for residential and commercial growth. The area is very urbanized, its density limited mostly by topography. There is no community region designation in LTB’s service area, though the town of Latrobe is designated as a “rural center,” an area where commercial development is allowed so long as it supports the surrounding agricultural industry.

Gathering demographic and population information for El Dorado County is difficult given the sparse distribution of homes and people. This is especially true of areas away from the urbanized and densely populated Community Regions. As a result, official population numbers from the US Census are not available for Latrobe FPD. While El Dorado Hills is both densely populated and urbanized, the boundaries of the community do not necessarily align with those of El Dorado Hills CWD. Further, while the US Census attempts to measure the population of El Dorado Hills, its “Census Designated Place” for it not only does not align with the fire department’s boundaries (refer to Map 3), the 2010 CDP lines are not the same as the 2000 EDH CDP either (refer to Map 4). As a result, the numbers shown here need to be considered as approximate and certainly exclusive of the community of Latrobe:

Table 7: Census 2000 and 2010 Population Count

	2000	2010
El Dorado Hills	18,016	42,108

The Sacramento Area Council of Governments (SACOG) bases their population projections based on “regional analysis districts” (RADs – refer to Map 5). The RADs are areas defined by SACOG, independent of the Census, local districts or the land use jurisdiction. While they may have the same name as a community or a district, the RADs do not conform to established community boundaries, fire agency service areas or to the Census demarcations. They are useful in this case in that the “El

Dorado Hills” RAD encompasses the much of the same territory as EDH and LTB’s service area (refer to Map 6).

Useful to this discussion is the 2013 US Census’ American Community Survey. The ACS’ broke the county along various “Block Groups.” The block groups around El Dorado Hills and Latrobe conform well enough to SACOG’s “El Dorado Hills RAD” and the boundaries of both fire districts (refer to Map 7). As a result, the ACS block group data can be used to “fill in the gap” in the SACOG data:

Table 8: SACOG Projections – Population Growth Through 2035

	2001 SACOG	2008 SACOG	2012 ACS	2020 SACOG	2035 SACOG
El Dorado Hills	21,184	39,276	38,858	46,697	55,124

There is a decrease in population size between the 2008 SACOG count and the 2012 ACS count. Two possible factors could account for this. First, while there are substantial similarities between the SACOG RAD and the ACS’ block groups, there are differences in the area. Consequently, different homes and people are being counted. Second, it is likely that the decline was the result of people moving out of the area, either for employment reasons or because of the loss of homes, as a result of the economy’s bottom falling out in October 2008.

Just as important as raw numbers is the distribution of the population. Map XX was generated by the El Dorado County Surveyor’s Office to demonstrate the concentration of developed lots in the study area. The darker colors show a higher number of developed parcels in a square mile grid. White or blank areas mean there are no developed parcels. As it can be seen, the highest concentration is in the El Dorado Hills community between Green Valley Road and Highway 50. The lowest concentrations are found in the Latrobe FPD service area.

**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.*

According to the latest Census figures, there are no disadvantaged unincorporated communities in either the service area or spheres of influence for both El Dorado Hills CWD and Latrobe FPD. Map 8 shows that the nearest disadvantaged area is located in the adjacent community of Cameron Park.

**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.

While Map 9 contains station locations, the inserted icon for these stations are too small to notice. As a result, Map 10 is added to this report to show their locations more clearly. It can be seen that EDH Stations 84 and 85 are centrally located to respond to the high density areas. While not in areas that are similarly concentrated, EDH Stations 86 and 87 are also located near areas with large numbers of people. LTB Station 92 is located so that it can assist Station 87, and vice versa, if necessary.

All of EDH stations are fully staffed with a total of 48 line staff. Current minimum staffing at EDH's four stations consists of three three-person engine companies, one four-person truck company, and one Shift Battalion Chief. EDH also staffs a two-person medic unit as part of the El Dorado County Emergency Services Authority (JPA) located at Station 85. Paid staffing is augmented by a "Volunteer Firefighter and Apprentice" program composed of 45 active personnel that are trained as back-up staffing or augmented emergency response.

LTB staffs Station 92 on a part-time basis, with a minimum of 2 firefighters and a part time supervisor from 8 am to 5 pm Monday through Friday. Volunteers provide coverage during off hours. In 2012, LTB also signed a \$25,000 a year contract with EDH to provide one paramedic engine company for emergency incidents at all times. LTB's other station, Station 91, is currently not staffed and is used for storage and training. Weekend Coverage includes the fire chief or one of two fire captains to be on-call duty and each firefighter on dedicated call one weekend day per month.

While EDH has full time paid staff, LTB only has non-administrative part time paid personnel (one fire captain, four engineers and one fire fighter). Fire Chief Couper is both part time and not paid.

The 2010 Countywide Fire Suppression and Emergency Services Municipal Service Review (Fire MSR) prepared by LAFCO outlined some of the difficulties that fire districts face with recruiting and retaining volunteers, including:

- An overall aging of the El Dorado County population, diminishing the population pool in which to draw volunteers

- An overall increase in commuting times means more people who travel away from their community to get to their jobs. This translates to less available bodies to volunteer at their local fire department during the day.
- Safety regulations and guidelines require volunteers to have the same level of training and the same type of safety equipment as salaried firefighters. The former requirement diminishes the possibility of a person becoming a volunteer because it requires that person to invest a substantial amount of time he or she may not have to be certified. Both requirements drive up the cost of service for districts that rely on volunteers.
- Legally personnel cannot do both volunteering and paid (split work)

Each District's apparatuses were covered in the agency description sections. Both districts appear to have sufficient rolling capital to handle most calls and emergencies. The key difference between the two districts is the ability to staff the apparatuses or be able to field sufficient resources at any time of the day. There is no question EDH can. As explained in the next section, finances prevent LTB from doing the same.

In its plan of service, EDH states that "The existing (LTB paid staff) will maintain their current pay and positions as part time employees to staff the Latrobe Area. This also applies to the part time Captain/Latrobe Area Coordinator position. Per our employment practices and policies, there would also be a path for these personnel to pursue a career position should they choose to. All personnel would be required to pass current EDHFD employment requirements." In addition, if the annexation of LTB by EDH is successful, EDH proposes to increase the staffing at Station 92 to 3 firefighters and increase the days of operation to seven days a week. EDH Fire Chief Roberts has indicated that the firefighter positions could be staffed with current LTB paid staff, LTB volunteers and qualified EDH Apprentices or Volunteers. There will also be a drive to encourage current LTB staff with Advanced Life Support (ALS) accreditation.

If the annexation is successful, the EDH will immediately undertake a comprehensive Standards of Cover (SOC) and a Community Risk Assessment (CRA). EDH has signaled its intent to fully staff the Latrobe area with a three person engine company 24 hours a day, seven days a week as soon as practical. When this occurs depends on several factors, including area growth, call volume, call types, response times and finances, which also have to be consistent with the SOC and CRA. EDH intends to work with various organizations to determine when these factors are present so that staffing is at the levels outlined in the SOC and CRA.

Short term, EDH will develop a "Transition Team" to make the integration of the firefighter corps between the two agencies as seamless as possible. The team will consist of members from both agencies. EDH is encouraging LTB Fire Chief Couper to assist with the transition process.

In order to better assist with operational planning, EDH will designate one of the LTB captains as the "Latrobe Area Coordinator" who will be tasked to work closely with EDH staff to ensure Latrobe community expectations are met regarding staffing and operational requirements. According to the draft Service Plan, the Latrobe Area Coordinator will help coordinate and facilitate the smooth transition of all LTB personnel into the new organization and ensure that EDH personnel are trained and

familiarized with the additional challenges of the Latrobe community. The Latrobe Area Coordinator is expected to work closely with the 40 hour EDH Captain and EDH Fire Chief to ensure that the LTB personnel are receiving the proper training and experience to allow them to be successful within the mission of the newly formed organization.

As explained in the previous section, based on Census figures, no disadvantaged unincorporated community is found in the service area for EDH or LTB.

### **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:

- Financial capabilities and costs of service.

EDH is in the most stable financial position of all fire districts in the county. While it experienced a decrease in revenue shortly after the 2008 economic recession, it was able to recover through operational cost cutting, staff reductions and tapping into the healthy reserves the EDH Board of Directors had built up over the years.

EDH's financial stability is attributed to many factors. First, the percentage of property taxes it receives is one of the highest in the county, surpassed only by Diamond Springs/El Dorado. However, two other factors contribute to EDH's financial stability. Second, EDH serves primarily an urbanized area. This density means smaller sized parcels per square mile. Third, there tends to be more turnover in ownership with smaller parcels. Except under very narrow circumstances, a property's value is reassessed whenever it exchanges hands. This resets the base value of the property to market value. Base value is important because that is the number that is used to calculate the property taxes in all parcels. So the dynamic in EDH is that it has more parcels per square mile generating property taxes that are fairly reflective of the overall market value of the area. That El Dorado Hills is widely seen as a desirable area only helps in that it keeps property values up. EDH also enjoys being exempt from the Education Revenue Augmentation Fund (ERAF) property tax shift to schools.

In contrast is LTB, which serves a largely rural area with large parcels. While some ownership turnover is present, it is not at the same rate as the rate in El Dorado Hills.

This means that some parcels are held by the same owner for a long period of time. Consequently, the base rate of these long-held parcels is not reflective of their market value. Also, a large percentage of parcels participate in the Williamson Act program, which lessens their property tax burden, further suppressing this revenue stream. The story for Latrobe is composed of larger parcels, lower ownership turnover rates, lower property tax burdens coupled with one of the lowest percentage of property taxes and having a portion of its property tax revenues subject to ERAF.

Indeed, in the 2010 Fire and Emergency Services Study (FESS), Citygate noted the extent of LTB's "very stressed" financial position. At the time, half of its revenues



relied on the now-defunct “Aid to Fire” program whereby the County of El Dorado provided funding to several fire districts out of the County’s General Fund. While LTB’s \$60 per parcel assessment helps, it is not tied to inflation. As a result, LTB lost one of its main sources of revenue and the other two sources could not keep up with rising costs.

The Fire MSR prepared by LAFCO stated, “Financially, the agencies can be divided in roughly three categories: those whose finances are secure, those whose finances are sound but not great, and those whose finances, at best, cover the bare minimum. Agencies in the third category can respond to no more than two, perhaps three depending on equipment and volunteer availability, simultaneous calls at any one time; assuming that the responding unit(s) are sufficient to respond and contain the emergency. For any subsequent emergency beyond that point, the agencies have to rely on automatic aid from their neighbors. That puts additional stress on the automatic aid responder, since they have to cover not only their own jurisdiction but their neighbor’s as well.”

This has been LTB’s experience, which was only exacerbated three years ago. With the loss of Aid to Fire, LTB has had to rely on its reserves to maintain a balanced budget. This situation is unsustainable since Fire Chief Couper estimates that at the current rate of consumption, LTB will deplete its reserves by June 2017. This is assuming that all budgets are essentially frozen, including that there is no rise in costs, large unforeseen expenditures such as replacing a major piece of equipment, assuming current levels of service are maintained and that LTB continues to operate with a fire chief who forgoes any salary. Chief Couper continues, “Any other significant changes, either in revenues or expenses, would also significantly reduce the length of time we could remain operating.” Speaking before the El Dorado County Board of Supervisors, Chief Couper elaborated further, stating that “For the last 26 years, I have volunteered my time... in support of our fire services with no compensation whatsoever other than the thanks of the community. That model worked greatly for a long time but recently through the issuance of Federal and State regulations, etc... volunteerism (for fire services) is very difficult to obtain anymore.”

On June 10, 2014, the County Board of Supervisors approved Resolution 064-2014 changing the property tax allocation formula if EDH’s annexation of the Latrobe Area is successful. The property tax shift will include a transfer of ad valorem property tax “base” as well as future property tax increment. Commencing with the 2014-15 fiscal year, the County of El Dorado will transfer the following portions of its property tax revenue base:

- County General Fund: \$210,983
- County Capital Outlay Fund: \$21,172
- Road District Tax: \$4,384
- County Service Area #7: \$20,112

The tax increment on future property tax growth will be 17%, up from a current average of 5%. The County also committed that EDH will receive “annual increases or decreases upon the base amount to reflect the annual change in assessed valuation and distribution of the tax increment.” Chief Roberts has indicated to LAFCO that fire service in the Latrobe area can be stable with these financial measures in place. The current per parcel assessment will also be retained on the

parcels currently paying it. The parcels currently in the sphere of influence will continue not to pay it because they will be placed in a different zone of benefit.

In terms of shared facilities, LTB and EDH have an agreement in place for EDH to supplement coverage in the LTB area. EDH and LTB firefighters have also been cross-training to familiarize themselves in the other's service area.

**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.

Both EDH and LTB are each run by a five-member board of directors. As detailed in the agency descriptions, both districts comply with the Brown Act by posting notices about their meetings in various locations. Despite this, attendance to their respective board meetings is still low. Neither district has been the subject of a Grand Jury investigation relating to their governance structure.

For the past two years, a subcommittee of LTB and EDH officials has been working on the governing structure. Because EDH is annexing the community of Latrobe, the Latrobe area residents would be eligible to run for the EDH Board of Directors or to be appointed to any citizen subcommittee of EDH.

In addition, the EDH and LTB Boards sought to have a governance structure tasked with advising a future EDH Board on issues specific to the LTB area. Just like the Latrobe Area Coordinator is expected to assist with responding to the operational and service needs of the Latrobe Community, there will be a group of individuals who will perform a similar role on the governance and budgetary needs. Should the dissolution and annexation be approved, an "advisory council" will be created to maintain community representation and to take issues and suggestions to the EDH Board for action. It will be "made up of Latrobe Community Members and/or current (LTB) Board Members." The short term plan is for the Advisory Council to exist for at least one year after annexation is completed, but EDH has signaled that it "can continue in an advisory role for as long as desired."

The Latrobe Area Advisory Council will work closely with the Fire Department Board of Directors in an advisory role to include, but not limited to, the following topics:

1. Service Levels to the Latrobe Community
2. Response Times
3. Equipment
4. Staffing & Personnel
5. Performance Criteria
6. Community Activities/Events

7. Policies (that pertain to the Latrobe Area)
8. Budget

**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.

The services provided by the fire suppression agencies do not induce urban growth or the premature conversion of agricultural land to urban uses. In agricultural areas, these agencies' services protect farmland and the agriculture economy by responding to emergencies in undeveloped areas and minimizing the financial cost that a fire could cause to farmers. In the developed areas, these services protect the human, economic and resource assets of the community by responding to emergencies that threaten lives and property.

## VI SOI DETERMINATIONS

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 five factors. Staff recommends the following determinations for updating and amending the El Dorado Hills County Water District's and the Latrobe Fire Protection District's spheres of influence:

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

EDH: Present land use in the EDH area includes primarily residential areas spread throughout the district, largely in planned developments. Over the past 20 years, the El Dorado Hills area was the most rapidly growing portion of the County. More residential development is expected in the near future.

There are approximately 1,600 acres currently within the EDH sphere that are not within the district boundaries. Of these, approximately 1,000 acres are set aside for agricultural production, 100 acres near Folsom Lake are designated as permanent tourist recreational or open space lands and 495 acres are currently vacant and slated for development; however, of these about 154 acres are currently being processed by LAFCO for annexation into EDH. While these parcels are not within a fire protection agency, each of the areas in question are surrounded on all sides by EDH boundaries, indicating that it would be the most likely agency to respond to a fire or medical emergency. This creates an issue of fiscal inequity to the EDH, because it does not receive revenue from these parcels to offset the potential costs of service.

LTB: Present land use in the LTB area is primarily agricultural, followed by residential uses. Although rural residential areas are distributed throughout LTB, they are more concentrated in the northern portion of the district along Latrobe Road and to the south, directly north of the Cosumnes River. Future land uses are expected to remain relatively unchanged, with population growth that is likely to be consistent with, if not slightly slower than, the 2004 General Plan projections for the unincorporated portion of the County.

There are approximately 4,178 acres currently within the LTB sphere that are not within the district boundaries. Of these, land use designations and current zoning suggests that all of the 4,178 acres are in agricultural production. While these parcels are not within a fire protection agency, the vast majority of the area in question is surrounded on all sides by LTB boundaries.

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

EDH: Parcels currently within the EDH district receive excellent fire suppression and emergency response services as needed. Existing personnel and equipment will most likely be adequate to maintain current service levels. The revenue generated from the parcels in the existing service area sufficiently offset the cost of providing service.

Although more than half of the acreage outside of the EDH boundaries is designated by the 2004 General Plan for agricultural, tourist recreational or open

space uses, the remaining 495 acres are designated for low to medium density residential uses and are expected to be developed in the near future. In addition, two of these developable parcels have an active application with LAFCO requesting, among other things, annexation into EDH. If approved and developed, it would lead to a modest increase in service demand to the district. Upon district annexation the additional revenue received from these parcels in the form of increased property taxes and development impact fees would sufficiently offset the increased costs and required resources to ensure the provision of services to the area.

LTB: The 2004 General Plan has designated the areas within the LTB sphere as agricultural. However, it is conceivable that in the future, lands previously used exclusively for agricultural purposes may be converted to other uses. If this were to occur, it would lead to an increase in service demand to the district. However, fire suppression and emergency medical services, in and of themselves, do not increase the likelihood of this type of activity and, therefore, induce urban growth or the premature conversion of agricultural, open space to urban uses.

Finances have forced LTB to struggle with maintaining service levels. LTB is currently utilizing reserves to “make ends meet” but the reserves are project to be depleted in three years if the financial picture does not change and assuming there are no unexpected increases in costs.

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

EDH appears to provide a high level of fire suppression and emergency response services within and, in cases of mutual aid responses, outside its boundaries. The district is compensated for these services primarily through property taxes and development impact fees.

LTB appears to provide moderate fire suppression and emergency response services within and, in cases of mutual aid responses, outside its boundaries. The district is compensated for these services primarily through property taxes and district assessments. These funds, however, are currently insufficient to maintain current levels of service beyond 2017.

**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.**

EDH primarily serves the community of El Dorado Hills.

LTB serves the community of Latrobe as well as the surrounding rural areas. There are no social or economic communities of interest in the area that will be broken due to this sphere update, nor are there any areas that will require special consideration from the Commission in this matter.

**5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.**

As indicated in the MSR, there were no disadvantaged communities in either El Dorado Hills or in the Latrobe area.

***Recommendation***

Pursuant to Government Code Section 56425(i)(2), the Commission does hereby establish the functions and classes of services provided by the two districts in this study:

- El Dorado Hills County Water District as those specified in California Water Code §31120.
- Latrobe Fire Protection District as those specified in California Health & Safety Code §13862.

Based upon the information contained in this document, it is recommended that:

- The El Dorado Hills County Water District Sphere of Influence be updated to expand its current sphere, as shown in Map 11.
- The Latrobe FPD Sphere of Influence be updated to a zero sphere, as shown in Map 12

## VII 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 Fire and Emergency Services 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 and accompanying sphere of influence determinations qualify for a statutory exemption as outlined in Public Resources Code §15061(b)(3). These activities are covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The MSR and sphere of influence updates have no possibility for causing a significant effect on the environment. A notice of exemption is attached as Appendix A. Any future projects that make use of this service review and the information contained herein will be subject to separate environmental review under CEQA.

## VIII REFERENCES

### El Dorado County Documents:

- 2004 El Dorado County General Plan
- El Dorado County Grand Jury Final Reports: 2009-2010
- El Dorado County Board of Supervisors Agenda transmittals and supporting documents for the meeting of June 10, 2014
- El Dorado County Auditor-Controller website (<http://www.edcgov.us/Auditor-Controller/>):
  - Special District Budgets
  - Property Tax Division – Ad Valorem Tax Rates
  - Property Tax Division – Distribution of Proposition 13's 1% General Property Tax
  - Property Tax Division – Assessed Valuation by Agency / District
  - Property Tax Division – Tax Rate Area (TRA) Information and Reports
  - Property Tax Division – Non-Ad Valorem Charges (Direct Charges)
- El Dorado County Surveyor's Office

### El Dorado Hills County Water District

- Fire District Budget 2009-2014
- Final El Dorado Hills Five Year Plan 2008-2013
- El Dorado Hills Fire 2007 Annual Report
- 2009 Capital Improvement Plan
- District Website
- Project 2014-03/2014-04 Service Plan (Draft)
- Response to LFPD RFP (Final, revised November 2013)
- Interview with Chief Dave Roberts

### El Dorado LAFCO Documents:

- Countywide Fire Suppression and Emergency Services Municipal Services Review, adopted 2011
- Fire and Emergency Services Study for the El Dorado LAFCO (Volumes 1-3), accepted May 2010

### Latrobe Fire Protection District

- Interview with Chief Chris Couper
- Memo to Ronald A. Grassi from Lewis Ridgeway CPA relating to Fire Protection and EMS Supplemental Funding, dated March 2009



**Other Sources**

- ISO ([www.iso.com](http://www.iso.com)):
  - El Dorado County Fire Department ratings 2002-2013
- Sacramento Area Council of Governments ([www.sacog.org](http://www.sacog.org)):
  - MTP 2035 - Chapter 4: “Summary of Plan Performance”
  - Interview with Laura Bell, SACOG Info Center
- US Census Service – Population Projections ([www.census.gov](http://www.census.gov))

**IX APPENDICES****A. Notice of Exemption** *(to be provided at adoption of final document)***X Maps**

1. **El Dorado Hills County Water District service boundaries and sphere of influence**
2. **Latrobe Fire Protection District service boundaries and sphere of influence**
3. **2010 Census Designated Place for El Dorado Hills and Nearby Communities**
4. **2000 Census Designated Place for El Dorado Hills**
5. **Sacramento Area Council of Government Regional Analysis Districts**
6. **EDH and LTB Service Boundaries and SACOG RADs**
7. **EDH and LTB Service Boundaries and 2010 Census Tracts**
8. **Census Disadvantaged Communities**
9. **Population Density in Western El Dorado County**
10. **Station Locations and Developed Parcels**
11. **El Dorado Hills CWD 2014 Sphere of Influence** *(to be provided at adoption of final document)*
12. **Latrobe FPD 2014 Sphere of Influence** *(to be provided at adoption of final document)*