

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

AGENDA OF MARCH 27, 2013

REGULAR MEETING

TIME SET 5:30 PM

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

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

AGENDA ITEM #8: PUBLIC WORKSHOP ON FIRE AGENCIES

RECOMMENDATION

Staff recommends that the Commission receive the following information related to fire service in El Dorado County.

REASON FOR RECOMMENDED ACTION AND BACKGROUND

This workshop on fire districts was planned at the request of Commissioner Briggs and former Commissioner Sweeney. The workshop's agenda will be as follows:

1. Uniqueness of Fire Provision
2. LAFCO Powers and Limitations
3. Report of Other Efforts Throughout the State by Stu Gary and Dwane Milnes from Citygate Associates
4. Report on a JPA Option by Chiefs Dale Skiles and Gary Hinshaw from Modesto Regional Fire Authority

This staff report will only cover items #1 and 2 above.

Uniqueness of Fire Provision

Setting

El Dorado County has 14 fire suppression agencies, including a city, a county water district, two community services districts and ten fire protection districts. All 14 agencies have mutual and/or automatic aid agreements between them. The Western Slope agencies also use a single dispatch system. This means that the closest resource is deployed to an emergency regardless of political boundaries.

These 14 agencies also participate in two joint powers authorities that the County of El Dorado contracts with for ambulance and emergency medical services. It must be noted that while the County is obligated to provide ambulance services, it is not required to provide fire suppression services.

El Dorado County firefighters work in a variety of settings: Urban (the Cities of Placerville and South Lake Tahoe), suburban (Cameron Park and El Dorado Hills), semi-rural (Shingle Springs, Pollock Pines, El Dorado/Diamond Springs), rural (Georgetown, Garden Valley and Grizzly Flat), and wilderness. The latter area includes grasslands, forests, and recreational areas. Consequently, all districts must reasonably prepare for any type of emergency in any setting at all times.

Staffing varies among districts, from all volunteer firefighters to all career (paid) firefighters, although most corps are mixed.

Funding

The two primary sources of sustainable revenue for fire service by special districts are property tax and voter-approved special tax. The tax rates vary among the districts and within the districts. All districts also have development impact fees; however, these can only be used for mitigating the additional cost of providing service to new development and is limited to the purchase of equipment, apparatuses and/or new fire stations. Some districts utilize other funding mechanisms; such as, benefit assessments, facility districts and volunteer fundraisers.

In its 2010 Fire and Emergency Services Study (2010 FESS which is included on this packet on CD), Citygate placed the 14 districts into three categories (refer to page 7 of the 2010 FESS, the chart under "Challenge 3"). This categorization is still valid; however, the fiscal analysis was done in 2009 and early 2010 when the economic downturn had started. This means that the districts' finances are more stressed now.

Regulatory Requirements and Guidelines

State and Federal regulations state that if fire suppression services are offered by a public agency, then there have to be sufficient contingencies in place to ensure the safety of the firefighters. In addition, staffing guidelines further define how fire companies and departments should be staffed and operated. While guidelines are advisory by nature, they have their own momentum in that they become the norm as more jurisdictions adopt and implement them. Refer to section 1.5 of the 2010 FESS for more detail. In summary:

Training – Each firefighter must not only complete some initial training, but is also required to undergo so many hours of refresher training per year. This requirement is mandatory to both career (paid) firefighters and volunteers.

Equipment – Each district must ensure that its equipment is up-to-date and compliant with current standards.

Command and control – Federal OSHA requires that on-scene "incident commanders" be certified for certain types of calls, especially for hazardous materials. In addition, the incident commanders must also be suited up and ready to help rescue firefighters who are inside burning structures if need be. Also, several guidelines recommend that each

chief oversees only a certain number of firefighters. In other words, a single fire chief cannot oversee a limitless number of line personnel.

LAFCO Powers and Limitations

Non-LAFCO Initiated Petitions and Proposals

LAFCO powers boil down to the ability to regulate the boundaries of almost all forms of local government. Many, if not most, petitions are initiated and brought to LAFCO by an outside party (landowner, district or registered voter). A LAFCO petition is considered a project by CEQA, so there must be some environmental review. In order for a petition to be successful at LAFCO, the Commission must consider the mandatory factors contained in Government Code 56668 and the action must be consistent with an adopted sphere of influence for the affected district(s). Unless the LAFCO fees are waived or reduced, then the party filing the petition bears the costs associated with the petition.

State Law also specifies the thresholds to initiate each type of petition, such as 25% of registered voters or landowners may bring a petition to detach from a district. Further, State Law also specifies that each landowner or registered voter has the ability to protest a LAFCO approval of a petition. Typically, if more than 50% of registered voters or landowners protest a LAFCO approval, the petition dies. If less than 25% of registered voters or landowners protest, then the LAFCO approval stands. If the protest level is somewhere in between, then the LAFCO approval must be ratified in an election. The ability to protest may be waived by LAFCO if there is 100% landowner consent.

LAFCO Initiated Petitions and Proposals

State Law allows LAFCO to initiate dissolutions or consolidation of special districts along a couple other types of proposals. In order to initiate such a petition, the LAFCO action must be consistent with a recommendation or conclusion from a sphere of influence study, special study, or municipal service review. Since there is no applicant, LAFCO would bear the cost of the entire proposal.

State Law, however, also contains substantially lower protest thresholds for LAFCO-initiated petitions: 10% of registered voters under any scenario, as opposed to 25% in non-LAFCO initiated. The lower threshold virtually guarantees that the LAFCO decision will result in an election. A majority of voters in any one district will terminate the consolidation.

Benefits of LAFCO Action

The main benefit of a consolidation is that the boundaries of one agency are expanded to encompass the second agency. This means that one agency no longer is fiscally responsible for fire services as regulations and needs change. Through the LAFCO process, at the very least, the property taxes are transferred as well as the possible extension of any special tax. There is also the possibility of re-opening the property tax allocation for an area; though, this is subject to negotiations with the County of El Dorado. In addition, the governing and operating structure can be revisited and streamlined.

Alternatives to LAFCO Action

There are four alternatives districts can utilize that retain their political boundaries. This means that the districts continue to exist legally, but all funding sources remain essentially the same:

- Functional Consolidation – Districts coordinate operations, purchasing and personnel so they function as one, but the political boundaries remain the same.
- Memorandum of Understanding – Service is provided consistent with the terms and conditions negotiated into an agreement.
- Joint Powers Agreement – Districts collaborate and form a corps that provides service.

Contract for Service – One district contracts with another to provide service.

Stability and Governance

Each type has its benefits and drawbacks. The following addresses the issues of stability and governance:

- Annexation (must be non-LAFCO initiated) or Consolidation
 - Most stable long-term
 - All residents and property subject to the same tax and fees
 - District Board is elected by residents
 - Requires districts to consent to the action
 - May require extensive negotiations
 - While the property tax process is opened, there is no guarantee the negotiations will lead to a higher reallocation
- Contract for Service, JPA or MOU
 - May achieve cost savings without the thorny political issues that surround consolidations
 - Relatively speaking, may be completed faster and will save political and monetary costs associated with the LAFCO process
 - Governance model requires Consensus Management, preferably with some form of JPA and political boundaries of districts remain the same
 - Cost sharing formula must be fair and stable

Items 3 through 5 will be provided by the guest speakers listed in the agenda above. Any materials they provide prior to the workshop will be distributed to the Commission as soon as feasible.

Attachments:

Attachment A: 2010 Fire and Emergency Services Study Main Report (on CD)

Attachment B: 2011 Countywide Fire Suppression and Emergency Services Municipal Service Review (on CD)