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August 7, 2025

VIA E-MAIL

J.D. Hightower
Executive Officer
Local Agency Formation Commission
5000 S. Airport Way, Suite #209
Stockton, CA, 95206
Email: jhightower@sjgov.org

Re: LGRE Capital LLC's Letter Brief (1) Responding to Montezuma Fire Protection District's Request for Reconsideration of, and (2) in Support of Reasons for Affirming LAFCO's Approval of Reorganization of 3568 Arch Road into the City of Stockton

Dear Mr. Hightower:

This firm represents LGRE Capital LLC (the "Applicant"), the owner of real property located at 3568 Arch Road, an area, which prior to the above referenced reorganization, was within an unincorporated area of San Joaquin County (the "County") (APN: 181- 120-01; the "Site"). The approximately 1.5-acres Site is vacant, undeveloped, and thus currently unserved in any meaningful way by the Montezuma Fire Protection District (the "District"). Despite its relatively small size and negligible financial contribution to the District's operations (approximately $1,062 this year),[1] the District has fought the Reorganization (defined below) at every turn. Its actions amount to an inappropriate "cash grab," as the District seeks long-term property tax revenue for a site it has not actually served and will never serve. Moreover, the transfer of property tax revenue away from the District and to the City of Stockton (the "City") is entirely offset by the

[1] At the end of fiscal year 2009/2010, the District's reserve and capital outlay balance was reported to be $1,637,727, which was approximately 175 percent of its operating budget. This implies a budget of roughly $935,575 for that year. With inflation, we project an approximate budget of $1,408,577 for the 2025 fiscal year. Accordingly, revenue from the Site represents less than *one-tenth of one* percent of the District's annual budget. See San Joaquin Local Agency Formation Commission, Municipal Service Review: Rural Fire Protection Districts in San Joaquin County (October 2011)(the "2011 MSR"), p. 131, available at: https://www.sjlafco.org/files/71b2b2e0b/rural-fire-districts-in-san-joaquin-county---october-2011.pdf. Accessed August 5, 2025. ("At the end of fiscal year 2009/2010 the District's reserve and capital outlay balance was $1,637,727, about 175 percent of its operating budget.")

transfer of service responsibility from the District to the City, meaning that the minimal service the District might provide to the Site today will no longer be part of the District's funded operations.

As you know, the San Joaquin Local Agency Formation Commission ("LAFCO") met on June 12, 2025 to consider the City's application to annex the Site into the City and concurrently detach the Site from the District (The annexation and detachment are collectively referred to herein as the "Reorganization".) At the June 12, 2025 meeting, after duly considering substantial evidence in light of the whole record and the purposes of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the "LAFCO Act"; Gov. Code, §§ 56000 et seq), LAFCO unanimously approved the Reorganization pursuant to Resolution No. 1552 (the "Resolution"). Thereafter, on July 11, 2025, the District submitted a request for LAFCO'S reconsideration of the Reorganization, and the item was subsequently placed on LAFCO's August 14, 2025, meeting agenda.

Below, we respond in detail to the District's reconsideration request. In short, the District's reconsideration request should be denied on both procedural and substantive grounds. Procedurally, the District failed to present any new or material fact that would justify reconsideration under the LAFCO Act. Substantively, the request is wholly meritless because (a) a valid and enforceable Master Tax Sharing Agreement between the City and the County was in force as of the date of LAFCO's June 12, 2025[2] decision, and that agreement squarely applies to this Reorganization; (b) by its express terms, the applicable Master Tax Sharing Agreement was valid, beyond legal challenge, and fully satisfied the requirements of Revenue and Taxation Code section 99 ("Section 99"); and (c) the District's strained interpretations of both Section 99 and the Master Tax Sharing Agreement are unsupported by statutory or case law, are contrary to the agreement's practical construction, and directly contradict established local and statewide LAFCO practice and precedent. These conclusions are further supported by other counties' written policies regarding Section 99, as well as expert testimony from a former LAFCO Executive Officer with nearly 40 years of direct experience administering and interpreting the LAFCO Act's statutory framework, enclosed as Attachment A ("Chamberlain Memo in re Section 99") and described below.

We respectfully urge LAFCO to: (1) deny the District's request for reconsideration and (2) move to add an amendment (addendum) to the Resolution affirming your original decision, with the additional supporting determinations listed in Attachment B ("Proposed Determinations for Addendum to the Resolution").[3] The District's opposition to detachment lacks any legitimate fiscal or service-related justification; it does not even argue that it is better positioned than the City to provide fire protection service to the future gas station. This makes sense because since at least 2011, this LAFCO has known and stated publicly that in the future, the District will be "nonexistent" and though response time from the District to newly annexed areas of the City may be quicker,

[2] The Master Tax Sharing Agreement expired by its terms on July 31, 2025.
[3] Based on our participation in the June 12 hearing and our review of the related record, we believe these determinations reflect your reasons for adopting the Resolution, but we of course defer to you and the Executive Officer. We provide this draft as a courtesy for your consideration.

"the number of responding firefighters and the balance of the first alarm assignment will be greater with the City of Stockton." (*See, e.g., "*2011 MSR", enclosed as Attachment C, pages 2 and 38).[4]

I. The District's request for reconsideration should be denied because it presents no new facts that would justify reconsideration under the LAFCO Act.

Your authority to reconsider prior decisions may only be exercised in narrowly defined circumstances. The LAFCO Act expressly limits reconsideration to circumstances in which a person or affected agency files a timely and proper written request in accordance with the provisions of Government Code section 56895. Thus, a proper request for reconsideration:

> …shall state the specific modification to the resolution being requested and **shall state what *new or different facts that could not have been presented previously* are claimed to warrant the reconsideration**…

(Gov. Code, § 56895(a), emphasis added.) Unless these essential requirements are met, reconsideration of a prior LAFCO decision is neither warranted nor permitted.

The District's request fails to satisfy these fundamental requirements. In its two-page reconsideration request, the District fails to identify any new or different facts that were previously unavailable at LAFCO's June 12, 2025 meeting. Rather, as part of its continuing efforts to obstruct and prevent the Reorganization from moving to completion, the District recycles and repackages the same arguments it has been presenting in opposition to the Reorganization for years; it offers exactly no new or different information.

The District's primary argument for reconsideration is that "LAFCo acted in excess of its jurisdiction and committed a prejudicial abuse of discretion pursuant to Section 99(b) of the California Revenue and Taxation Code and the Cortese-Knox-Hertzberg Act" in approving the Reorganization. There is nothing new about this claim, which the District has made repeatedly (and erroneously) over the last year-and-a-half, causing much confusion and delay at the Applicant's expense. For LAFCO to reconsider its decision, the request must present new or different facts that were previously unavailable. However, not a single new fact is identified in the District's reconsideration request and its restated arguments regarding "abuse of discretion" based on alleged violations of Section 99(b) cannot support reconsideration of LAFCO's Reorganization approval. As detailed in this firm's prior correspondence on the issues surrounding Section 99(b), which LAFCO duly considered before unanimously adopting the Resolution, LAFCO's approval of the Reorganization is well grounded and entirely proper including, without limitation, under the requirements of Section 99(b) and the LAFCO Act.

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[4] The 2011 MSR noted that the entire District is located within the City's sphere of influence (SOI), and that the City anticipates annexing all territory within it SOI by the year 2040. "As the City continues to grow outward and as annexations occur the District loses the property tax and special assessment revenues. The District will eventually be impacted to a point where it could no longer operate or provide an adequate level of fire services to its remaining territory."

Even if one were to assume, solely for the sake of argument and contrary to the facts, that the contentions raised in the District's reconsideration letter constitute new or different facts than it previously asserted, the District presents no evidence that these facts were previously unknown to it or that it was unable to present these "facts" to LAFCO either before or during LAFCO's June 12, 2025 meeting. To merit reconsideration, the District must explain why it could not have previously presented assertedly "newly discovered" facts to LAFCO through the presentation of compelling evidence.[5] However, the District has failed to provide any such explanation or evidence. Accordingly, reconsideration of the approval of the Reorganization is neither warranted nor authorized, and the request should be summarily denied.

II. Additional Information Provided by the District is Untimely and Should Not Be Considered by LAFCO.

The District's July 16, 2025 communication to LAFCO, which included its Memorandum of Points and Authorities and Exhibits, should be disregarded in evaluating whether the District achieved the statutory procedural requirements for reconsideration, as it was sent after the statutory 30-day deadline.

In order to properly trigger LAFCO's limited authority to reconsider the Resolution, the District was required to "file the written request within 30 days of the adoption of the initial or superseding resolution by the commission making determinations," i.e., by July 12, 2025. (Gov. Code, § 56895.) While the District's bare reconsideration request was submitted 29 days after the adoption of the Resolution, its substantive Memorandum of Points and Authorities and Exhibits was not provided until five days later, a fatal delay.[6] Section 56895 explicitly provides that the "deadlines set by this section are mandatory" and draws a distinction between the "request" and subsequent "oral or written testimony." Taken together, these aspects of Section 56895 bar the District from attempting to remedy the fatal defect of not presenting any new facts for consideration by July 12

[5] While no published case interpreting Government Code section 56895(a) exists, one case interpreting a broader reconsideration provision (Code Civ. Proc., § 1008 [requiring "new or different facts, circumstances, or law"]), held that evidence of a city's interpretation of a municipal code section that could have been presented in briefs and during a hearing was not "new evidence" that entitled the appellants to have the decision reconsidered. (*McPherson v. City of Manhattan Beach* (2000) 78 Cal.App.4th 1252, 1266.)

[6] Several LAFCOs include explicit policies requiring that requests for reconsideration include all supporting information. For example, Los Angeles LAFCO requires, by 4:30 p.m. on the 30th day after the meeting date: the exact language to be modified, a statement of new or different facts that could not have been presented previously, a statement explaining whether the subject matter of the modification and any supportive facts were previously raised (and when), identification of any statutes or case law upon which the modification is based, and "any supplemental data in support of the modification (all referenced data should be submitted with the request unless it is contained elsewhere in the record before LAFCO and then it should be reasonably identified or described.)" (Local Agency Formation Commission for Los Angeles County, Guidelines for Requesting Reconsideration of a LAFCO Resolution Making Determinations. Emphasis in original).

by later submitting an untimely subsequent "points and authorities," which itself contained no new facts.

Accordingly, the District is limited by the facts, if any, which were provided in its July 11, 2025 request for reconsideration, and its attempt to obtain reconsideration based on belatedly submitted supporting materials sent on July 16 is time-barred.

III. The District's Reconsideration Request is Also Substantively Meritless.

As an initial matter, Section 99 expressly contemplates the use of master tax sharing agreements *between cities and counties* – with no requirement and indeed no opportunity for affected special districts to be made parties to such agreements. Master tax sharing agreements streamline the allocation of property tax revenues in connection with proposed reorganizations, allowing reorganizations to proceed more efficiently and with less uncertainty for property owners. Section 99 provides that no jurisdictional change shall be effective until an exchange of property tax revenues is agreed upon *between the city and county (only)*.

Here, the City and County adopted and executed the County of San Joaquin & City of Stockton Agreement for Property Tax Allocation upon Annexation A-15-230, effective July 21, 2015 (the "Master Tax Sharing Agreement") for "all pending and future annexations," including the Reorganization, through July 31, 2025. The District has attempted to sow confusion by fundamentally misreading Section 99 to require a process – i.e., negotiation of a detachment-specific tax allocation agreement – that would only apply in the *absence* of a master tax sharing agreement.[7] For the reasons described below, the District's argument is meritless.

a. Expert Review Confirms the Master Tax Sharing Agreement Satisfies Section 99.

As you know, before a LAFCO can hold a hearing on a boundary change, the annexing city and county must enter into a property tax agreement. This agreement apportions property tax from the county to the city based on the fiscal impact to the respective jurisdictions caused by the simultaneous transfer of service responsibility.

For all the reasons described later in this memorandum, the Master Tax Sharing Agreement satisfies all applicable formal requirements of Section 99. To further substantiate this conclusion, we retained one of California's foremost authorities on LAFCOs to provide an independent, expert assessment of Section 99.

Roseanne Chamberlain served as the Executive Officer of Amador LAFCO and El Dorado LAFCO for almost thirty years following nearly a decade as the public member and chairman of Sacramento LAFCO. She also served as chairman of the Executive Board and on the legislation

[7] Incidentally, even in the flow chart included in the District's eleventh-hour letter to the Commission before the June 12 hearing, the heading clearly reads: "Property Tax Exchange Process (Annexations & Detachments) **Where there is no master tax sharing agreement in place per R&T 99(d)**." (See Letter from Brett Jolley dated June 11, 2025, p.3; emphasis added.)

committee of CALAFCO[8] for several years. There are few (if any) people in the State of California with more experience applying Section 99 as it relates to proposed reorganizations. We engaged her to review the record related to the Reorganization and opine, based on her expertise and several decades of practical experience, as to whether the requirements of Section 99 were satisfied. Please see her complete analysis attached as Attachment A. In pertinent part, she explains:

> The new service providers are entitled to negotiate for a stable property tax revenue share to fund the services they will provide. When a multi-service provider agency (city) is taking in new territory, the previous single service providers (districts) are no longer needed for services and will no longer be incurring expense for rendering service. Thus, they can no longer justify exercising their taxation powers to receive some of the property tax collected from the territory being annexed to the city.
>
> …
>
> **In R&T 99, the county is charged with negotiating on behalf of special districts and may receive comment from affected special districts in the consideration of the reallocation of post-boundary change property tax. The Board of Supervisors, however, has sole discretion to decide the redistribution of property tax that will occur once the boundary change or change of organization is completed. This is the case for individual project-specific property tax redistribution agreements or with a master agreement. Affected districts are not empowered by R&T 99 to directly negotiate on their own behalf but may comment on the negotiation to the Board of Supervisors at the time a master property tax sharing agreement or AB-8 agreement is under consideration.**
>
> …
>
> County staff may or may not have offered special districts the opportunity to comment when master agreements were being negotiated with cities a decade or two ago. It is impossible now to rely on recollections of individuals and the Executive Officer notes that the records from that time may be incomplete. The resolutions adopted, however, were approved in open public hearings held both by the Board of Supervisors and by the respective cities, affording districts or other stakeholders ample opportunity to comment on the agreements at those hearings before they were approved. **The resolutions forwarded to LAFCo in connection with the Arch Road Reorganization (LAFC 08-25) were duly approved, and reflect the Board of Supervisors decision about any exchange of property taxes for districts. LAFCo has relied on these resolutions to meet the requirements of R&T 99 for numerous boundary changes over many years.**

[8] CALAFCO is an association that assists member LAFCOs with educational, technical, and legislative resources. The Association also guides state-wide coordination of LAFCO activities, serves as a resource to the Legislature and other bodies, and offers a structure for sharing information among the various LAFCOs and other governmental agencies.

> **The property tax allocation agreement between the City of Stockton and San Joaquin County on file at LAFCo has been consistently used as a master property tax agreement. It meets the requirements of R&T 99 for the purposes of issuing the Certificate of Filing and holding a hearing for the Arch Road Reorganization (LAFC 08-25).**
>
> (Emphasis added.)

Ms. Chamberlain's memorandum also explains the difference between sharing property tax revenue and a one-time financial mitigation payment. These issues were inappropriately conflated by the District at the June 12 hearing and in much of its written testimony.

b. <u>A Valid Master Tax Sharing Agreement Applied to the Reorganization.</u>

The District claims that the Master Tax Sharing Agreement does not apply to the Reorganization because the District was not itself a party or a participant in the negotiations that led to it. Contrary to the District's claims, the plain language of the Master Tax Sharing Agreement, which addresses scenarios both with and without detachment from a fire district, clearly applies to the Reorganization, and the Agreement was valid as a matter of law, despite the District's unsupported and long time-barred claims of procedural defects in the process leading to its adoption and execution. As Ms. Chamberlian makes clear, the District would not even be a party to a project-specific agreement negotiated for purposes of Section 99; rather, such agreements are always and only between the affected city and county.

As noted above, the Master Tax Sharing Agreement applies by its express terms "to all pending and future annexations until July 31, 2025," including annexation of the Site. (Master Tax Sharing Agreement § 3(A)). By the clear and unequivocal provisions of the Master Tax Sharing Agreement, the City and County agreed to share in the Annexation Property Tax Base and all Incremental Growth[9] thereof at a ratio of 20% CITY and 80% COUNTY for any annexation that involved the detachment from a fire district, as the City proposes for the Site. (Master Tax Sharing Agreement § 2(A)). Moreover, the allocation would remain the same even in a scenario where the Site annexed into the City without concurrent detachment from the District; no property tax would go to the District – 20% CITY and 80% COUNTY.[10] Therefore, even if detachment were denied, the District would be in the same position it is now – needing to ask the County for a share of the revenue it receives.

The City and County knew how to exclude specific sites from the scope of the Master Tax Sharing Agreement, as evidenced by the Agreement itself. For example, certain narrowly tailored provisions apply only to the "Airpark 599 Project," while others require individually negotiated

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[9] Terms that are capitalized but not defined in this sentence are defined in the Master Tax Sharing Agreement.

[10] The Master Tax Sharing Agreement identifies different allocations for various scenarios that do not include detachment from a fire district, but for fire districts that were established prior to June 15, 1996, like the District, the allocation remains 20% CITY and 80% COUNTY. (Master Tax Sharing Agreement, § 2(A)).

agreements for areas where "gross taxable sales, subject to sales and use taxes, exceed $1 million in the most recent year." (Master Tax Sharing Agreement, §§ 2(E) and 5(B)). However, no such carveout excludes the Site, which is undeveloped and produces no annual taxable sales, let alone $1 million in any year.

The District's argument that Revenue and Taxation Code section 99(b)(8)(B) limits the use of master property tax exchange agreements to only those annexations that do not require concurrent detachments (see Letter from Brett Jolley dated June 11, 2025, p.4) also fails. Section 99(b)(8)(B) provides that the procedures of section 99(e) will govern the determination of the exchange of property tax revenues between a city and county *except where* that exchange of revenues is determined by (1) negotiations timely completed under section 99(b), or (2) a master property tax exchange agreement under section 99(d). Indeed, section 99(d) *broadly authorizes* a master property tax transfer agreement to be negotiated and adopted by "a county and any local agency *or agencies* within the county" (emphasis added) "[w]ith respect to adjustments in the allocation of property taxes pursuant to *this section*[.]" (Rev. & Taxation Code, § 99(d), emphasis added.) Subdivision (d)'s reference to "this section" – meaning section 99 as a whole, not limited to any particular subdivision – means that a master property tax exchange (or transfer) agreement may be developed and adopted with respect to *all* "jurisdictional changes,"[11] *except* for city incorporations and district formations, neither of which is involved in the Reorganization. (See Rev. & Tax. Code, § 99 (a)(1) ["In the case of a jurisdictional change *other than a city incorporation or a formation of a district* as defined in Section 2215, the auditor shall adjust the allocation of property tax revenue … for local agencies whose service area or service responsibility would be altered by the jurisdictional change, *as determined pursuant to subdivision (b) or (c)*."]; *see also* Rev. & Taxation Code, § 99(d) ["With respect to adjustments in the allocation of property taxes *pursuant to this section*, a county and any local agency or agencies within the county may develop and adopt a master property tax transfer agreement."], emphasis added.) Accordingly, Section 99 broadly authorizes the use of master property tax agreements, such as the Master Tax Sharing Agreement here, and clearly does *not* restrict their use only to annexations which do not involve detachments. Moreover, the Master Tax Sharing Agreement *on its face* governs both annexations and related detachments, and expressly contemplates that it will govern annexations resulting in detachments of territory from any fire district's service area.

In sum, by its plain language – and consistent with the provisions of Section 99 – the Master Tax Sharing Agreement contemplates both annexations that ***do not*** involve detachments, as well as reorganizations that ***do*** include detachments. Importantly, it was ten years ago that any negotiation process, including consultation between the County and District required by subsections (b)(4) through (b)(6) of Section 99 of the Revenue and Taxation Code, would have occurred and been completed.

If the County was required, and for whatever reason did not consult the District in 2015, the LAFCO Act imposes no consequences on the County and the Master Tax Sharing Agreement is in no way undermined as a result of such failure. As Ms. Chamberlain notes, the Master Tax

[11] A "jurisdictional change" includes, inter alia, changes of organization as defined in Government Code section 56021, which expressly include "detachments." (Rev. & Tax. Code, § 95(e).)

Sharing Agreement was adopted at public hearings that the District would have been welcome to attend. Only the District knows why they did not do so.

c. <u>The Master Tax Sharing Agreement is Conclusively Valid and Fully Satisfies the Requirements of the Law.</u>

The District further attempts to undermine the validity of the Master Tax Sharing Agreement by raising alleged procedural defects related to its adoption and execution. It argues that since the District was neither a party to the Master Tax Sharing Agreement nor, allegedly, a participant in the related negotiations, the agreement is not valid as applied to annexations involving detachment from the District. One of the District's main arguments throughout this entire process has been its assertion that detachment cannot proceed because there is no tax-sharing agreement directly between the District and the City.[12]

As we have stated in prior letters to LAFCO, Section 99 *<u>only</u>* requires a tax sharing agreement between the affected city and county – it does not require <u>any</u> tax sharing agreement, master or otherwise, directly between an affected city and an affected special district. Under Section 99(b), the county is, by law, required to negotiate on behalf of special districts, after providing notice and an opportunity to comment to affected districts.

> (b)(5) ***In the event that a jurisdictional change would affect the service area or service responsibility of one or more special districts, the board of supervisors of the county or counties in which the districts are located shall, on behalf of the district or districts, negotiate any exchange of property tax revenues. Prior to entering into negotiation on behalf of a district for the exchange of property tax revenue, the board shall consult with the affected district. The consultation shall include, at a minimum, notification to each member and executive officer of the district board of the pending consultation and provision of adequate opportunity to comment on the negotiation.***
>
> (6) Notwithstanding any other provision of law, the executive officer shall not issue a certificate of filing pursuant to Section 56658 of the Government Code until the local agencies included in the property tax revenue exchange negotiation, within the negotiation period, ***present resolutions adopted by each such county and city whereby each county and city agrees to accept the exchange of property tax revenues.***

(Cal. Rev. & Tax. Code § 99, emph. added.)

The law is unambiguous: there is no direct role for special districts in the tax sharing negotiation process between the affected city and county, and at most, a special district is entitled to notice

[12] The District has never clarified why it does not believe the County should share its 80% stake in the property tax revenue; its focus has only been the revenue going to the City, the actual service provider. Query why that may be.

from the county in advance of and may "comment" to the county regarding the negotiation. Importantly, only counties – and not cities — have any statutory obligations to affected special districts, which makes the District's dogged pursuit of the City's 20% share of property tax revenue all the more puzzling.

d. <u>Separate Tax Sharing Agreements for Special Districts Would Create an Unworkable Process and Would Violate Rules of Statutory Interpretation.</u>

Requiring cities to negotiate a separate tax sharing agreement with an affected district, after such district was already consulted by the county (as legally mandated), would render the consultation requirement under subsection (b) meaningless and would create duplicative and unworkable obligations for the affected city. How could the city know what allocation to agree to with the county if they have a subsequent negotiation process to endure? What would have been the point of requiring a consultation process? This is an absurd interpretation that violates the canon against superfluity by adding procedural steps that Section 99 does not contemplate or authorize, and it would undermine the very purpose of having a master tax agreement in the first place.

The Legislature clearly distinguished between "consultation" and "negotiation" in Section 99, reserving negotiation to the county and affected city, while limiting special district's role to providing comments through the consultation process. To read into Section 99 an additional requirement for a direct agreement with the District would not only rewrite the statute to add an additional requirement, it would make the consultation process unnecessary and meaningless. As the California Supreme Court has repeatedly emphasized, courts must "strive to give meaning to every word in a statute and to avoid constructions that render words, phrases, or clauses superfluous." (*Klein v. United States of America*, (2010) 50 Cal. 4th 68, 80.) Reading Section 99 to require a separate tax sharing agreement between the City and the District (again, why not between the District and the County?) would impermissibly add a procedural requirement the Legislature did not identify.

Despite this clear legal framework, in a one-paragraph letter submitted to LAFCO the night before the June 12 hearing, the current County Administrator asserted without any supporting documentation whatsoever that the County "assumed" that the Master Tax Sharing Agreement would not apply to this Reorganization and that there would have been a separate negotiation between the City and the District. It's unclear why the County, which, again, is allocated 80% of the property tax revenue for the Site, would believe that only the City and the District would be parties to such a negotiation. This assertion, to our knowledge made by the County for the first time approximately six weeks before the expiration of the Master Tax Sharing Agreement's 10 year-term, cannot trump the plain language of the Master Tax Sharing Agreement or applicable California law as codified in Section 99, both of which compel a contrary conclusion. Tellingly, nobody from the County Administrator's Office appeared at the June 12 hearing to assert or attempt to support the position stated in the letter.

There is no evidence in the record that the County failed to follow applicable law in connection with its negotiation and approval of the Master Tax Sharing Agreement, much less any evidence sufficient to overcome the legal presumption that County's official duties in doing so were regularly performed. (Evid. Code, § 644.) But even assuming, for the sake of argument, that there were

legal defects in the process leading to the adoption of the Master Tax Sharing Agreement that could potentially undermine its validity, the statute of limitations for asserting any such challenges to the Agreement's validity expired long ago. Under California Code of Civil Procedure section 863 ("CCP section 863"), actions seeking to determine the validity of public agency actions, such as adopting tax sharing agreements pursuant to Section 99, must be brought within 60 days of the adoption.

In *Embarcadero Mun. Improvement Dist. v. County of Santa Barbara* (2001) 88 Cal.App.4th 781 ("*Embarcadero*"), a special district challenged a tax increment allocation, but its challenge failed because its action was barred by the 60-day statute of limitations of CCP section 863, which applied because the annexation at issue was a reorganization under the LAFCO Act and actions challenging the same must be brought under the validating statutes. (Gov. Code, § 56103.) The Court reasoned that the district could not challenge an "intermediate step" in the annexation process long after the annexation itself had become conclusive. Although the timing in that scenario is factually distinct from that of the Reorganization here, the relevant "intermediate step" here would be the adoption of the Master Tax Sharing Agreement, which occurred on July 21, 2015, and that step was not challenged in court within the 60-day limitation period applicable under CCP section 863.

Even assuming again for the sake of argument that the validating statute's short 60-day statute of limitations did not apply, the District would still be time-barred from challenging the validity of the Master Tax Sharing Agreement. In *Award Homes, Inc. v. County of San Benito* (2021) 72 Cal.App.5th 290 ("*Award Homes*"), the Court held that a developer's challenge to financial obligations imposed on it through a Development Agreement and Annexation Agreement was time-barred under even the "most generous" 4-year statute of limitations of CCP section 337. In *Award Homes,* the developer challenged the validity of the obligation for payment of an "Additional Amount" of $7,000 per residence built on particular annexed property as provided in an earlier master tax exchange agreement entered into between the city and the county. The City/County master tax exchange agreement provided that the Additional Amount owing from City to the County would be construed as a real property tax revenue transfer. The developer, and the city (through a cross-complaint against the county), challenged the Additional Amount as not authorized by Revenue and Tax Code section 99(b) and therefore not enforceable. In addition to the Court's finding that the developer was time-barred even under the 4-year statute of limitations, the Court noted the broad authority of counties to adopt master property tax transfer agreements, and held the agreement at issue was not void ab initio due to the Additional Amount provision: "But Revenue and Taxation Code section 99, subdivision (d) broadly authorizes counties to "develop and adopt a master property tax transfer agreement" with a local agency like the city, and we see nothing so fatally defective in the Additional Amount obligations to render their very creation void." (*Id*. at 297.)

Here, as far as we know, no action challenging the Master Tax Sharing Agreement's adoption was ever filed – whether within the limitation periods established by CCP section 863 or CCP section 337, or otherwise. Moreover, there have been no subsequent actions by the City or County to amend, rescind, or modify the Master Tax Sharing Agreement that might arguably operate to reopen the limitations period to challenge the agreement. Accordingly, any attempt by the District to now challenge the legality, validity or enforceability of the Master Tax Sharing Agreement is

conclusively foreclosed as a matter of law, and the Agreement is conclusively deemed valid and binding according to its terms.

e. <u>The District has no Vested Right to Receive Future Property Tax Revenue from Property it will not Serve.</u>

The District also repeatedly insists that it is entitled to a portion of property tax revenues from the Site based on the valuation of a developed parcel that receives all services from the City, but in addition to being time-barred and irrelevant, that argument lacks substantive merit and defies logic. There is no principle in the LAFCO Act, Section 99, or related case law, that grants special districts a vested right to continue receiving tax revenues from parcels they do not serve (and, in this case, have never served in any meaningful way) merely because those parcels once were within their boundaries.

The California courts have made clear that special districts have no vested right in property tax revenues under these circumstances. In *Embarcadero*, *supra*, 88 Cal.App. 4th at 788, the Court rejected a special district's challenge to a post-annexation tax increment allocation. The Court found that the district lacked standing to contest the allocation because it "could have no property interest in any portion of a future tax increment generated by new development that it did not serve in the past and would not serve in the future." The same is true here: as further discussed below, the District never really did and never will serve the Site. It therefore has no property interest or vested right to the related tax revenues.

The weakness of the District's argument becomes evident when one considers the nature of the parcel in question. The Site is currently undeveloped – and undevelopable without the water and sewer service the City will only provide upon a completed Reorganization – and has never actually been served by the District in any meaningful operational capacity. There are no buildings or occupants to inspect, protect, or service. Moreover, absent the Reorganization, the Site cannot be developed and will remain in its current undeveloped state requiring no service from District (in that case, the District would continue to collect its $1,062, as escalated annually). However, once annexed into the City, the property is slated for productive development, as proposed by LGRE and in accordance with the City's plans. As development proceeds, the Site's assessed value will increase significantly, as will the property tax revenue it generates. It is this *future* development – made possible only by services to be provided by the City without any contribution from the District – and the accompanying tax increment that the District appears to be targeting. But this is precisely what the *Embarcadero* court found impermissible: a special district asserting an interest in future revenue from development it will not serve. The District is not entitled to capture increased tax revenue merely because the boundaries of the parcel were once encompassed within the District's jurisdiction and boundaries. Allowing such would also subvert the logic of Section 99 and the LAFCO Act, which are designed to ensure that service responsibility and revenue allocation rationally move together. The District cannot lay legitimate claim to the fiscal benefits of a property it never actually served simply because development is now imminent and its tax yield is about to increase.

Peter Brundage, former Executive Officer of Sacramento LAFCO, directly addressed this issue in a policy paper to that LAFCO (<u>Attachment D</u>, "Peter Brundage Policy Paper"). There, he explained

that when undeveloped, unincorporated parcels are annexed and special districts are detached, the transfer of property tax revenues is generally deemed revenue neutral because it is matched by a corresponding transfer of service responsibility. As Brundage stated, "on undeveloped property, special districts receive minimal revenue and provide no, or minimal, municipal services. After a special district is detached, it no longer has any service responsibility." In such cases, there is "minimal impact in terms of shift in property tax revenue," and any loss of future revenue growth is not compensable because, "the future [tax] revenue should be spent [by the new service provider] on services to the area that is proposed to be detached. Since the district no longer provides services, it does not need the revenue." That reasoning applies directly here. The Site is undeveloped and has never been served by the District; we are aware of no calls for service from the Site to the District ever being made, and no improvements were ever inspected. Following the Reorganization, the District will have no legal or practical obligation to serve the Site, nor will it incur any related costs. Those costs will be borne by the City, which will in turn received 20% of the property tax revenue.

The absurdity of District's contrary position was evident at the June 12, 2025 LAFCO hearing. In advance of that meeting, LGRE voluntarily offered a one-time lump sum payment of $25,000 to the Fire District. That offer represented a good-faith effort to mitigate any financial impact allegedly resulting from the District's administrative adjustment to the detachment, even though there was no legal obligation to provide such compensation.[13] The amount was calculated based on the projected property tax revenue the parcel would generate over the next 17 1/2 years, including a 3% annual increase, if it remained in the District's jurisdiction and hence remained undeveloped and – as a practical matter – unserved. In other words, the offer reflected a reasonable and realistic estimation of the District's actual "loss" from the detachment grounded in the property's current condition and historic non-use. The District nonetheless repeatedly rejected this proffered financial mitigation as inadequate, and instead attempted to recast the conversation around its alleged entitlement to future property tax revenue, calculated to include valuation increases as if there were a world in which the City would extend water and sewer services to the Site, making it developable, while the Site remained within the District's jurisdiction.

At the June 12 hearing, Commissioner Johnson asked counsel for the District whether the District had ever made a counteroffer to the Applicant. With a straight face, counsel explained, "Here was the offer: The project site would annex into the City but not detach from the District at that point…The District would continue to collect property taxes, special assessments, and fire protection fees from the project site. The project would be built to City fire standards on the assumption that it would ultimately detach into the City….The District would cede all fire prevention services, plan checking, and operational permits and fee collection associated therewith to the City." ("Hearing Transcript", attached as Attachment E, pages 54-55.) So, the District's "offer" was for the District to continue to receive property tax revenue even as the City provided all fire-related services. As counsel for the District said a moment later at the hearing, "this is about money."

[13] In reality, the District's minimally reduced service area is likely fully offset by its loss of approximately $1,062, even as the same may escalate annually.

The District's rejection of LGRE Capital LLC's offer is also directly contrary to its own recent actions in a similar scenario. Just two years ago, in connection with the Mariposa Industrial Park reorganization, which also included a detachment from the District, Chief Martel submitted a letter (Attachment F, "Chief Martel's March 30, 2023 Letter") supporting a revenue loss mitigation agreement that calculated fire impact fees based on property tax revenue based on the then-current rate for the undeveloped parcels, with a 3% annual increase. This is precisely the same formula LGRE used in crafting its offer to the District, yet LGRE's offer was rejected (See the February 10, 2025 email from Chief Martel to the Applicant, which read in full*: "The [D]istrict* is in receipt of your proposal. However, the [D]istrict position on this matter has not change[d]. The [D]istrict does not support detachment as stated prior."(Attachment G, "Chief Martel's February 10, 2025 Email") The District did not even engage with the details of the Applicant's offer because for the District, this was never about the Site or the logical service provider for the Site, or the actual impact to the District of the Site's detachment – the Reorganization has always been a vehicle for the District to justify a cash grab from the City, even as its territory shrinks commensurately with its revenue – just as LAFCO foretold in the 2011 MSR.

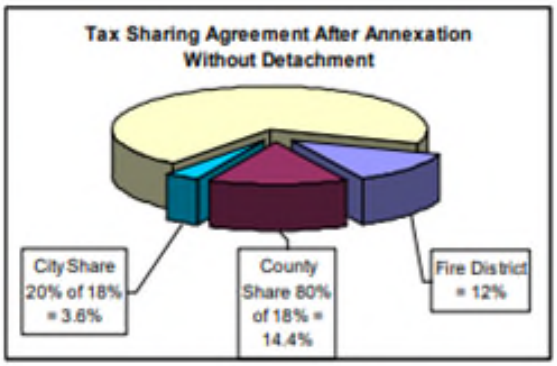
In short, the District's refusal to accept the adequacy of the proffered (and now LAFCO-ordered) mitigation payment, and its insistence on receiving a continuing share of future property tax revenue as enhanced by development made possible only by Reorganization, is based on a legally incorrect premise. The $25,000 payment was a fair, generous, and well-reasoned offer based on the Site's undeveloped status and the District's limited connection to it. The District's rejection of that offer and continued pursuit of future revenue from development ***it by its own admission will not serve*** only reinforces the fact that the District's efforts are not grounded in service concerns, public safety, or equitable mitigation, but stem purely from a desire to receive a revenue source that it has no legal right to claim. Again, quoting the District's counsel, "this is about money."

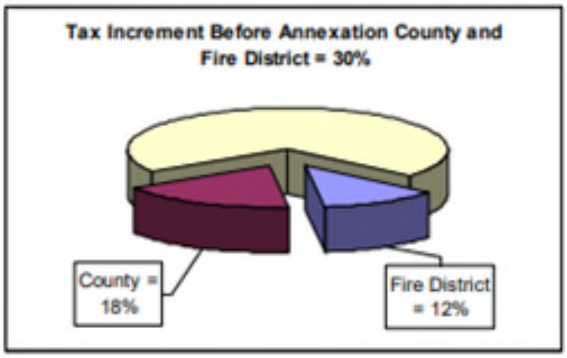
Moreover, the Fire District's position appears to stem from a broader frustration having little to do with this Reorganization and everything to do with its ongoing dissatisfaction with the County's general funding support. As is evident from the District's communications, its real grievance lies with the County's historical allocation (or lack thereof) of revenue to the District as a whole. That may be a legitimate policy concern as between the District and County, but it is not relevant to the question before LAFCO, which is whether the Reorganization complies with the LAFCO Law.

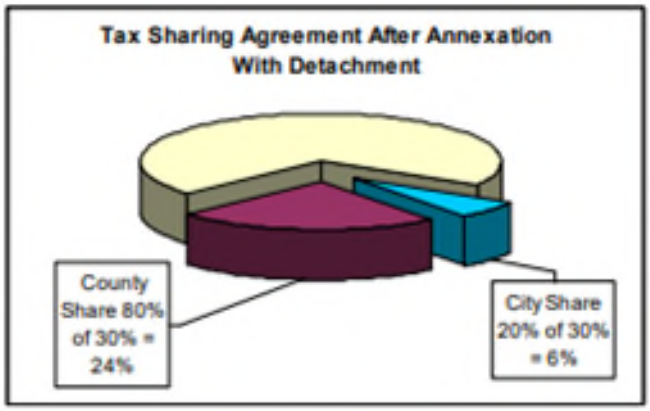
f. The 2011 MSR Confirms that Tax Revenue Follows Service and that the Master Tax Sharing Agreement Applies in this Case.

The 2011 MSR confirms the principle that tax revenue follows service responsibility, precisely as described above. The report noted that "all of Montezuma FPD … [is] in the sphere of influence of [] the City of Stockton…," and that "as [Stockton] grow[s], the districts will be impacted to a point where they will no longer be able to provide service to the remaining areas of the districts due to the anticipated decrease in revenue." This is, perhaps, a sad reality of inevitable and anticipated municipal growth, but it is unchanged by anything in Section 99 or elsewhere in state

law. LAFCO provided the below pie charts,[14] explaining that "if detachment does not occur, the district continues to receive its tax increment and continues to provide fire protection services," but when detachment occurs, "the fire district share is added to the County's share and then proportioned in accordance with the required Tax Sharing Agreement."







In short, service delivery and tax revenue are inseparable, and the most recent Master Tax Sharing Agreement provided the proper channel to facilitate this Reorganization. The 2011 MSR acknowledged that detaching fire districts experience a financial impact when annexations occur, and proposed a handful of potential solutions, including the "Mitigation Fee Approach," that was implemented by LAFCO in the Resolution.

Another potential solution would be a rural fire district agreement, similar to one we believe provided revenue to the District for five years beginning in June 2010. As the 2011 MSR explains, "Between June 2005 and June 2010, territory that was detached from the [D]istrict because it annexed to the City of Stockton was subject to the City and County rural fire district agreement whereby the City and County agreed to continue payment of property tax revenues during the agreement period. **<u>The purpose of the agreement was to help the District ease into the</u>**

[14] For purposes of this illustration, LAFCO assumed that the share of tax increment for fire districts is approximately 12% and the share for the County is 18% of the tax dollar.

transition of the revenue loss and to seek alternate funding." (2011 MSR, page 131). Thus, LAFCO (and presumably the District) understood in 2005 when the agreement was adopted and again in 2011 when the 2011 MSR was published, that the District was not *entitled* to property tax revenue post-detachment; the City and County were trying to soften the inevitable blow, with the expectation that the District would seek its own long-term solution to funding concerns. Judging from the District's iron grip on the Site, it seems this effort was unsuccessful and the Applicant is now paying the price.

A staff report for the County Board of Supervisors dated June 7, 2005, (Attachment H, the "2005 County Staff Report"), provides additional background information on the rural fire district agreement. As the then County Administrator, Manuel Lopez, explained to the Board, "When an annexation to a city takes place, the annexing property is typically detached from the territory of a rural fire district. Consequently, that fire district would no longer receive any property taxes from the annexing property." (Emphasis added.) Mr. Lopez estimated that the agreement would provide approximately $50,000 in replacement funding (total, to all rural fire districts in the County) over the five-year term, with the County's share "estimated to be $40,000," matching their 80% share in property tax revenue. The report ended with a note that the County would notify the City after the rural fire district agreement was executed, making clear that the County (and not the City) was leading the charge in this effort.

We have submitted California Public Records Act requests to both the District and County to obtain a copy. To date, neither agency has provided the agreement in response. Instead, both have invoked a 14-day extension, which is permissible only under "unusual circumstances"[15] that we do not believe apply to the request for a single document.

g. Other County LAFCOs' Policies Support LAFCO's, the City's, and LGRE's Understanding of Section 99

Other LAFCOs across California routinely approve reorganizations relying solely on existing master tax sharing agreements between counties and cities, without requiring separate property tax exchange agreements with special districts, further supporting the Applicant's reading of Section 99.

For example, Imperial County LAFCO's adopted policies (Attachment I, "Imperial County Policy Manual") state that, in determining whether Section 99's requirement for a property tax exchange agreement has been satisfied, the LAFCO Executive Officer may look to see if a county master property tax agreement is in place. If such an agreement applies, it satisfies the statutory requirement "[and] if there is not an applicable master property tax agreement, *then* separate property tax exchange resolutions may be required." The guidance further specifies that "if

[15] Under Government Code § 7922, "unusual circumstances" can mean that the request requires 1) searching for records stored in a separate location; 2) reviewing a large volume of distinct records; 3) consulting with another agency or internal departments; 4) compiling data or creating a computer program to extract the records; or, 5) responding during a declared state of emergency that impacts staffing or access to records.

negotiations leading to adoption of separate resolutions are required, both the county and any affected city must agree to a tax exchange," and that "if a jurisdictional change affects the service area or service responsibilities of one or more special districts, *the Board of Supervisors of the County negotiates an exchange of property taxes on behalf of the district or districts* (Revenue and Taxation Code, Section 99)." (Emphasis added.)

San Diego LAFCO follows similar policies and procedures. Since 1984, San Diego County has adopted three master property tax exchange resolutions since 1984 (Attachment J "Proposal Processing General Procedures") that collectively govern annexations involving 15 cities and numerous special districts. These master resolutions eliminate the need for case-by-case property tax negotiations unless a proposal falls outside their scope. San Diego LAFCO's procedural guidance explicitly states that "if a proposal does not fall under the purview of one of the master property tax resolutions, the potential exchange of property taxes is negotiated and a separate resolution is adopted." The default assumption is that if the master resolution applies, no further negotiation is required regardless of whether the annexation affects a special district. This procedural framework affirms that an applicable master agreement or resolution fully satisfies the requirements of Section 99 without the need for separate and additional agreements with non-party agencies.

These jurisdictions illustrate a consistent statewide practice: once a master tax sharing agreement has been executed between a city and county, it governs the allocation of property tax revenue for all covered annexations and detachments. Unless the city and county so agreed in a master document, LAFCOs do not require additional, separate tax sharing agreements with affected special districts, even when a reorganization results in detachment from those districts.

h. Prior Annexations Approved by San Joaquin County LAFCO Support the Applicability of the Master Tax Sharing Agreement to the Reorganization.

LAFCO's decisions prior reorganization decisions further reinforce the applicability of the Master Tax Sharing Agreement to the Reorganization. In cases involving annexations accompanied by fire district detachments, LAFCO has consistently recognized and implemented the relevant master tax sharing agreements between those cities and the County as sufficient to satisfy the requirements of Section 99.

A case on point is the Tracy Village Reorganization, which was approved by this LAFCO on October 10, 2019, and involved annexation of property into the City of Tracy along with the concurrent detachment from the Tracy Rural Fire Protection District (TRFD). In that case, then LAFCO Executive Officer James Glaser and San Joaquin County Administrator Monica Nino provided a clear rationale supporting the use of a master tax sharing agreement as the basis for the required property tax exchange under Section 99, including in situations involving detachment from a fire protection district. Their findings offer a concrete example of how a master agreement is not only sufficient under Section 99, but also historically applied in other reorganizations in the County.

As noted in Glaser's staff memorandum (Attachment K, "Glaser Staff Memo") for the Tracy Village Reorganization, in order for a reorganization that includes detachment from a fire district to

proceed "pursuant to the Revenue and Taxation Code, the City and County must have an agreement in place that would determine the exchange of property tax revenues from jurisdictional changes." The staff report indicates that a master tax sharing agreement between the County and City of Tracy was in place, thereby satisfying this requirement. A separate tax sharing agreement with TRFD was not required, as the master agreement between the City and County was deemed sufficient to satisfy Section 99 and to govern both the annexation and the detachment components of the reorganization.

Moreover, and despite opposition from TRFD at the time, the Tracy Village Reorganization demonstrates that unsubstantiated concerns about revenue loss alone do not override the sufficiency of a master tax sharing agreement under Section 99. TRFD's letter in opposition to the detachment argued that "the provision detaching annexation land from TRFD will impair fire protection services by eliminating TRFD's ability to assess properties and raise critical, life and property saving funds." Glaser rejected TRFD's unsupported claim and found that the letter "did not provide supplementary information demonstrating how fire protection services will be impaired with a decrease in revenue," and moreover, "Upon annexation, Tracy Rural will no longer be responsible for fire services to the 180 acres." Despite the objections from that fire district regarding financial loss, LAFCO approved the reorganization without requiring a separate tax negotiation with the district.

Further support comes from the letter submitted by then County Administrator Monica Nino (Attachment L, "Monica Nino September 30, 2019 Letter"), which clearly and correctly acknowledged the role and sufficiency of the master tax sharing agreement in facilitating jurisdictional changes, stating:

> "In order to process annexation applications, State law requires that an agreement be in place between the requesting city and the county to specify how the existing property tax in the area to be annexed will be redistributed**. In San Joaquin County, master agreements between the County and each of the cities have facilitated annexations since 1997**." (Emphasis added.)

Ms. Nino's letter went on to explain that while the most recent master tax sharing agreement between the County and the City of Tracy had expired in July 2019, the parties executed a six-month extension to cover pending annexations, including the one involving detachment from the TRFD. The agreement was clearly designed to encompass reorganizations that included both annexations and detachments from special districts. Importantly, Ms. Nino's letter also directly addressed how detachments from fire districts were handled under the master agreement. She noted: "Pursuant to the tax sharing agreement, for annexations that involve detachment from a fire district, reallocated property taxes are shared in the ratio of 80% for the County and 20% for the City."

This further confirms that the relevant master agreement explicitly anticipates and governs scenarios in which an annexation involves detachment from a fire protection district. Moreover, Ms. Nino's letter highlighted that annexations without detachment had historically resulted in financial losses to the County, implicitly reinforcing that detachment was both contemplated and preferable in such cases under the agreement's framework: "Since 1996, the City of Tracy has

annexed twelve properties within its Sphere of Influence and the properties were annexed into the City without detachment from the Tracy Rural Fire District. Annexation without detachment has resulted in a significant loss of revenue for the County."

Thus, detachment from the fire district was not only contemplated and permissible under the master agreement – its occurrence and known and anticipated effects played an integral role in determining how property tax was redistributed.

Taken together, Mr. Glaser's staff report and Ms. Nino's letter demonstrate that both the County and the San Joaquin LAFCO have a clear, established practice of relying on master tax sharing agreements for reorganizations involving both annexations and detachments. There was no separate tax sharing agreement executed with the TRFD, and LAFCO did not require one. This confirms our main point: a master tax sharing agreement between the County and the City satisfies Section 99 and is applicable to reorganizations involving detachment from a fire district. Accordingly, in the present case, the existing Master Tax Sharing Agreement between the City of Stockton and San Joaquin County governs the proposed reorganization and detachment from the District, and no separate agreement with the District is necessary to comply with the law.

These past approvals demonstrate that San Joaquin LAFCO has consistently over several decades interpreted Section 99 to require a tax sharing agreement only between the City and County, and not with any other affected agency. These prior approvals also reinforce the applicability of the Master Tax Sharing Agreement to the Reorganization.

IV. Conclusion

In sum, the District's arguments raised to request reconsideration and in opposition to the Reorganization are not new, lack merit, and do not warrant reconsideration. As outlined in this letter, the Reorganization was properly approved and conditioned in accordance with applicable law and policy. We therefore respectfully urge LAFCO to deny the District's request for reconsideration and to adopt an addendum to the Reorganization with the determinations listed in Attachment B.

Very truly yours,

MILLER STARR REGALIA

Dana Kennedy

DCK:kli

Attachments and cc's listed on following page.

Attachments: A - Chamberlain Memo in re Section 99
B - Proposed Determinations for Addendum to the Resolution
C - 2011 MSR
D - Peter Brundage Policy Paper
E - June 12, 2025 LAFCO Hearing Transcript
F - Chief Martel's March 30, 2023 Letter
G - Chief Martel's February 10, 2025 Email
H - 2005 County Staff Report
I - Imperial County Policy Manual
J - Proposal Processing General Procedures
K - Glaser Staff Memo
L - Monica Nino September 30, 2019 Letter

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ATTACHMENT A

ARCH ROAD REORGANIZATION (LAFC #08-25)

TO:	**SAN JOAQUIN LAFCO COMMISSIONERS AND ALTERNATES**
	JD HIGHTOWER, EXECUTIVE OFFICER
CC:	**DANA KENNEDY, MILLER STARR REGALIA**
FROM:	**ROSEANNE CHAMBERLAIN, FORMER LAFCO EXECUTIVE OFFICER AND CONSULTANT TO APPLICANT**
SUBJECT:	**PROPERTY TAX NEGOTIATIONS & MASTER PROPERTY TAX AGREEMENTS**
DATE:	**AUGUST 1, 2025 (RE: LAFCO AGENDA OF AUGUST 14, 2025)**

This memorandum seeks to clarify points of discussion and disagreement before San Joaquin LAFCo regarding the process and procedures to implement provisions of Revenue and Taxation Code 99 (R&T 99) for local agency boundary changes. On behalf of the applicant, I have carefully reviewed the application and hearing records of the Arch Road Reorganization (LAFC 08-25) and have discussed the proceedings and these issues with the Executive Officer. My qualifications to contribute to this discussion are detailed in the attached resume; in short, I have several decades of practical experience implementing and explaining the requirements of R&T 99 as a former executive officer of Amador LAFCo and El Dorado LAFCo and a former interim executive officer of Solano LAFCo.

Clarification of issues related to R&T 99

In order for LAFCo to hold a hearing on a boundary change the subject agency (city) and county must enter into a property tax agreement. This agreement reallocates property tax share from the pre-annexation agencies (i.e. county and districts) to the post annexation agency (i.e. city). The reallocation is based upon the transfer of service responsibility. The new service providers are entitled to negotiate for a stable property tax revenue share to fund the services they will provide. When a multi-service provider agency (city) is taking in new territory, the previous single service providers (districts) are no longer needed for services and will no longer be incurring expense for rendering service. Thus, they can no longer justify exercising their taxation powers to receive some of the property tax collected from the territory being annexed to the city.

In some counties, individual boundary changes are supported by separately negotiated property

tax reallocation agreements (often called AB-8 agreements) specific to that territory. A hearing is held and adopted resolutions of both the Board of Supervisors and the annexing city are sent to LAFCo for each boundary change application, one at a time. Alternatively, many local government agencies negotiate a blanket property tax sharing agreement by resolution of the county and city or cities. This is provided for in R&T 99, and is called a master property tax sharing agreement. These master agreements apply to all subsequent boundary change applications proposed to LAFCo during the period of the agreement.

This is the case in San Joaquin County. Agreements adopted by the Board of Supervisors and respective city councils have been transmitted to LAFCo. The property tax reallocation specified in the resolution applies to all boundary change proposals submitted to LAFCo and individual negotiations and separate resolutions are not needed while the master property tax sharing agreement is in place. Such blanket or master agreements improve government efficiency and significantly reduce the time and work for the agencies and for LAFCo staff. These master agreements are equal in effect to individually negotiated agreements. The San Joaquin County Board of Supervisors adopted blanket or master property tax sharing agreements in 2005 and again in 2015 and LAFCo has relied on those agreements to process numerous boundary changes for the past 20 or more years without problem or challenge.

In R&T 99, the county is charged with negotiating on behalf of special districts and may receive comment from affected special districts in the consideration of the reallocation of post-boundary change property tax. The Board of Supervisors, however, has sole discretion to decide the redistribution of property tax that will occur once the boundary change or change of organization is completed. This is the case for individual project-specific property tax redistribution agreements or with a master agreement. Affected districts are not empowered by R&T 99 to directly negotiate on their own behalf but may comment on the negotiation to the Board of Supervisors at the time a master property tax sharing agreement or AB-8 agreement is under consideration.

> "In the event that a jurisdictional change would affect the service area or service responsibility of one or more special districts, *the board of supervisors of the county or counties in which the districts are located shall, on behalf of the district or districts, negotiate any exchange of property tax revenues.* Prior to entering into negotiations on behalf of a district for the exchange of property tax revenue, the board shall consult with the affected district. The consultation shall include, at a minimum, notification to each

member and executive officer of the district board of the pending consultation and provision of adequate opportunity to comment on the negotiation." [R&T 99 (b) (5)]

County staff may or may not have offered special districts the opportunity to comment when master agreements were being negotiated with cities a decade or two ago. It is impossible now to rely on recollections of individuals and the Executive officer notes that the records from that time may be incomplete. The resolutions adopted, however, were approved in open public hearings held both by the Board of Supervisors and by the respective cities, affording districts or other stakeholders ample opportunity to comment on the agreements at those hearings before they were approved. The resolutions forwarded to LAFCo in connection with the Arch Road Reorganization (LAFC 08-25) were duly approved, and reflect the Board of Supervisors decision about any exchange of property taxes for districts. LAFCo has relied on these resolutions to meet the requirements of R&T 99 for numerous boundary changes over many years.

The property tax allocation agreement between the City of Stockton and San Joaquin County on file at LAFCo has been consistently used as a master property tax agreement. It meets the requirements of R&T 99 for the purposes of issuing the Certificate of Filing and holding a hearing for the Arch Road Reorganization (LAFC 08-25).

Clarification of issues related to alternative mitigation for detaching districts:

In general, the theory or assumption of all property tax agreements involving reorganization with detachments is that the transfer of property tax away from a detaching district is offset by the transfer of service responsibility, resulting in lower long-term operational costs for the detaching district. The property is no longer within the boundaries of a district and thus the district can no longer legally justify the exercise of its taxation powers on territory outside its boundaries. The district will no longer provide service and incurs no expense for service provision to the detaching property once the boundary change is complete. A different agency will be responsible for incurring costs to provide those services. Put simply, after an area is detached, the district no longer has any service responsibility to the territory and has no taxation power over lands outside its boundaries.

Special districts often have concerns when detachments occur, including the loss of property tax base, loss of future revenue growth, cumulative impact of multiple detachments, and impacts to the district's ability to provide service to the remainder of the district over the long term.

The Commission must review and weigh the district's concerns in the broader context of the boundary change as a whole. Other factors identified in the Cortese-Knox-Hertzberg Act are also considered by the commission. These include the organization of government services, logical boundaries, growth, population trends, affordable housing, water availability, the effect on adjacent areas and on mutual social and economic interests, alternative service providers, ability of the receiving entity to provide the services, the sufficiency of revenues, conformity to local policies and standards, the regional transportation plan, and the overall efficiency and effectiveness of municipal service delivery. The commission's decision demonstrates its quasi-legislative review of all aspects of the proposal.

The Commission is tasked by the legislature with finding the balance between competing interests and issues. Change in governmental organization implies changes to the status quo and this decision-making can be difficult.

LAFCo is empowered to impose conditions on the approval of a boundary change to help mitigate financial impacts. LAFCo has done so in this project. San Joaquin LAFCo has an adopted standard (#12) that specifies:

> "LAFCo will consider any significant adverse effects upon other service recipients or other agencies serving the area and may condition any approval to mitigate such impacts. Significant adverse effects shall include the effect of proposals that negatively impact special districts' budgets or services or require the continuation of services without the provision of adequate funding. LAFCo will not approve detachments from special districts or annexations that fail to provide adequate mitigation of the adverse impact on the district. LAFCo may determine an appropriate temporary mitigation, if any, and impose that temporary mitigation to the extent it is within its powers. If the needed mitigation is not within LAFCo's authority and approval would, in the opinion of the Commission, seriously impair the District's operation, the Commission may choose to deny the application."

After hearing and considering the potential negative financial impacts to the district, along with other factors, the commission, at its discretion, imposed a condition on its approval of the Arch Road Reorganization (LAFC 08-25). The condition added by LAFCo is the result of weighing and balancing the competing goals and interests associated with the boundary change proposal. The condition requires a substantial financial payment ($25,000) to the Montezuma Fire District by the landowner to help offset the possibility of future negative financial impacts that could occur from the detachment of approximately 1.5 undeveloped acres from the district to annex it into the City of Stockton.

While the commission is also empowered to deny or modify the proposed boundary change, it determined at its hearing in June that a one-time mitigation payment was the best and most appropriate way to help address the district's concerns.

Revenue Neutrality

Revenue neutrality is a special provision of the law that ensures long-term mitigation of the effects of incorporation on counties and is not relevant in the context of reorganizations, including the Arch Road Reorganization (LAFC 08-25). After incorporation, counties must continue to provide countywide services, such as operating jails, social safety net services, etc. Those often-costly services are available within cities as well as the unincorporated area and continue even after the new city is fully functioning. While many districts would wish that detachments might also require similar long-term financial mitigation and revenue neutrality, those statutory provisions are not applicable to boundary changes to existing agencies.

Conclusions and Suggestions:

The master property tax agreement between San Joaquin County and the City of Stockton was in effect on June 12, 2025 when the Arch Road Reorganization (LAFC 08-25) was unanimously approved. It has since expired and negotiations for a new master property tax sharing agreement are underway. This is the perfect time for the Montezuma Fire District to engage in good faith discussions with county staff to ensure that the Board of Supervisors is aware of the district's financial concerns as future boundary changes are proposed.

The Commission may want to encourage the Board of Supervisors and county staff to work in good faith with special districts as they proceed with negotiations for renewal of expiring master property tax sharing agreements. To the degree that impacts to special districts can be minimized prior to the LAFCo public hearing, proposals for future boundary changes may be able to be processed with less delay and with fewer mitigation terms and conditions.

LAFCo should continue to take into consideration the financial effects of boundary changes that include reorganization, as it did in its hearing on this Arch Road Reorganization (LAFC 08-25). Perhaps LAFCo can look to the Municipal Service Review (MSR) process to identify long term financial challenges to special districts and make its determinations on the MSR as to whether or not a special district should be dissolved and reorganized or consolidated with another special district to ensure continued public safety service viability.

In addition, the Commission may wish to revisit its policies and develop additional standards or policies related to determinations, fiscal mitigation options and its reconsideration process.

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OBJECTIVE: Enjoy my retirement and continue to assist LAFCOs, agencies and applicants on a limited basis

EXPERIENCE:

Executive Officer, Amador LAFCO, August 2006 to December 2024

- Amador LAFCO "start-up" to implement Hertzberg changes of 2000; Establish LAFCO as fully functional separate agency; Assist and advise counties, cities and districts to develop and implement the process for property tax transfers (AB-8)
- Education and training of county, city and district staff on LAFCO requirements and functions
- Numerous changes of organization of all types, including facilitating and mediating property tax transfers

Executive Officer, El Dorado LAFCO, September 1996 to April 2006

- Incorporation of the City of El Dorado Hills, including facilitating revenue neutrality negotiations, CEQA, fiscal analysis with consultant advisors (incorporation failed at election in 2005); preparation of administrative record and successful defense of legal challenge by incorporation proponents
- Education and training of county, city and district staff on LAFCO requirements and functions, including fiscal transfers, revenue and tax code issues
- District formation and numerous changes of organization of all kinds
- Preparation of administrative record for successful defense of a litigation by landowners challenging LAFCO's denial of a large annexation project

Interim Executive Officer, Solano LAFCO, January 2018 to September 2018

Consultant, Alameda LAFCO 2024; financial and administrative separation from Alameda County

PRIOR HISTORY:

- Sacramento LAFCO: Public Member, Chairman, 2/88-9/96,
    - incorporation of the cities of Citrus Heights, Elk Grove & Rancho Cordova
    - revenue negotiations with county and litigation
    - participated in drafting legislation resulting to changes in Rev & Tax Code and Cortese-Knox Act relating to incorporation financial transfers
- CALAFCO Executive Board/Chairman and Legislation Committee multiple years

ATTACHMENT B

Proposed Determinations for Addendum to the Resolution

- The City of Stockton, a multi-service provider agency, provides efficient and adequate services which will meet the future needs of the reorganization area, including the need for fire protection and emergency services. The City of Stockton is the most logical provider of these services to the area to be reorganized and the area should be served by the agency that can most effectively keep people safe. City services may be at a higher level of service than the services provided by the Montezuma Fire Protection District.

- The reorganization and the alternative of annexation to the City of Stockton without detachment from the Montezuma Fire Protection District have both been considered. The reorganization with concurrent detachment from the fire district is the best option for the organization of local government services in the county. Detachment from the Montezuma Fire Protection District is necessary to prevent overlapping service areas and duplication of services and costs in the project area.

- The reorganization is consistent with San Joaquin LAFCo's policies and standards. Specifically, General Standard #11, which states in part "An annexation shall not be approved merely to facilitate the delivery of one or a few services *to the determent of the delivery of a larger number of services* (emphasis added). In this case, multiple services provided by the City of Stockton are needed to serve the future development of the property.

- General Standard #12 specifies "LAFCo will consider any significant adverse effects upon other service recipients or other agencies serving the area and may condition any approval to mitigate such impacts." The Commission, in consideration of the potential future adverse effects on the Montezuma Fire Protection District, has reviewed tax data provided with the application and has added a condition of approval requiring a fiscal mitigation payment by the landowner in excess of approximately 17 ½ years of diminished property tax revenue, assuming three percent annual escalation, paid upfront.

- The payment by landowner of a $25,000 mitigation fee to the Montezuma Fire Protection District is adequate mitigation for potential future loss of property tax revenue.

- Annexation to the City of Stockton and detachment from the Montezuma Fire Protection District is logical and allows for the orderly provision of services needed by planned future development in the area to be reorganized. This reorganization is in the best interests of the present and future need for service in the reorganization area.

- Revenues to be provided to the receiving entity (City of Stockton) are sufficient for the range of services to be provided.

- The reorganization will have no effect on maintaining the physical and economic integrity of agriculture, no effect on the city or the county's ability to achieve their respective fair share of regional housing needs and no effect on issues related to the promotion of environmental justice.

- The reorganization and associated future development supports the Commission's goal of infill development. The reorganization is consistent with the sphere of influence of the City of Stockton and, as conditioned, is consistent with the regional transportation plan allowing for employment and employment centers. The reorganization is consistent with the City of Stockton General Plan and Zoning Ordinance. Infrastructure is in place to provide needed service.

- The reorganization and future development reflects a logical progression of growth in the area.

ATTACHMENT C

SAN JOAQUIN
LOCAL AGENCY FORMATION COMMISSION

FINAL
MUNICIPAL SERVICE REVIEW

RURAL FIRE PROTECTION DISTRICTS
SAN JOAQUIN COUNTY

Prepared by
San Joaquin Local Agency Formation Commission

October 21, 2011

509 West Weber Avenue, Suite 420
Stockton, California 95203
(209) 468-3198

Preface

We would like to acknowledge the dedication of all the people who serve within the fire districts in San Joaquin County. Throughout the preparation of this report we were sincerely impressed with the commitment each district had to provide the best service possible with the available resources. While each district may have their own individual approach, all of the districts share this common goal. Furthermore, there was never any dissatisfaction expressed by any member of the public with the level of service provided by the Districts. We also would like to express our appreciation to the members of the Fire Chief's Association Steering Committee for their valuable contribution to this report. We hope this report will be used as a background document to constructively address service issues particularly in light of the economic impacts currently affecting the districts.

Credit for GIS mapping belongs to R. Michael Turn, San Joaquin County Principle GIS Analyst, for economic information, Sandra Chan, San Joaquin County Chief Tax Division, for LifeCom response data, Jared P. Bagwell, Director of Communications, and primary response data, Cindy Copulos, County 911 Coordinator.

James E. Glaser, Executive Officer
Elizabeth Contreras, LAFCo Analyst

SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION

Commission Members

Chair: Ken Vogel	County Member, Ad Hoc Committee
Vice-Chair: John W. Harris	City Member
Sonny Dhaliwal	City Member
Steven Nilssen	Public Member
Larry Ruhstaller	County Member, Ad Hoc Committee
Leroy Ornellas	Alternate County Member
Patrick Stockar	Alternate Public Member, Ad Hoc Committee
Elden "Red" Nutt	Alternate City Member

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Chief Ron Hittle, Stockton Fire Department
Chief Mike Kirkle, Mokelumne Fire District
Chief Ed Martel, Montezuma Fire District
Ginger Root, Clerk of the Board for Lincoln, Tuxedo-Country Club, and Eastside Fire Districts
Chief Vic Solari, Linden-Peters Fire District

Other Contributors: Division Chief/Fire Marshall, Matt Duaime, Stockton Fire Department
Battalion Chief, Kyle Shipherd, Manteca Fire Department
Chief Kick Waters, Manteca Fire Department
Deputy Chief Paul Willette, Stockton Fire Department

RURAL FIRE DISTRICTS

Christina Chavez, Board Member, Boggs Tract Rural Fire District
Chief David Ingrum, Clements Rural Fire District
Chief Dennis Faist, Collegeville Rural Fire District
Ginger Root, Clerk of the Board for Lincoln, Tuxedo-County Club, and Eastside Fire Districts
Chief Rick Mello, Escalon Consolidated Fire Protection District
Chief Conni Bailey, Farmington Rural Fire District
Chief Paul Tualla, French Camp-McKinley Rural Fire District
Chief Stan Seifert, Liberty Rural Fire District
Chief Vic Solari, Linden Peters Fire District
Chief Gene Neely, Lathrop-Manteca Fire Protection District
Chief Mike Kirkle, Mokelumne Rural County Fire District
Chief Edward Martel, Montezuma Fire Protection District
Chief Dennis Bitters, Ripon Consolidated Fire District
Chief Vince Tafuri, Thornton Rural Fire District
Chief Al Nero, Tracy Rural Fire District
Chief Lewis Collier, Waterloo-Morada fire District
Assistant Chief Steve Butler, Woodbridge Fire District

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Appendix A Fiscal Summary of Fire Protection Districts Fiscal Year 2009-2010

I. EXECUTIVE SUMMARY

This report, prepared by the San Joaquin Local Agency Formation Commission (LAFCo), is a countywide municipal service review (MSR) for the rural fire protection districts. A MSR is a State required study of services within a designated area, in this case, San Joaquin County. The MSR requirement is specified in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code §56000 et. seq.). Upon adoption of the MSR determinations, the Commission will update the spheres of influence (SOIs) for the fire protection districts in San Joaquin County.

SERVICE PROVIDERS

The MSR focuses on nineteen special independent districts under LAFCo jurisdiction that provide fire services to the unincorporated areas in San Joaquin County and to the Cities of Escalon, Ripon, Lathrop and a portion of Tracy (Table I-1). Separate MSRs addressing the municipal fire departments for the Cities of Lodi, Stockton, and Manteca have been adopted by the Commission. A MSR for the Mountain House Community Service District which addressed fire protection services provided under contract by Tracy Rural FPD though the South County Fire Authority was also adopted by the Commission. The City of Tracy is in the process of preparing their MSR which will address fire protection provided by the City.

This MSR also includes information on other governmental service providers, such as the California Department of Forestry and Fire Protection (CalFire), and private providers such as American Medical Response (AMR) and other private ambulance services. This report does not address the San Joaquin Emergency Medical Services (EMS) except to the extent to establish relationship with the fire districts and to evaluate the adequacy of services by the fire districts to both fire and medical emergency calls. This report does not evaluate EMS service in San Joaquin County.

Table I-1: County Fire Districts

SAN JOAQUIN COUNTY RURAL FIRE PROTECTION DISTRICTS
Boggs Tract Fire District
Clements Rural Fire District
Collegeville Fire Protection District
Eastside Fire District
Escalon Fire District
Farmington Fire District
French Camp-McKinley Fire District
Lathrop-Manteca Fire Protection District
Liberty Fire District
Lincoln Fire District
Linden-Peters Fire District
Mokelumne Rural County Fire District
Montezuma Fire Protection District
Ripon Fire District
Thornton Fire District
Tracy Rural Fire District
Tuxedo-Country Club Fire District
Waterloo-Morada Fire District
Woodbridge Fire District

POPULATION AND GROWTH

The population of San Joaquin County is estimated to be 694,293 in 2010 according to the State of California Department of Finance[1]. Most of this population is concentrated in incorporated jurisdictions (i.e., cities). In 2010, incorporated areas made up 78.9 percent of the County's population, whereas the unincorporated area made up the remaining 21.1 percent. Today, 147,038 people live outside of cities in San Joaquin. The County is expected to grow to 1,103,132 people by the year 2030.

[1] *E-1 State/County Population Estimates with Annual Percent Change January 1, 2009 and 2010*

In 2010, the fire protection districts provided services to 178,112 people in the unincorporated areas of the County and in the Cities of Lathrop, Ripon, Escalon and a portion of Tracy, accounting for slightly over 27 percent of the total population of the County. There is a wide variation of population within the various districts. Excluding the Cities which have their own fire departments, the districts with the greatest population include Lathrop-Manteca (25,197) and Eastside (23,200) Fire Protection Districts (FPD) and the districts with the least population include Collegeville (711) and Boggs Tract (796) FPDs. The average population of the districts is 9,380 people. The size of the districts also varies widely along with the population density (number of people per square mile). Tracy Rural and Woodbridge FPD Districts provide service to over 200 and 158 square miles respectively. Boggs Tract is less than a quarter square mile (.154). Population density is highest in Boggs Tract FPD and is lowest in Clements FPD.

In the future, some significant changes will occur in the districts themselves. As a result of city annexations, Boggs Tract, Tuxedo-County Club, and Montezuma FPDs will be nonexistent and Eastside, French Camp-McKinley, and Lincoln FPDs will have insufficient population and revenue to operate. Conversely, Tracy Rural FPD will have grown from a population of slightly more than 15,000 people to more than 164,000 people (a 964 percent increase), representing the second most populous fire service district in the County behind the City of Stockton. Lathrop-Manteca FPD will also have grown substantially from slightly more than 25,000 people to over 76,000. These long term forecasts emphasize the need to proactively consider the economic impacts of city growth on the districts and perhaps consider alternative organizational structures.

SERVICE LEVELS

Service level can be measured by response times, Insurance Service Office (ISO) ratings, and coverage adequacy. Some of the basic premises are that a chance of survival for patients who have stopped breathing or have suffered a heart attack improves greatly when a patient receives medical attention quickly. Similarly, a quick response to fire can greatly reduce a structural fire from reaching a "flashover", a point in which fire spreads quickly. This "flashover" point usually occurs within the first 8-10 minutes of when a fire first starts.

Response Times

National and state guidelines call for urban fire departments to respond within five to six minutes of receiving an emergency call at least 90 percent of the time. The rural fire districts (with some exception for the contract districts) are typically unable to respond within these time frames due in large part to the length of time involved in dispatching emergency calls, the turnout time, and the distance that must be traveled. Dispatching is provided by the AMR Medical Response Lifecom which is a secondary Public Safety Answering Point (PSAP) meaning its 911 calls are routed via other communication centers (Sheriff, local police departments, California Highway Patrol) before they are received at Lifecom and then dispatched to the individual fire district. The recommended National Fire Protection Association (NFPA) guideline is to complete the processing (i.e., dispatch) of emergency calls within 60 seconds, 90 percent of the time. Average time for call time and assign time (when it is received at the fire station) is 4:07 minutes 90 percent of the time for the combination districts and 4:36 minutes 90 percent of the time for the volunteer fire districts. Although there is some debate as to the relevance of these standards, this value greatly exceeds most national standards and is a result of the protocol adopted by the County EMS and the requirement to comply with certain certification standards. The average time for turnout (the time it takes for the engine to leave the station) is 2:18 minutes, 90 percent of the time for combination districts and 4:23 minutes, 90 percent of the time for the volunteer districts. The desired standard is between 1 and 1½ minutes. The average travel time (arrival time from the station) is 7:13 minutes, 90 percent of the time for combination and 9:19 minutes, 90 percent of the time for the volunteer districts. Therefore, the

total performance time from when the call is received at the secondary PSAP to the time the engine arrives at the incident is 8:16 minutes on average and 13:38 minutes 90 percent of the time for combination districts and 11:27 minutes on average and 18:18 minutes 90 percent of the time for the volunteer districts. In urban areas of the rural fire districts, ambulance response from AMR or the other private ambulance companies will likely arrive on the scene prior to the arrival of the fire engine since the County EMS requirement dictates a quicker response time than that being achieved by the individual districts. The dispatch, turnout, and travel times were considerably less for districts which contract for services with the City of Stockton. Apparently, due to different practices, the average dispatch time is two minutes less (0:35 minutes vs. 2:35 minutes) and nearly three minutes less for the 90 percentile (1:08 minutes vs. 4:07 minutes). Turn out times and travel times are also quicker for those districts which contract with the City of Stockton. Since call volume and financial resources do not support the construction of additional stations, improved service for the non-contracting districts must focus on reducing the time it takes to notify the station (call time and assign time) and reducing the time it takes the fire personnel to get out of the station (chute time). Reporting of data based on Geographical Information Systems (GIS) would greatly improve the analysis of information for all districts, especially those districts with large service areas.

ISO Ratings

The Insurance Service Office (ISO) is an independent organization that serves insurance companies, fire departments, insurance regulators and others by providing information about fire risk. ISO staff collects information about fire protection efforts in communities throughout the United States. ISO assigns a Public Protection Classification (PPC) number from 1 to 10. Class 1 represents exemplary fire protection and Class 10 indicates that the area's fire-suppression program does not meet ISO's minimum criteria. There are three primary factors considered in the development of the rating: the fire alarm and communications systems; the fire department; and the water supply system. Ten percent of the overall rating is based on the communication system; fifty percent for the fire department; and, forty percent on the community's water supply. In much of the rural areas of San Joaquin County, there is an inadequate supply of water available for fighting fires thereby leading to lower ISO ratings. The importance of water supply is critical in determining the overall ISO rating. Fire districts without public water supply and fire hydrants will find it difficult to earn a PPC rating of less than 9. ISO ratings among the districts within San Joaquin County range from 4 to 9 depending on proximity of the fire stations and access to public water systems.

Coverage Adequacy

The level of service and/or service coverage can be improved by the adjustment of boundaries, coordination of planning for future facilities and service needs between local agencies and the establishment of automatic aid agreements. Staten Island should be served by the Thornton FPD saving over eight miles of travel distance from Woodbridge FPD's nearest fire station thereby providing a greater level of service. Waterloo-Morada, Mokelumne, and Woodbridge FPDs have discussed the feasibility of relocating a fire station that would provide better service coverage for an area overlapping all three districts. The City of Lodi plans to build an additional fire station with the development of the Reynolds Ranch located in the southeastern portion of the City also near this same area. The City and the fire districts should coordinate planning efforts in order to ensure an adequate level of fire service is provided to all residents within this area and to minimize duplication of service. Coordination of services (*i.e.*, automatic aid agreement) between the City of Manteca and Lathrop-Manteca FPD may reduce the need for the Lathrop-Manteca Station No. 32, located to the south of Manteca. The Northern California Youth Correctional Center located along Arch Road is served by two rural fire districts. The state plans to convert two facilities that have been closed to an adult-male re-entry facility and a medical facility. The state recently conducted a review to determine which fire district would provide fire services to the

planned facilities. The State investigating team considered distance, costs, level of service and benefit to the community and proposes to contract for services to the re-entry and medical facilities with Collegeville FPD. A contract with the Collegeville FPD, which is now an all volunteer district, will provide the District with two fulltime firefighters that would be beneficial to the District residents as it will increase the overall level of fire protection service.

Unprotected Delta Region

Map I-1: Unprotected Delta Region

A portion of the Delta encompassing approximately 540 residential units and a population of approximately 2,400 people is without fire protection (Map I-1). The adjoining rural fire districts and the City of Stockton provide emergency medical response for life threatening incidences namely automobile accidents and for structure fires when life is endangered. The fire districts nor the City has any responsibility since this area is not within a fire district nor is it served by CalFire under a State Responsibility Area. French Camp-McKinley FPD has recently entered into contracts with several homeowners to provide protection. These contracts should be formalized through LAFCo by either amending the boundaries of the district or establishing a SOI and authorizing out-of-agency service approvals pursuant to §56133 of the California Government Code. The long term solution is to establish a fire district for the entire area or annex to an adjoining district. Since there is no tax base, there is no revenue to pay for fire service. A special tax assessment would need to be passed by the voters. Authorization of out-of-agency service agreements may discourage the creation of a new district or annexation to another which ultimately should be the goal.

Training Standards

California Occupational Safety and Health Administration (Cal OSHA) requires fire departments to: (1) train all employees to perform safely in hazardous job activities, and (2) train all employees to state-mandated or nationally-recognized "industrial standards." Recently the elimination of the immunities from civil and criminal liabilities formerly granted to governmental employers in cases involving violation of workplace safety standards was removed thereby exposing a significant liability to the districts. Effective in 2004, volunteer firefighters are considered to be employees which means the volunteer firefighter must to trained to the same level as the career firefighter. According to information received from the questionnaires, it appears that not all of the districts, particularly the volunteer districts, fully comply with the recommended state certification program. It is imperative that all the districts meet their legal obligation as required by Cal OSHA in order to not only furnish a place of employment that is safe and healthful for the employees but to also train firefighters to state-mandated or nationally recognized "industrial standards" in accordance with the expectation of the public. The Fire Chief's Association should take a leadership role to ensure the Districts comply with training standards.

FINANCIAL ABILITY OF THE AGENCIES TO PROVIDE SERVICES

The Districts rely primarily upon *property tax, special taxes, fees for service, and development mitigation fees* and have little opportunity to increase fees. The most significant financing constraints for fire

services are legal requirements that limit property taxes and require voter approval of new taxes and tax increases. Because the district's financial resources are primarily tied to property taxes, districts have been greatly affected by the recent downturn in the economy.

Property Tax Revenue

Property taxes are the single most important source of revenue for the fire districts, making up an average of 67.4 percent of all revenues. Proposition 13 fixed the tax at one percent of the value, except for taxes to repay certain voter approved bonded indebtedness. Property tax revenue was proportioned to each agency based on the amount received during the three years preceding adoption of Proposition 13 (1978). This allocation formula benefited local agencies which had relatively high tax rates at the time Proposition 13 was enacted, and allocates less to districts and cities that were spending relatively low amounts at the time. It is estimated that local government property tax revenues were cut by 60 percent. Not only does each district receive a different increment of the tax dollar, there are also different increments within each of the districts because revenue is based on tax rate areas (there are over 800 tax rate areas within the boundaries of the rural fire districts). This results in a significant deviation of revenues among the districts. Boggs Tract FPD receives the greatest percent of the tax dollar at about 32 percent and Escalon Consolidated FPD receives the least, at approximately 1.5 percent. The average tax increment for all districts is approximately 11.7 percent. This wide variation in the tax base has ramifications on the potential consolidation of districts because of the wide variation in revenue going to the districts.

Special Tax Revenue

After property tax, special taxes are the principal source for funding fire protection services. The State Constitution authorizes special districts to impose special taxes with a two-thirds approval of the electors or with a 50 percent plus one vote for a benefit assessment. In San Joaquin County, 14 of the 19 rural fire districts have implemented special taxes or assessments, many of which were imposed prior to the two-thirds vote requirement. In fiscal year (FY) 2009-2010, special taxes accounted for 21 percent of all revenue. Approval of special taxes even for fire services has become more and more difficult especially in today's economy.

Development Impact Fees

Cities and counties have the legal authority to impose fire facilities impact fees on behalf of the rural fire districts within their city limits or, in the case of counties, within the unincorporated areas. Since development in San Joaquin County occurs primarily within the cities, the magnitude of development fees outside of cities is not a significant source of revenue for the districts. Nonetheless, this fee does provide the opportunity to augment the district's budget particularly for those districts which have more substantial urban development (Ripon, Escalon, Lathrop-Manteca and Tracy Rural FPDs). All rural fire districts should take advantage of this additional funding source and work with the County to establish a development fee schedule for collection.

Fee for Services

An additional source of revenue for districts includes the collection of fees for specific services. Nearly all of the districts collect fees for fire plan checks and for the issuance of fire permits associated with those uses that require periodic inspections. Some districts receive revenue for fire protection of specialized facilities such as the San Joaquin County Jail/Hospital complex and the Stockton Metropolitan Airport. Recently, many of the districts have been charging for services associated with vehicle accidents from out of area residents. Although not a substantial source of revenue for most districts, fees for

services are increasingly becoming an integral part of all of the district's overall financial strategies. For FY 2009-2010, fees for service and other fees represented an average of 6.8 percent of all revenues.

Cost for Fire Services

Over $101 million dollars annually is projected to be spent in FY 2010-2011 for fire services in San Joaquin County. Stockton has the greatest share of this cost at slightly over $48.4 million, followed by Lodi ($9.1 million), Tracy ($8.6 million), and Manteca ($7.2 million). A total of $27,714,159 was estimated to have been spent by the rural fire districts in FY 2009-2010. The rural fire districts represent 27.4 percent of all fire service costs in San Joaquin County.

Overall, most districts are in sound financial condition with nearly half of the districts maintaining a balance of more than 100 percent of operating expenditures. Nearly 70% of the nineteen fire districts maintain a balance of 50 percent or more. However, five districts (Lathrop-Manteca, Mokelumne, Thornton, Tracy Rural and Waterloo-Morada FPDs) maintain less than 50 percent (in some cases 0 percent) in reserves. In FY 2009-10, the Lathrop-Manteca FPD spent more in operating expenditures than revenues received. Tracy Rural FPD has a present debt of $5.67 million owed to the City of Tracy. Although many districts have substantial reserves, several of the districts have a long term need to upgrade their stations and all of the districts must consider the need to replace equipment.

Operating Costs

The median cost for operating a fire district in San Joaquin County was $123 per capita for FY 2009-2010 (derived by dividing the total number of people in the district by the operating expenditures). The costs varied considerably among the districts as evidenced by the range of $78 per capita for Eastside FPD to $307 per capita for Tracy Rural FPD. Generally, costs tend to be higher per capita for districts that have multiple stations, have relatively larger areas to serve and those that provide advanced life support services. Costs tend to be higher for those districts that have higher labor costs.

The contract districts, particularly Boggs Tract, Eastside, and Tuxedo-Country Club FPDs have some the lowest per capita costs for the delivery of fire services. By comparison, the cost per capita for fire services for FY 2009-2010 in the four cities that provide their own independent fire protection service is $103 for the City of Manteca, $109 for the City of Tracy, $139 for the City of Lodi, and $166 for the City of Stockton. On average, the rural fire protection districts provide fire protection services at a lower cost than the cities.

Compensation Costs

There is a wide disparity in compensation costs among the districts. The median salary of a career firefighter with five years of experience (top step) was $51,068 per year for FY 2009-2010. Tracy Rural FPD had the highest salary at $81,808 per year followed by the $70,464 paid to firefighters employed by the City of Stockton for contract services for Boggs Tract, Eastside, Lincoln, and Tuxedo-Country Club FPDs. Thornton FPD had the lowest salary for career firefighters at $27,360 annually. The disparity of salaries can have a significant influence on the feasibility of the consolidation of districts.

Impact of City Growth on Rural Fire Districts

As annexations to cities and detachments from the districts occur, the district's physical boundary and financial revenue shrink. Unfortunately, the district does not always experience a corresponding reduction in service costs. The district must still maintain the same number of stations, employ the same number of firefighters, and maintain the same amount of equipment and do all of this with less revenue.

These factors have placed significant constraints on the districts' ability to provide services to the remaining area of the district as annexations continue. To date, the issue of addressing these financial impacts from annexations on districts has been largely ignored. In order to maintain an adequate level of fire protection services in the districts affected by annexations, a long term financial solution must be instituted. Not all districts detach when annexations occur as in the case of Ripon, Escalon, Lathrop and Tracy Rural FPDs. Several options are presented in the report to address this concern.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

Since 1986, under a Mutual Aid Agreement the Cities and the rural fire protection districts have agreed to provide supplemental, fire, rescue, and related services upon request by providing personnel, services, and equipment. This is a prearranged plan between agencies for reciprocal assistance *upon request* by the first-responder agency. The cooperative agreement is especially important for districts since for structure fires most of the districts must rely upon assistance in order to assemble an adequate work force to fight the fire and to comply with specific safety regulations. In addition to the Countywide Mutual Aid Agreement, many of the districts have entered into Automatic Aid Agreements whereby there is a prearranged plan or contract between agencies for an *automatic response* for service with no need for a request to be made. Under the Agreement, the closest available engine responds without regard to district boundaries.

Joint powers authorities (JPAs) have also been established which authorizes two or more public agencies to operate collectively. Joint power authorities do not require approval by LAFCo. A JPA is distinct from the individual member agencies and has a separate operating board of directors. Several JPAs exist as cooperative efforts of the participating fire districts to develop and manage services and to combine efforts to achieve economies of scale. The largest JPA is the *San Joaquin County Joint Radio Users Group (JRUG)* which is a collection of 15 San Joaquin County fire districts, the City of Tracy, and the Manteca District Ambulance Service that oversee dispatch services and maintenance of equipment owned cooperatively. In 2006, the fire districts, with the exception of fire districts contracting with the City of Stockton, formed JRUG to provide for fire communications services including dispatch and radio system infrastructure. JRUG chose to contract with Lifecom, the dispatch center operated by American Medical Response, for dispatch services. Lifecom provides joint dispatch services to all fire protection districts. The *South County Fire Authority* was created in September 1999, which merged the Tracy City Fire Department with the Tracy Rural FPD. The fire districts have also worked cooperatively on other programs and issues including the *County Urban Search and Rescue Team (USAR), Hazardous Material Response Team (Haz/Mat), County Joint Fire Investigations Unit (FIU)* and the *Fire Agencies Self-Insurance System (FASIS).* The districts also coordinate many of the required training programs.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

State law does not require county government to provide structural fire protection or fire based emergency medical services (EMS). However, counties are obligated by Welfare and Institutions Code Section 17000 and California Supreme Court decisions to provide "emergency ambulance service for its residents."[2] Emergency services in unincorporated areas throughout the State are provided by a mixture of county departments, special districts, cities, JPAs, State, Federal, Tribal and volunteer operations. A survey conducted by San Diego LAFCo found that 31 of 58 counties directly fund structural fire

[2] *City of Lomita, et. al. v. County of Los Angeles (1983) 148 Cal. App. 3d 671 (196 Cal. Rptr. 221) and City of Lomita, et al. v. County of Los Angeles (1986) 186 Cal. App. 3d 479; (230 Cal. Rptr. 790)*

protection and 32 counties have county fire departments. While most of the counties that provide fire service do it directly, there are several somewhat unique models. Examples of uniquely different organizational structures that support regional fire protection services include Orange County, San Bernardino County, Riverside County and Sacramento Metro Fire District.

There are numerous factors in San Joaquin County which, unlike many other counties, make consolidation of the districts more feasible from a financial standpoint. First, the EMS function is provided by the County and is not the financial responsibility of the individual districts. Second, all of the districts were formed prior to Proposition 13 (with the exception of a portion of Woodbridge FPD) and receive secure property tax revenue. Thirdly, all districts are special independent districts. Fourth, more the half of the fire districts has special assessments which provide additional financing. Fifth, collectively there is a substantial amount of revenue collected annually from all the districts (over $27.4 million from all of the districts-over $23.1 million from the non-contracting districts). And lastly, the districts (except Ripon Consolidated and Escalon Consolidated FPDs) are not subject to the diversion of funds to any redevelopment agency.

The report has considered several approaches to governance alternatives for fire protection in San Joaquin County, including:

- *County Fire Department*
- *Consolidated Fire Protection District*
- *Consolidated Fire Protection District with expanded Territory*
- *Structural Joint Powers Authority (JPA)*
- *Functional JPA*
- *Consolidation of Districts at Sub-Regional level*
- *North County Fire District Alternatives*
- *Stockton Contract District Alternatives*
- *Central County Fire District Alternatives*
- *Escalon and Ripon Consolidated Districts*
- *Lathrop-Manteca*
- *South County Fire Authority*

II. IMPLEMENTATION STRATEGY

The Commission must make five determinations in order to approve this Municipal Service Review. These required determinations are outlined in the profile section (Chapter VI) for each of the districts. In addition to these determinations, the report identifies a number of policy issues and number of separated recommendations which would effectuate positive changes to the delivery of fire services in San Joaquin County. Many of these action items are within the responsibility of other agencies or will require the coordination/cooperation of other agencies and the districts themselves. Regardless of responsibility, each agency is encouraged to analyze these prospective changes. The recommendations are organized by objective:

- **TO ESTABLISH A LONG TERM FINANCIAL SOLUTION FOR FIRE DISTRICTS AFFECTED BY DETACHMENTS FROM CITIES**

  Amend the Commission's Policies and Procedures to require consideration of the economic impact of the proposed annexations on the remaining territory of a special district and condition any approval through the use of a mitigation fee for boundary changes that may result in an adverse impact on the District's ability to provide service. (**Responsibility: LAFCo)**

- **TO IMPROVE THE DELIVERY OF FIRE SERVICES**

  Reevaluate the protocol used by Lifecom for the initial stage of dispatch in order to reduce the call time to the fire stations. **(Responsibility: San Joaquin County, Joint Radio Users Group-JRUG, Cities)**

  Establish specific turnout and engine performance goals by individual districts and encourage their annual assessment using the 90 percentile and/or the percentage of compliance with the identified standard. **(Responsibility: Districts)**

  Format the engine response data by geographic subareas within each district.
  (Responsibility: Lifecom, Districts)

  Encourage the Fire Chief's Association to take a leadership role to ensure that all districts, including volunteer districts, train all employees to perform safely in hazardous job activities and to train all employees to state-mandated or nationally-recognized "industrial standards." **(Responsibility: Fire Chief's Association)**

  Prepare a feasibility study regarding the establishment of a new fire district or for the annexation of the unprotected area of the Delta to an existing district. **(Responsibility: LAFCo, San Joaquin County, French Camp-McKinley FPD, Tracy Rural FPD, City of Stockton, Landowners of the Delta)**

- **TO IMPROVE THE FINANCIAL ABILITY OF THE DISTRICTS TO PROVIDE SERVICE**

  Adopt a Development Impact Fee Ordinance for those districts which presently do not have such programs. **(Responsibility: San Joaquin County, Districts)**

Adopt specific long term financial policies regarding the maintenance of adequate reserves. **(Responsibility: Districts)**

Explore all available grant opportunities. **(Responsibility: Districts)**

- **TO PROVIDE SERVICE EFFECTIVELY AND EFFICIENTLY**

Annex Staten Island (North County) to Thornton FPD with concurrent detachment from Woodbridge FPD. **(Responsibility: Thornton FPD, Woodbridge FPD, LAFCo)**

Consider the relocation of the Waterloo-Morada Station 15-2 to a location to serve the southeast portion of Woodbridge FPD, southwest portion of Mokelumne FPD, and the northerly portion of Waterloo-Morada FPD and the subsequent closure of Woodbridge Station No. 2 and coordinate planning efforts with the City of Lodi. **(Responsibility: Waterloo-Morada FPD, Woodbridge FPD, Mokelumne FPD, City of Lodi)**

- **TO IMPROVE THE MANAGEMENT EFFICIENCY OF THE DISTRICTS**

Complete a plan regarding the governance model for Tracy City Fire Department and Tracy Rural FPD within 18 months subject to the approval of LAFCo. All subsequent annexation requests shall be consistent with the approved plan. **(Responsibility: City of Tracy, Tracy Rural FPD, LAFCo)**

Facilitate discussions on the feasibility of sub-regional consolidations or the consolidation of all fire protection districts. **(Responsibility: Districts, LAFCo)**

Explore other governance alternatives such as the expansion of contract services and automatic City/District aid agreements. **(Responsibility: Districts, Cities)**

Evaluate, through the service review process, the financial ability of the fire district to provide service and the continued necessity of any mitigation fee in light of other government alternatives including, but not limited to, contract for services and other reorganization/consolidation options. **(Responsibility: LAFCo)**

III. INTRODUCTION

LAFCO OVERVIEW

After World War II, California experienced dramatic growth in population and economic development. With this boom came a demand for housing, jobs, and public services. To accommodate this demand, the state approved the formation of many new local government agencies, often with little forethought as to the ultimate governance structures in a given region. The lack of coordination and adequate planning led to a multitude of overlapping, inefficient jurisdictional and service boundaries, and the premature conversion/loss of California's agricultural and open-space lands.

Recognizing this problem, in 1959, Governor Edmund G. Brown, Sr. appointed the Commission on Metropolitan Area Problems. The Commission's charge was to study and make recommendations on the "misuse of land resources" and the growing complexity of local governmental jurisdictions. The Commission's recommendations on local governmental reorganization were introduced in the Legislature in 1963, resulting in the creation of **Local Agency Formation Commissions**, or "LAFCo."

The San Joaquin Local Agency Formation Commission (LAFCo) was formed as a countywide agency to discourage urban sprawl and encourage the orderly formation and development of local governmental agencies. LAFCo is responsible for coordinating logical and timely changes in local governmental boundaries, conducting special studies that review ways to reorganize, simplify, and streamline governmental structure and preparing a sphere of influence for each city and special district within each county. The Commission's efforts are directed toward seeing that services are provided efficiently and economically while agricultural and open-space lands are protected. To better inform itself and the community as it seeks to exercise its charge; LAFCo must conduct service reviews to evaluate the provision of municipal services within the county.

LAFCo regulates, through approval, denial, conditions and modifications, boundary changes proposed by public agencies or individuals. It regulates the extension of public service outside their boundaries and approves or denies applications for the provision of new or different functions or class of services. LAFCo is required to initiate updates to spheres of influence and may initiate proposals involving dissolution or consolidation of special districts, mergers, establishment of subsidiary districts, formation of a new district or districts, and any reorganization that includes such actions.

The San Joaquin LAFCo Commission consists of five regular members: two members from the San Joaquin County Board of Supervisors, two city council members; and one public member who is appointed by the other members of the Commission. There is one alternate member in each category.

MUNICIPAL SERVICE REVIEW

Municipal service reviews (MSR) were added to LAFCo's mandate with the passage of the Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (CKH Act). A service review is a comprehensive study designed to better inform LAFCo, local agencies, and the community about the provision of municipal services. Service reviews attempt to capture and analyze information about the governance structures and efficiencies of service providers,

Government Code §56076: "Sphere of influence means a plan for probable physical boundaries and service area of a local agency, as determined by the Commission."

and to identify opportunities for greater coordination and cooperation between providers. The service review is a prerequisite to a sphere of influence (SOI) determination and may also lead a LAFCo to take other actions under its authority.

The MSR requirement was established by the Legislature after the release of two studies recommending that LAFCo's conduct reviews of local agencies. The first study was completed by the "Little Hoover Commission" which focused on the need for oversight and consolidation of special districts, whereas the second study was completed by the "Commission on Local Governance for the 21st Century" which focused on the need for regional planning to ensure adequate and efficient local government services to serve the growing population of California.

In 2000, the Little Hoover Commission's report, *Special Districts: Relics of the Past or Resources for the Future?*, focused on governance and financial problems among independent special districts and barriers to LAFCo's pursuit to facilitate change when necessary. The report notes "the underlying patchwork of special district governments has become unnecessarily redundant, inefficient and unaccountable"[3]. It raised concerns about a lack of visibility and accountability among some independent special districts. The report called on the legislature to increase the oversight of special districts by requiring LAFCos to identify service duplication and to study reorganization alternatives when service duplications are identified, when a district appears insolvent, when district reserves are excessive, when rate inequities surfaces, when a district's mission changes, when a new city incorporates, and when service levels are unsatisfactory. The report recommended that the State strengthen the independence and funding of LAFCos, require districts to report to their respective LAFCo, and require LAFCOs to study service duplications.

A second report, *Growth Within Bounds: Planning California Governance for the 21st Century* was also completed in 2000. It explored how local government is organized and operates, and established a vision of how the state will grow by "making better use of the often invisible LAFCos in each county"[4]. This report, in addition to addressing California's growth and loss of open space, suggested that LAFCos cannot achieve their purpose without a comprehensive knowledge of the services available within the county, their efficiencies, future needs, and expansion capacity of each service provider. The report concluded that LAFCos should be required to conduct such reviews. These recommendations were made a part of the CKH Act.

The CKH Act requires LAFCO to review and update SOIs not less than every five years and to review municipal services before updating SOIs. LAFCo has prepared this service review in compliance with the CKH Act which requires preparation of a service review for all cities and special districts that provide municipal services to county residents. In 2007 the Commission adopted *Policies and Procedures for Spheres of Influence, Service Reviews and Annexations.* The MSR has been prepared in accordance with these policies.

The focal point of the service review process lies with the preparation of written statements of determination regarding the agency's ability to provide services. The determinations are declaratory statements that arrive at a conclusion based on all of the information and evidence presented. LAFCo must make written determinations on the following five categories:

Determination 1:	Growth and population projections for the affected area
Determination 2:	Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies

[3] *Little Hoover Commission, 2000, pg 12*
[4] *Growth Within Bounds, 2000, pg ES1*

Determination 3: Financing ability of agencies to provide services
Determination 4: Status of, and opportunities for, shared facilities
Determination 5: Accountability for community service needs, including governmental structure and operational efficiencies

Service reviews do not require LAFCo to initiate changes based on service review findings, but only to make determination regarding the provision of public services. LAFCo, local agencies and the public may subsequently use the determinations to analyze prospective changes of organization or reorganization or to establish or amend spheres of influence.

SPHERES OF INFLUENCE

In conjunction with the requirement to conduct a service review, the CKH Act requires LAFCo to review and update, as necessary, SOIs for each local agency within LAFCo's jurisdiction. A SOI is considered to be a planning tool that is designed to provide guidance in reviewing proposals, promoting the efficient and effective provision of municipal services, and preventing duplication of service responsibility. LAFCo is responsible for determining that an agency is reasonably capable of providing needed resources and basic infrastructure to serve areas within the agency's boundaries and sphere. The SOI is the area that LAFCo expects development might reasonably be expected to occur and need services or, in case of districts, where services will be provided within a 5-10 and 30 year time frame.

The adoption of a SOI is perhaps the most important planning function given to LAFCo by the State Legislature. Spheres of influence are described by the CKH Act as an important tool for "planning and shaping the logical and orderly development and coordination of local governmental agencies so as to advantageously provide for the present and future needs of the county and its communities"[5]. Spheres of influence serve a similar function in LAFCo determinations as general plans do for cities and counties. The SOI boundary and written determinations adopted by LAFCo should guide the provision of services for areas within the SOI.

In establishing a sphere boundary, LAFCo must consider four factors and make written determinations with respect to each of the following:

- Present and planned land uses in the area,
- Present and probable need for public facilities and services,
- Present capacity of public facilities, and adequacy of public services, and
- Existence of any social or economic community of interest in the area.

The service review will provide LAFCo with a clear indication of whether an agency has the services available to support a sphere boundary.

MSR PROCESS

The service review for the County rural fire protection districts was initiated by a kick-off meeting that was held on July 16, 2009. The purpose of the workshop was to introduce the stakeholders to LAFCo and to provide an overview of the upcoming municipal service review process. A questionnaire requesting data to address the above five determination categories was distributed. The County Fire Chief's Association assisted LAFCo in forming a Technical Advisory Committee consisting of rural fire district

[5] *Government Code §56425*

and City fire department members to assist staff in preparing the draft municipal service review. LAFCo staff visited and met with fire districts for additional information not fully covered by the questionnaire. Finally, a preliminary draft report was forwarded to each of the Districts for their review and comments.

The finalization of the MSR report is a two-step process. Because LAFCo policy encourages the involvement of agencies, the public, and other stakeholders in development of the service review report, a draft MSR is presented at a meeting/workshop with the commission to provide an opportunity for soliciting comments from the public and LAFCo Commissioners prior to finalizing the document. The final draft report is then made available during a noticed 21-day comment period prior to final consideration by the Commission at a public hearing.

IV. OVERVIEW OF FIRE PROTECTION SERVICES

This section provides an overview of the various agencies and other organizational structures providing fire and emergency medical services within the County. Fire service providers for the unincorporated territory of the County are primarily independent special districts and are the subject of this municipal service review. A historical background on the creation and development of special districts in California is provided. Medical emergency services and fire service in designated wildland areas are provided by other county and state agencies and are not being reviewed but are included in the service review as they are an integral component in the provision of fire services within San Joaquin County.

COUNTY

State law does not require county government to provide structural fire protection or fire based emergency medical services (EMS). However, counties are obligated by Welfare and Institutions Code Section 17000 and California Supreme Court decisions to provide "emergency ambulance service for its residents."[6] A survey conducted by San Diego LAFCo in 2009 found that 31 out of 58 counties are directly funding structural fire protection, 32 counties have a county fire department, and 1 county provides fire services through a Joint Power Authority that includes 32 cities and special districts. In San Joaquin County, fire protection services for the unincorporated residents and the Cities of Escalon, Ripon, Lathrop and a portion of Tracy, are provided by nineteen independent special districts.

County Board of Supervisors established the San Joaquin County EMS Agency to administer the County's EMS program in accordance with the requirements of Emergency Medical Services System and the Pre-hospital Emergency Medical Care Personnel Act. San Joaquin County has established six exclusive operating areas (ambulance zones) for advanced life support (ALS) emergency ambulance service. Ambulance Zones A through C are served by American Medical Response (AMR). Ambulance Zone D is served by the Manteca District Ambulance Service. Ambulance Zone E is served by the Ripon Consolidated Fire District. Ambulance Zone F is served by Escalon Community Ambulance. The Joaquin County EMS Agency administers the contracts for emergency ambulance and monitors contract performance. Each of the emergency ambulance service providers are dispatched by Lifecom, the dispatch center operated by American Medical Response.

CITIES

State law requires General Law cities to establish a fire department to be staffed with career or volunteer firefighters. The law requires that the fire department be under the charge of a fire chief with previous training and experience as a firefighter. A City is not required to establish a fire department if a city is included within the boundaries of an established fire protection district. Four of the seven county cities including Stockton, Lodi, Manteca, and Tracy have city fire departments. The City of Lathrop did not form its own city fire department upon its incorporation in 1989 and opted to continue receiving fire protection from the Lathrop-Manteca FPD as permissible under Government Code § 38611. The cities of Escalon and Ripon are also served by an independent fire district. In 1999, the City of Tracy entered into a Joint Powers Authority with the Tracy Rural FPD and formed the South County Fire Authority. The

[6] *City of Lomita, et. al. v. County of Los Angeles (1983) 148 Cal. App. 3d 671 (196 Cal. Rptr. 221) and City of Lomita, et. al. v. County of Los Angeles (1986) 186 Cal. App. 3d 479; (230 Cal. Rptr. 790)*

South County Fire Authority provides fire protection to the City of Tracy and the county residents surrounding the City including Mountain House Community Services District through a contract with Tracy Rural FPD.

CALFIRE

The California Department of Forestry (CalFire) provides fire protection services, rescue, first aid and other emergency services to forest and wildland areas either directly or through contractual agreements. The areas for which CalFire has a legal responsibility to provide fire protection are called State Responsibility Area (SRA) lands (Map IV-1). CalFire has designated SRAs in the northern and southern regions of the County. Fire services to these areas are provided by CalFire only during fire season. Structural fires must be provided by the local fire district. CalFire primarily serves the County through its substations located in Sutter Hill in Amador County and Valley Springs in Calaveras County.

SPECIAL DISTRICTS

About Special Districts

Fire protection in San Joaquin County is provided by special districts. A special district is a separate local government that delivers public services to a specific area. They are established by the residents of an area to provide some service not provided by a county or city. In California, there are 58 counties, 481 cities and over 3,361 special districts, exclusive of school districts[7]. Special districts provide focused services. Special districts are governed by a board of directors and have defined boundaries in which it provides services and facilities.

Special districts must have a statutory authority in order to be established. This authority can take the form of a generic statute which applies to all special districts of that type or may be formed by a special act tailored to the unique needs of a specific area. Special districts were first established in California to meet the needs of farmers in the San Joaquin Valley. Due to an inconsistent water supply and the widely varying prices, farmers in Stanislaus County organized the Turlock Irrigation District under the Wright Act of 1887. This legislation allowed residents to form a public entity for water delivery and finance its operation through bond sales, making it possible to intensify and diversify their agricultural activities. Since that time, new water districts shifted away from rural, agricultural lands, towards urban communities in need of water. Special districts became a popular means to meet demand for other public services because special districts were flexible and provided desired services quickly and efficiently. Today, special districts provide a very large range of services.

Special districts are either independent or dependent districts. Independent districts have their own separate boards of directors elected by the districts' own voters or appointed by the County Board of Supervisors. Independent districts also include districts where the appointed boards of directors serve for fixed terms. Dependent districts are governed by other, existing bodies (either a city council or a county board of supervisors). In San Joaquin County, there are 105 independent special districts and 45 dependent special districts.

Although there are numerous advantages to special districts (tailored services, linking cost to benefits, and responsiveness), there are some potential disadvantages. Special districts may provide the same services that cities and counties provide which may result in competition and conflict and perhaps inefficiency.

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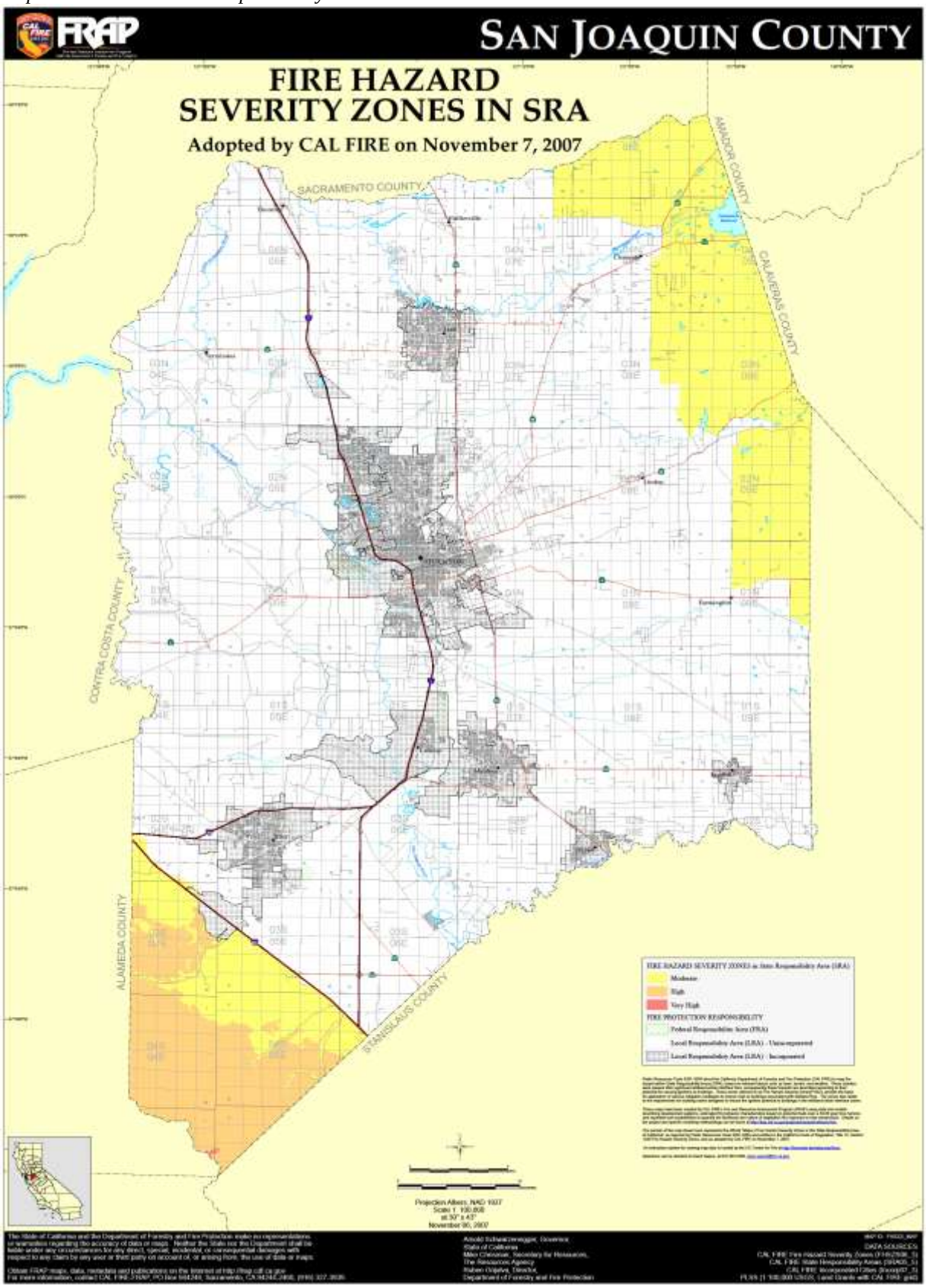
[7] *What's So Special About Special Districts? A Citizen's Guide to Special Districts in California (3rd Edition), 2005*

Map IV-1: CalFire State Responsibility Areas



Special districts can hinder regional planning by having numerous districts thereby making it difficult to organize (e.g., the numerous water, sewer, and fire districts in one region). Lastly, numerous districts can make it harder for citizens to obtain information. Because of these and other concerns, the State Legislature has empowered LAFCo to undertake countywide regulatory authority for special districts. This authority is outlined in the Cortese Knox Hertzberg Local Government Reorganization Act of 2000.[8]

FIRE DISTRICTS IN SAN JOAQUIN COUNTY

Nineteen independent special districts provide fire protection services primarily in the unincorporated territories of the County. Their boundaries and service areas are shown on Map IV-2. Formation of most fire protection districts in the County occurred between 1936 and 1962 although historical records show that the fire districts in Escalon and Ripon existed in the early 1900's. The independent fire districts were formed under the Health and Safety Code 13800-13970 (Fire Protection District Law of 1987) which empowers fire districts to provide fire protection, rescue, hazardous material, emergency medical and other services relating to the protection of lives and property.

The fire protection districts provide fire suppression, fire prevention, fire inspection, basic life support (BLS) emergency medical services, hazardous material mitigation, and a variety of specialty and technical rescue services. The South County Fire Authority (comprised of the City of Tracy Fire Department and the Tracy Rural Fire Protection District) and the City of Stockton are authorized by the San Joaquin County EMS Agency to provide non-transport advanced life support (ALS) services. ALS performs significantly more advanced skills such as in-depth patient assessments, cardiac monitoring and evaluation, defibrillation and cardio version, and much more. Ripon Consolidation FPD provides its own ALS and ambulance service and Escalon and Manteca provides its ALS and ambulance service through nonprofit agencies. All other county rural fire districts provide first responder services (Basic Emergency Medical Service), while advance medical services are provided by American Medical Response (AMR) under contract with the San Joaquin County Emergency Medical Service (EMS) Agency.

Technical Rescue is a special skills area of the fire service that focuses on the application of specific knowledge, skills, and equipment in complex rescue situations. Examples include rescues from structural collapse, water emergencies, and other challenging situations. This specialized service is provided by Escalon, Linden-Peters, Tracy Rural, and Woodbridge FPDs and by the City of Stockton. Montezuma and French Camp-McKinley FPDs provide Aircraft Rescue and Fire Fighting (ARFF) services to the Stockton Metropolitan Airport. Several districts participate in the County Urban Search and Rescue (USAR) team made up of fire agencies and emergency service departments. USAR involves the location rescue (extrication) and initial medical stabilization of victims trapped in confined spaces that might occur from a structural collapse or a vehicle accident. Firefighters must receive training on the use of specialized equipment to provide this service.

Water rescue service is provided by districts that have extensive water ways within their boundaries. Woodbridge maintains a fire boat at Tower Park Marina and Clements FPD recently acquired a water rescue vessel. Lathrop-Manteca FPD also provides water recovery in addition to water rescue.

Each district is governed by an elected or appointed board of directors. Table IV-1 provides a summary of the district formation, staffing, and services provided. Additional information for each fire district is provided in the agency profiles portion of this report.

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[8] *California Government Code §56036*

Map IV-2: Fire Districts in San JoaquinCounty

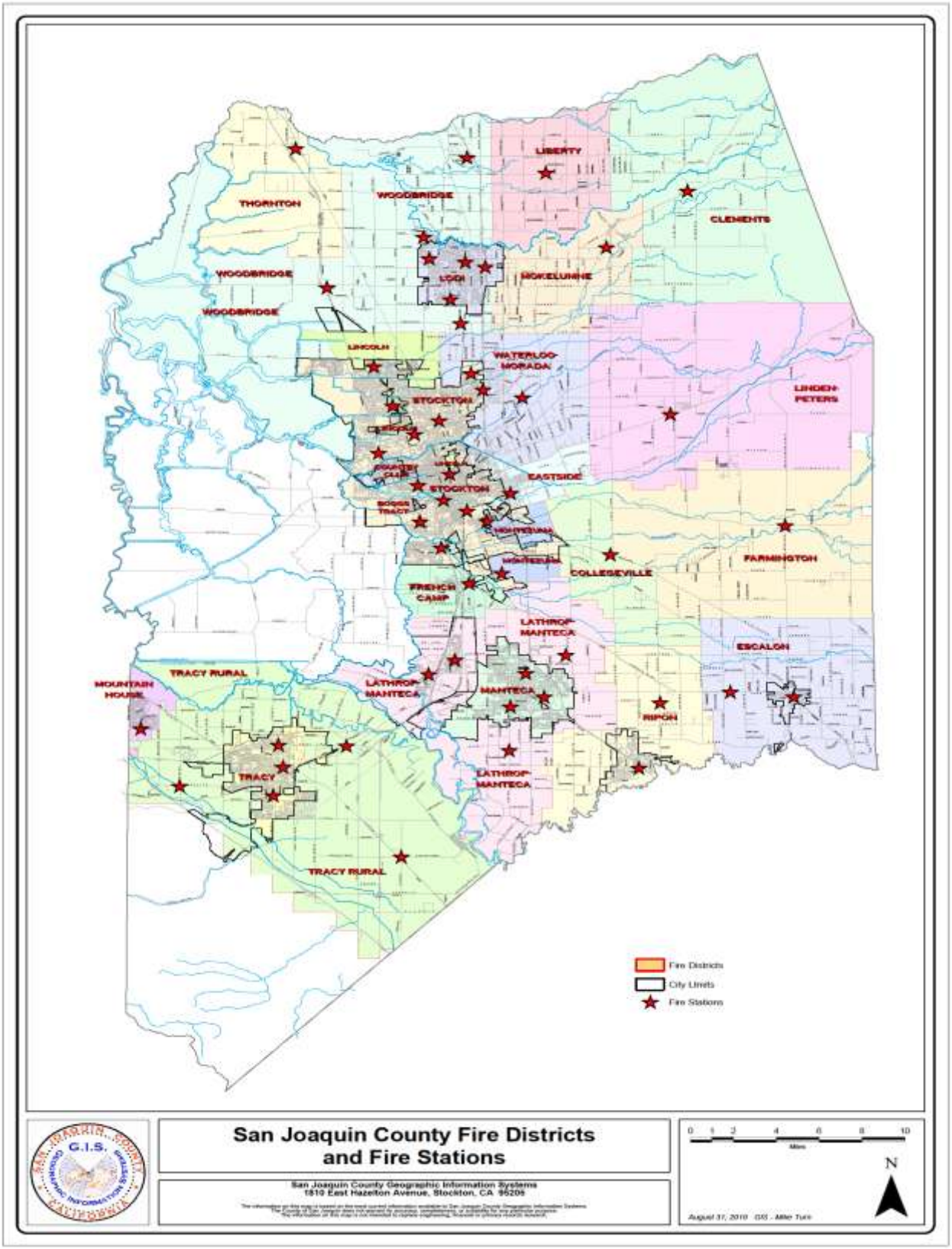


Table IV-1: Fire District Formation, Size, and Services

				Staffing		Services					
	Formation Date	District Size (Acres)	# Stations	Full Time Paid	On Call	Fire	HazMat	Water Rescue	Basic EMS	ALS/Paramedic	Other
Boggs Tract	---	99	--	--	--	✓	✓	✓	✓	✓	Fire Prevention, USAR/Tech Rescue
Clements	1942	76,800	1	1	19	✓	(a)	(b)	(c)		
Collegeville	1962	18,185	1	0	10	✓	✓		✓		
Eastside	1945	7,451	--	--	--	✓	✓	✓	✓	✓	Fire Prevention, USAR/Tech Rescue
Escalon	1982	41,280	2	10	15	✓	✓	✓	✓		Tech Rescue, Mass Decon*
Farmington	1936	56,320	1	0	19	✓	✓	✓	✓		
French Camp-McKinley	1946	8,419	2	13	7	✓	✓	✓	✓		ARFF**
Liberty	1946	23,040	1	7	12	✓	✓		✓		
Lincoln	1946	8,084	--	--	--	✓	✓	✓	✓	✓	Fire Prevention, USAR/Tech Rescue
Linden-Peters	1937	81,280	1	14	11	✓	✓	✓	✓		Plan Review, USAR***
Lathrop-Manteca	1936	54,248	4	37	18	✓	✓	✓	✓		USAR, Dive
Mokelumne	1947	21,425	1	9	16	✓		✓	✓		
Montezuma	1958	5,796	2	11	15	✓	✓	✓	✓		ARFF
Ripon	1963	28,565	2	14	15	✓	✓	✓	✓	✓	USAR, Fire Investigation
Thornton	1952	28,032	1	4	16	✓	✓		✓		
Tracy Rural	1945	128,000	3			✓	✓	✓	✓	✓	Tech Rescue
Tuxedo-Country Club	1945	1,314	--	--	--	✓	✓	✓	✓	✓	Fire Prevention, USAR/Tech Rescue
Waterloo-Morada	1947	24,818	2	19	8	✓	✓	✓	✓		
Woodbridge	1942	101,364	4	18	5	✓	✓	✓	✓		Tech Rescue

* *Mass Decontamination*
** *Aircraft Rescue Fire Fighting*
*** *Urban Search and Rescue*
Note: Boggs Tract, Eastside, Lincoln and Tuxedo-Country Club FPDs contract with the City of Stockto

The unincorporated islands and some unincorporated areas adjacent to the City of Stockton received fire services by contract with the Stockton Fire Department. The contracts are administered by independent special districts with oversight by boards of directors. These special districts are Boggs Tract, Eastside, Lincoln and Tuxedo-Country Club FPDs.

AUTOMATIC AND MUTUAL AID

The fire districts provide services primarily within its boundary area; however, under automatic aid, mutual aid, and contract service agreements fire services are provided irrespective of jurisdictional boundaries. Under a mutual aid agreement a fire district provides or receives aid upon request by the first-responder agency. Mutual aid agreements are pre-arranged plans and contracts between agencies for assistance and may take the form of providing certain apparatus or equipment for a specific area. All

agencies are required to provide mutual aid in times of extreme disaster as part of the California Governor's Office of Emergency Services Master Mutual Aid Agreement. All San Joaquin fire agencies are participants in the countywide mutual aid agreement whereby all agencies agree to provide personnel, services and equipment in emergencies which cannot be mitigated by one single agency. The Countywide Mutual Aid Agreement was first executed by the fire districts and city fire departments in 1986.

Automatic aid is generally considered as an agreement to provide or receive automatic assistance from the closet available resource with no need for a request to be made. The advantage of automatic aid is the reduction in critical time between the commencement of an incident and the provision of service. Automatic aid agreements are usually made between adjacent fire districts. Fire districts located next to the county boundary may have automatic aid agreements with a fire district in the neighboring county.

JOINT POWERS AUTHORITY

The City of Tracy and the Tracy Rural Fire Protection District joined efforts for the provision of fire services to both jurisdictions under a joint powers agreement (JPA) and formed the South County Fire Authority. Under the JPA, both entities operate collectively under a board of directors distinct from the member districts with board members representing the participating agencies. The authority procures personnel and other services from the City of Tracy in order to supply such services to the fire district and City. A JPA may be continued for a definite term or until rescinded or terminated. The agreement may outline a method by which it may be rescinded or terminated. Since forming the JPA, territory that is annexed into the City does not detach from the Tracy Rural FPD resulting in continued collection of the District's special assessments and its share of property taxes.

V. MUNICIPAL SERVICE REVIEW

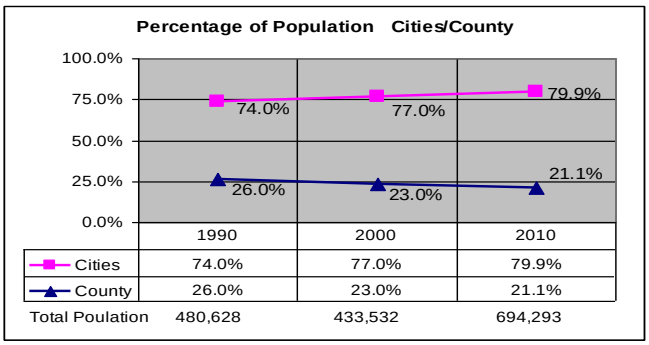
This chapter discusses the five service review topics required by the Cortese Knox Hertzberg Local Government Reorganization Act of 2000 related to the ability of the rural fire districts ability to provide service. LAFCo must prepare written statements of determination based on information and evidence presented. Written statements of determination for the five categories can be found within the profiles of the individual districts (Chapter VI).

GROWTH AND POPULATION

The Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (CKH Act) requires LAFCos to consider growth and population projections for the affected areas as part of the preparation of the MSR. Consideration of this information will be valuable in assessing the future need for public services and ultimately in establishing a SOI boundary. Growth and population projections should correspond to the sphere horizon. The Commission has adopted a planning horizon for SOI plans at a 10 year and 30 year horizon. This section focuses on these two planning periods.

The population of San Joaquin County is estimated to be 694,293 in 2010 according to the State of California Department of Finance.[9] The County grew rapidly from a population of 480,628 in 1990 representing a growth of just over 44 percent, compared to a 29.8 percent increase statewide. The average annual growth rate from 1990 to 2000 was 1.6 percent as compared to California's rate of 1.3 percent for this period. Since 2000, the growth rate for San Joaquin County has had an overall annual rate of 2.0 percent with most rapid growth occurring between 2000 and 2005 (3.0 percent increase per year). This compares with a growth of 1.26 percent for the State since 2000 and 1.6 percent per year for the period from 2000-2005. San Joaquin County's growth rate has slowed considerably since 2005 with an annual average growth rate of 1.2 percent as compared to the State growth rate of 1.06 percent for this same period. In 2010, San Joaquin County's growth rate (0.9 percent) was even less than the State's growth rate of 1.0 percent.

Table V-1: Percentage of Total Population



	1990	2000	2010
Cities	74.0%	77.0%	79.9%
County	26.0%	23.0%	21.1%
Total Poulation	480,628	433,532	694,293

The geographic distribution of the population in San Joaquin County is concentrated in incorporated jurisdictions (i.e., cities). Cities within the County have all experienced significant growth in the past 20 years with 87 percent of the growth focused in the incorporated cities. In 2010, incorporated areas made up 78.9 percent of the County's population, whereas the unincorporated area made up the remaining 21.1 percent and has been decreasing as a percentage of total population since 1990 (Table V-1). Today, 147,038 people live outside of cities in San Joaquin County. All areas of the county grew since 2000 except the Delta region, Lockeford and the Thornton areas which have lost population.

The Draft San Joaquin County General Plan Background Report estimates population through 2030. The report uses several sources to arrive at the conclusion that the County will continue to show strong population growth for the San Joaquin Valley, with an expected 2.3 percent average annual growth rate for the region, compared to 1.2 percent for the State overall. Projected growth is expected to be absorbed

[9] *E-1 State/County Population Estimates with Annual Percent Change-January 1, 2009 and 2010*

largely by the cities. Growth in the unincorporated County is projected to be relativity slower than that of the cities-an estimated 1.1 percent increase annually for the 20-year time frame, as opposed to 2.4 percent annually in the cities over the same time period. The County is expected to grow to 1,103,132 people by the year 2030.

Table V-2: San Joaquin County Statistical Data 2009 and 2010

District/City	Density Pop/Sq Mile	2010 Population	2009 Residential Units	2010 Sq ft Industrial	2010 Sq ft Commercial	2010 Acres Industrial	2010 Acres Commercial
Boggs Tract	5,169.8	796	280	97,985	6,303	2.25	0.14
Clements	19.5	2,350	994	39,297,273	1,376,790	902.14	31.61
Collegeville	25.0	711	225	25,712,874	0	590.29	0
Country Club	4,822.0	10,126	4,476	63,467	357,195	1.46	8.20
Eastside	2,000.0	23,200	8,163	18,012,004	2,566,481	413.50	58.92
Escalon	195.3	12,598	4,458	22,903,566	2,073,314	525.79	47.60
Farmington	22.8	2,010	770	12,910,249	71,802	296.38	1.65
French Camp-McKinley	551.0	7,272	1,571	26,472,405	1,619,075	607.73	37.17
Lathrop-Manteca	297.1	25,197	6,210	74,852,174	4,915,076	1,718.37	112.83
Liberty	95.8	3,450	1,405	11,556,595	49,544	265.30	1.16
Lincoln	686.5	8,650	3,767	1,533,242	2,670,592	35.20	61.31
Linden-Peters	44.5	5,650	1,897	35,920,272	528,317	824.62	12.13
Lodi		63,549	25,251	37,799,024	17,645,476	867.75	405.08
Manteca		68,847	20,266	25,351,333	16,911,167	581.99	388.23
Mokelumne	193.0	6,410	2,539	23,283,207	3,639,247	534.51	83.55
Montezuma	905.5	8,150	1,582	15,573,115	742,590	357.51	17.05
Mountain House		7,996	2,000	0	128,565	0	2.95
Unprotected		2,410	540	13,793,637	89,267	316.66	2.05
Ripon	418.8	18,681	5,227	23,235,795	2,815,107	533.42	64.63
Stockton		292,133	96,666	160,707,716	70,567,146	3,689.34	1,620.00
Thornton	46.1	2,020	790	11,655,705	289,606	267.58	6.65
Tracy		80,837	21,201	36,850,970	19,404,277	845,98	445.46
Tracy Rural	77.3	15,469	3,874	165,179,992	5,320,661	3,792.01	122.15
Waterloo-Morada	339.0	13,122	5,446	25,906,007	2,828,644	594.72	64.94
Woodbridge	79.9	12,659	5,058	32,873,045	3,654,071	754.66	83.89
COUNTY TOTAL	15,988.9	694,293	224,657	841,541,652	160,271,313	19,319,14	3679.32

In 2010, the fire protection districts provided emergency services to 178,112 people in the unincorporated areas of the County and in the Cities of Lathrop, Ripon, Escalon, and a portion of Tracy accounting for slightly over 27 percent of the total population of the County. Table V-2 above provides statistical information for years 2009 and 2010. Population, residential dwelling units and the amount of industrial and commercial lands are identified by City and fire district. There is a considerable variation of population within the various districts. Excluding the Cities which have their own fire departments, the districts with the greatest population include Lathrop-Manteca (25,197) and Eastside (23,200) FPDs and the districts with the least population include Collegeville (711) and Boggs Tract (796) FPDs. The average population of the districts is 9,396 people. The size of the districts also varies widely along with the population density (number of people per square mile). Tracy Rural and Woodbridge FPD provide

service to over 200 and 158 square miles respectively. Boggs Tract is less than a quarter square mile (.154). Population density is highest in Boggs Tract and is lowest in Clements FPD.

Table V-3 projects population for the 10 year and 30 year planning horizons. Like past history, most of the County's growth will occur in the cities. However, some significant changes will occur in the districts themselves. The projection assumes that cities will grow according to their growth rates developed by the San Joaquin Council of Governments and within each of the City's adopted sphere of influence and that by 2040 all areas within a city's sphere will have been annexed to the adjoining city. The projection also assumes that Tracy Rural FPD will gain 80 percent of all population attributed to the City of Tracy. Likewise, growth attributed to the City of Lathrop will all be added to Lathrop-Manteca FPD. Mountain House Community Services Districts will have been built-out according to its master plan by 2040. As a result, Boggs Tract, Tuxedo-County Club, and Montezuma FPDs will be nonexistent and Eastside, French-Camp, and Lincoln FPDs will have insufficient population and revenue to operate. Conversely, Tracy Rural FPD will have grown from a population of slightly more than 15,000 people to more than 164,000 people (a 964 percent increase), representing the second most populous fire service in the County behind the City of Stockton. Lathrop-Manteca FPD will also have grown substantially from slightly more than 25,000 people to over 76,000. These long term forecasts emphasize the need to proactively consider the economic impacts of city growth on the districts and perhaps consider alternative organizational structures.

Table V-3: Population Projections 2010 to 2040

Section 1.02 District	Section 1.03 2010 Population	Section 1.04 2020 Population	Section 1.05 2040 Population	Section 1.06 Total Growth	Section 1.07 Ave. Annual Growth Rate
Boggs	796	888	0	-796	-100%
Clements	2,350	2,621	3,262	912	1.10%
Collegeville	711	793	987	276	1.10%
Country Club	10,126	11,296	0	-10,126	-100%
Eastside	23,200	25,882	3,221	-19,979	-6.40%
Escalon	12,598	15,057	18,836	6,238	1.40%
Farmington	2,010	2,242	2,790	780	1.10%
French Camp-McKinley	7,272	8,112	1,009	-6,270	-6.30%
Lathrop-Manteca	25,197	37,612	76,453	51,256	3.80%
Liberty	3,450	3,848	4,790	1,340	1.10%
Lincoln	8,650	9,650	960	-7,690	-7.10%
Linden-Peters	5,650	6,303	7,844	2,194	1.10%
Lodi	63,549	70,895	88,135	24,586	1.10%
Manteca	68,847	88,129	144,411	75,564	2.50%
Mokelumne	6,410	7,151	8,900	2,490	1.10%
Montezuma	8,150	9,092	0	-8,150	-100%
Mountain House	7,996	13,658	40,792	32,796	5.50%
Unprotected	2,410	2,688	3,346	936	1.10%
Ripon	18,681	23,192	35,969	17,288	2.20%
Stockton	292,133	352,632	513,814	221,681	1.90%
Thornton	2,020	2,253	2,804	784	1.10%
Tracy	80,837	89,993	118,946	38,109	1.30%
Tracy Rural	15,469	48,801	164,614	149,145	8.20%
Waterloo-Morada	13,122	14,639	16,032	2,910	0.70%
Woodbridge	12,659	14,122	16,697	4,038	0.90%
Total	694,293	861,549	1,274,612		

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

The CKH Act requires that consideration be given to the status of existing and planned facilities and its relationship to the quality and levels of services that are, can and need to be provided. The location of existing facilities and condition of facilities are included within the profiles of the individual districts (Chapter VI). This section focuses on the evaluation of the delivery of services or, in the case of fire districts, on the adequacy of services.

ADEQUACY OF SERVICE

The standard of adequacy for fire and emergency medical service can be measured by response times, ISO ratings, and coverage adequacy and training.

NFPA 1710 Time Definitions

Turnout Time (chute time): The time interval that begins when the emergency response facilities and emergency response units notification process begins by either an audible alarm or visual annunciation or both and ends at the beginning point of travel time.

Travel Time: The time interval that begins when a unit is en route to the emergency incident and ends when the unit arrives at the scene.

Total Response Time: The time interval from the receipt of the alarm at the primary PSAP to when the first emergency response unit is initiating action or intervening to control the incident.

Standards

Most measurements relating to service standards for fire and medical emergencies focus on dispatch time, response time, and water flow. Some of the basic premises are that a chance of survival for patients who have stopped breathing or has suffered a heart attack improves greatly when a patient receives medical attention quickly. Similarly, a quick response to fire can greatly reduce a structural fire from reaching a "flashover' a point in which fire spreads quickly. This "flashover" point usually occurs within the first 8-10 minutes of when a fire first starts.

There are many organizations that have developed specific standards of response for emergencies. One of the more recognized standards is the one developed by the National Fire Protection Association (NFPA). The standards outlined in NFPA 1710 pertain to the response and deployment to fire and emergencies for career fire departments and the standards outlined in NFPA 1720 apply to combination and volunteer fire departments[10]. NFPA 1710 and 1720 are not laws or regulations, but are standards that can be used to evaluate fire, rescue and emergency response.

The NFPA 1710 Standards are applicable to urban areas and where staffing is comprised of career firefighters. According to these guidelines, a career fire department needs to respond within six minutes, 90 percent of the time with a response time measured from the 911 call to the time of arrival of the first-responder. The standards are divided as follows:

- Dispatch time of one (1) minute or less for at least 90 percent of the alarms
- Turnout time of one (1) minute or less for EMS calls (80 seconds for fire and special operations response)

[10] *NFPA 1720, 2010 Edition, Chapter 3.3.15.1 and 3.3.15.2*

- Fire response travel time of four (4) minutes or less for the arrival of the first arriving engine company at a fire incident and eight (8) minutes or less travel time for the deployment of an initial full alarm assignment at a fire incident

- Eight (8) minutes or less travel time for the arrival of an advanced life support (ALS) (4 minutes or less if provided by the fire department)

NFPA 1720 contains minimum standards applicable to combination and volunteer fire departments. NFPA 1720 Standards apply to most of the County's rural fire districts because they meet NFPA 1720's definition for a combination or volunteer fire department. A fire district is considered a combination district if its personnel comprise of less than 85 percent majority of either volunteer or career. A fire district is considered a volunteer district if its personnel comprise of more than 85 percent volunteer personnel.[11] The NFPA 1720 Standard distinguishes different response times based on population density as follows:

- *Urban area - at least 1,000 people per square mile*
- *Suburban area – between 500 and 1,000 people per square mile*
- *Rural area – fewer than 500 people per square mile*
- *Remote area – requires a travel distance of at least 8 miles from fire station*

According to the NFPA 1720 Standard, staffing and response times (beginning upon the completion of the dispatch notification) for a low-hazard occupancy (e.g., two story single family home) is as follows:

Population Density	Response Time*	Staffing
Urban	9 minutes	15
Suburban	10 minutes	10
Rural	14 minutes	6
Remote	Dependent on travel distance	4

**Includes Turnout Time and Travel Time*

These standards include an objective of 90 percent of the time for urban areas and 80 percent of the time for suburban, rural and remote. The staffing requirement for most combination and volunteer districts can only be met through automatic aid or mutual aid from adjoining districts.

Response times are also established for emergency medical response. The response time guidelines established by the California Emergency Medical System Authority (EMS) for emergency calls is five minutes in urban areas, fifteen minutes in suburban or rural areas and as quick as possible in wilderness areas. According to the State guidelines, San Joaquin County has all three classifications.

San Joaquin County serves as the Local Emergency Medical Services Agency (LEMSA) which implements the statewide Emergency Medical System (EMS). Locally, San Joaquin County EMS Agency is responsible for the planning, implementation and valuation of emergency medical services. This agency has established response standards for ambulance providers in the County. Response criteria are divided into two groups. The group that is comprised of American Medical Response (AMR) response zones includes Zones A, B, and C; and the group that is comprised of Manteca District Ambulance, Ripon Consolidated Fire District, and Escalon Community Ambulance include Zones D. E, and F, respectively. An Advance Life Support (ALS) ambulance must respond to all Code-Three calls not less than 90% of the time within each geographic service area as measured each calendar month as described below:

[11] *National Fire Protection Association, Chapter 3.3.15.1 and Chapter 3.3.15.2*

Ambulance Response Criteria for Zones A, B, and C:

- In urban areas – within 7:29 minutes or less
- In suburban areas – within 9:29 minutes or less
- In rural areas – within 17:29 minutes or less
- In wilderness areas – within 29:29 minutes or less

Ambulance Response Criteria for Zones D, E, and F:

- In urban or metropolitan areas – within 8 minutes or less
- In rural or suburban areas – within 20 minutes or less
- In remote areas – within 40 minutes or less
- In wilderness areas – as quickly as possible

The geographic service area definitions have been established as follows:

- Metropolitan – All census places with a population density of 501 people or greater per square mile.
- Urban – All census places with a population density 101 to 500 people per square mile.
- Suburban – All census places with a population density 51 to 100 people per square mile.
- Rural – All census places with a population density of 7 to 50 persons per square mile.
- Remote – The areas of the County agreed to be the Provider and Agency/County as needing greater than 20 minutes to respond due to geographical or other considerations.
- Wilderness – All census tracts or enumeration districts without census tracts which have a population of less than 7 persons per square mile.

Map V-1 identifies the population density zones within the County which corresponds to the above standards for the purposes of emergency medical response. This report does not evaluate the EMS service in the County but is included here to provide additional response data background and due to the relationship of emergency medical service provided by the County EMS and the services provided by the rural fire districts.

Dispatch Times

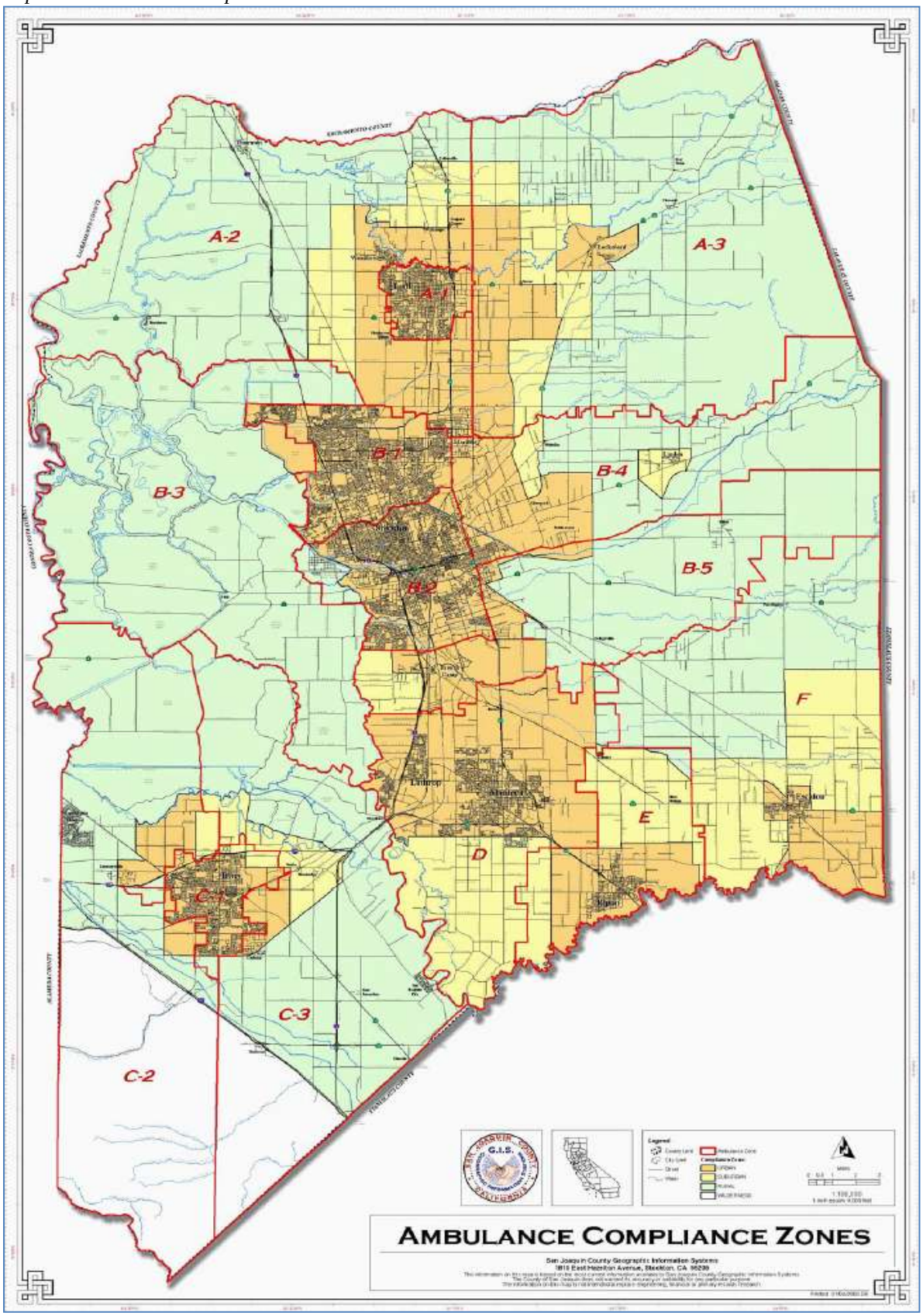
American Medical Response (AMR) Lifecom is a regional dispatch center and Public Safety Answering Point (PSAP) which provides dispatch to all of the rural fire districts in San Joaquin County and several ambulance services over a two county area with a combined population of nearly 1.2 million people. AMR's Lifecom is considered a secondary PSAP, meaning its 911 calls are routed via other communication centers such as the San Joaquin County Sheriff Department and the California Highway Patrol (cell phones). In other words, when an individual dials 911 the call is received by the Sherriff's Office or Highway Patrol before it is transferred to Lifecom. The NFPA standard for transferring the call is a performance objective of 30 seconds for at least 90 percent of the time to the secondary answering point. In an effort to obtain information concerning the performance of the primary PSAP, data from the new ECsTS system which tracks data for the San Joaquin County Sheriff's Department show that the average transfer time is 46:40 seconds (38 seconds-median) for the

Average/Median/ and 90 percentile

There are several statistical values used to describe the tendency of data. For the central tendency, the arithmetic mean or average is commonly used. However, for data that are skewed with some very high or low numbers, the median is commonly used such as with house prices or incomes. The average or mean is obtained by combining the values from the set and dividing by the number of entries. The median is the middle of the group when they are ranked in order.

For describing fire response, the mean and median are of little value. Those statistics merely describe that about half the time the response is either slower or faster than that value. What is used more commonly is the 90 percentile, which captures a larger amount of the data and is more reflective of the outside parameters of the response. The 90 percentile is always a larger number than the average or median. It is intended to exclude the unusual events such as the responding to the farmhouse on the outside perimeter of the district, delays due fog, trains, or when multiple incidents may occur.

Map V-1: Ambulance Compliance Zones



period of April 1, 2010 to August 31, 2010. It is assumed that about the same length of time is required by the California Highway Patrol to transfer a call to the secondary PSAP (Lifecom).

The next step in the process is dispatch. Dispatch time is the time it takes to process an emergency call from the initial contact to the time in which the alarm is received at the appropriate fire station. More specifically, dispatches are divided into call time and assign time. Call time is the time from the phone pickup to queue. Assign time is from queue to first time assigned. Both actions must occur prior to the alarm being received at fire station. Table V-4a identifies the call and assign time for each combination fire district and Table V-4b identifies the call and assign time for the volunteer fire districts during the period January 1 to December 31, 2009 for high priority (Delta/Echo) calls requiring a "lights and siren" response. The data are divided into average time and the 90 percentile (see insert for explanation). The average call times are 1:58 minutes for combination districts and 2:04 for volunteer districts. The average assign times are 00:37 minutes for combination districts and 00:42 minutes for volunteer districts for a total time of 02:35 minutes for the combination districts and 02:46 for volunteer districts. The average 90 percentile call time rises to 03:04 minutes for call time and to 1:03 minutes for assign time for combination districts bringing the total time to 4:07 minutes. The average 90 percentile call time rises to 3:21 minutes for call time and to 1:15 minutes for assign time for volunteer districts bringing the total time to 4:36 minutes. Since all calls to the rural districts are received from a single source, there is very little difference in time among the various districts. The recommended NFPA guideline is to complete the processing (i.e., dispatch) of emergency calls within 60 seconds, 90 percent of the time. This standard is greatly exceeded. Adherence to the NFPA guideline may be impractical. Potential reasons why a call takes longer than the NFPA standard to process may include staffing of dispatch centers, the length of time for the 911 caller to communicate the type of incident and location, and the time it takes to ask the 911 caller relevant questions to determine incident priority and response resources needed. A specific protocol has been established by the County EMS Agency and adherence to nationally established standards are also required. The focus of the protocol is to ensure that a full understanding of the situation is obtained and the location is precisely known in order to prevent unnecessary emergency responses. In any event, this is an important part in the evaluation of the overall ability of the fire district to respond to emergencies effectively and may warrant further evaluation.

Table V-4a: Call Times-Average and 90 Percentile (Jan. 1, 2009 to Dec. 31, 2009) for Combination Districts

District[1]	Call Volume	Average Call Time	Average Assign Time	90%tile Call Time	90%tile Assign Time
Escalon	255	0:01:51	0:00:33	0:02:53	0:00:51
French Camp-McKinley	184	0:02:10	0:00:34	0:03:25	0:01:03
Lathrop/Manteca	494	0:01:54	0:00:39	0:03:03	0:01:12
Liberty	65	0:02:04	0:00:39	0:03:18	0:01:05
Linden	115	0:01:54	0:00:37	0:03:00	0:01:06
Mokelumne	177	0:02:02	0:00:40	0:02:58	0:01:10
Montezuma	179	0:01:59	0:00:40	0:03:15	0:01:19
Ripon	307	0:01:55	0:00:32	0:02:52	0:00:54
Thornton	84	0:02:01	0:00:40	0:03:04	0:01:03
Tracy[2]	1409	0:01:50	0:00:32	0:02:51	0:00:51
Waterloo-Morada	413	0:01:53	0:00:34	0:02:54	0:00:52
Woodbridge	300	0:02:06	0:00:39	0:03:13	0:01:04
Average		0:01:58	0:00:37	0:03:04	0:01:03

[1] *Excludes contract fire districts: Boggs Tract, Eastside, Lincoln, and Tuxedo-Country Club*
[2] *Includes City of Tracy*
Source: Lifecom Dispatch Center, AMR, June 6, 2010 (Echo/Delta conditions)

Table V-4b: Call Times-Average and 90 Percentile (Jan. 1, 2009 to Dec. 31, 2009) for Volunteer Districts

District	Call Volume	Average Call Time	Average Assign Time	90%tile Call Time	90%tile Assign Time
Clements	52	0:02:03	0:00:40	0:03:19	0:01:05
Collegeville	31	0:02:08	0:00:42	0:03:41	0:01:21
Farmington	45	0:02:01	0:00:43	0:03:02	0:01:19
Average		0:02:04	0:00:42	0:03:21	0:01:15

Source: Lifecom Dispatch Center, AMR, June 6, 2010 (Echo/Delta conditions)

Turnout Time (Chute Time)

Turnout time or chute time is the time that elapses from the moment the alarm is received at the station and the time the engine or ladder company leaves the station. Table V-5a identifies the average and the 90 percentile turnout time for combination fire districts during the past year and Table V-5b indentifies the average and 90 percentile turnout time for volunteer fire districts. The average turnout or chute time is 1:23 minutes and the 90 percentile is 2:18 minutes for combination fire districts and the average turnout or chute time is 2:44 minutes and the 90 percentile is 4:23 minutes for volunteer fire districts. The recommended NFPA guideline is one minute for turnout time (80 seconds for fire and special operations response). Although the times exceeds the NFPA guideline, it is generally believed that turnout time of approximately 1:30 minutes is a more practical goal given the more restrictive clothing/apparatus requirements that is required today.

Table V-5a: Turnout (Chute) Time January 1, 2009 to December 31, 2009) for Combination Districts

District[1]	Total 2009 Calls Reported by the District	Echo/Delta Calls Processed by Lifecom	Echo/Delta Calls	
			Average Turnout Time	90%tile Turnout Time
Escalon	954	255	0:01:26	0:02:25
French Camp-McKinley	1,000	184	0:01:11	0:02:11
Lathrop/Manteca	3,037	494	0:01:32	0:02:18
Liberty	288	65	0:01:26	0:02:26
Linden-Peters	567	115	0:01:20	0:02:13
Mokelumne	536	177	0:01:32	0:02:31
Montezuma	743	179	0:01:42	0:02:21
Ripon	1,476	307	0:01:10	0:02:10
Thornton	370	84	0:01:46	0:02:58
Tracy Rural[2]	1832	1,409	0:01:11	0:01:47
Waterloo-Morada	1,649	413	0:01:06	0:01:58
Woodbridge	1,675	300	0:01:11	0:02:13
		Average	0:01:23	0:02:18

[1] *Excludes Contract Fire Districts: Boggs Tract, Eastside, Lincoln, and Tuxedo-Country Club*
[2] *Includes City of Tracy*
Source: Lifecom Dispatch Center, AMR, June 6, 2010 (Delta/Echo conditions)

Table V-5b: Turnout (Chute) Time (January 1, 2009 to December 31, 2009) for Volunteer Fire Districts

District	Total 2009 Calls Reported by the District	Echo/Delta Calls Processed by Lifecom	Echo/Delta Calls	
			Average Turnout Time	90%tile Turnout Time
Clements	250	52	0:02:34	0:04:16
Collegeville	89	31	0:02:24	0:03:37
Farmington	250	45	*0:03:15	0:05:17
		Average	0:02:44	0:04:23

Source: Lifecom Dispatch Center, AMR, June 6, 2010 (Delta/Echo conditions)
** Farmington RFD reports that during FY 2009-10 their records indicate average Turnout time of 2:42 minutes.*

Travel Time

Travel time is the time it takes from when the engine leaves the station to the time the first response arrives at the scene of the incident. Table V-6a identifies the average and 90 percentile travel time for each combination fire district and Table V-6b identifies the average and 90 percentile travel time for each volunteer district during the period January 1, 2009 to December 31, 2009.

Optimally, the overall travel time should be a total of 4 minutes according to the NFPA 1710 guidelines. These guidelines, however, are directed at highly urbanized areas where stations are generally located within a 1.5 mile distance in order to achieve a 4 minute run time. This station spacing is simply not practical in a rural setting where only sparsely settled areas occur in much of the District. Adherence to NFPA 1720 Guidelines would extend performance time to 9, 10, and 14 minutes for urban, suburban, and rural areas respectively. It is important, however, to achieve the quickest possible travel time to administer medical attention or prevent flashover. Reporting of data based on a Geographic Information System (GIS) would greatly improve the analysis of information for all of districts especially those districts with large service areas.

Table V-6a: Travel Time (January 1, 2009 to December 31, 2009 for Combination Districts

District	Total 2009 Calls Reported by the District	Echo/Delta Calls Processed by Lifecom	Delta/Echo Calls	
			Average Travel Time	90%tile Travel Time
Escalon	954	255	0:04:06	0:07:25
French Camp-McKinley	1,000	184	0:03:57	0:06:15
Lathrop/Manteca	3,037	494	0:04:06	0:07:23
Liberty	288	65	0:05:00	0:07:00
Linden-Peters	567	115	0:05:27	0:08:51
Mokelumne	536	177	0:04:20	0:07:27
Montezuma	743	179	0:03:54	0:07:21
Ripon	1,476	307	0:03:49	0:06:59
Thornton	370	84	0:04:01	0:06:46
Tracy Rural[2]	1,832	1,409	0:03:25	0:05:47
Waterloo-Morada	1,649	413	0:04:28	0:06:58
Woodbridge	1,675	300	0:05:00	0:08:27
		Average	0:04:18	0:07:13

[1] Excludes Contract Fire Districts: Boggs Tract, Eastside, Lincoln, and Tuxedo-Country Club
[2] Includes City of Tracy
Source: Lifecom Dispatch Center, AMR, June 6, 2010 (Delta/Echo conditions)

Table V-6b: Travel Time (January 1, 2009 to December 31, 2009 for Volunteer Districts

District	Total 2009 Calls Reported by the District	Echo/Delta Calls Processed by Lifecom	Delta/Echo Calls	
			Average Travel Time	90%tile Travel Time
Clements	250	52	0:05:23	0:08:53
Collegeville	89	31	0:04:55	0:08:50
Farmington	250	45	0:07:32	0:10:14
		Average	0:05:57	0:09:19

Source: Lifecom Dispatch Center, AMR, June 6, 2010 (Delta/Echo conditions)

Total Performance Time

Since each of the described parameters are additive, the total performance time is a measurement of the sum of the components. Collectively, the call time, assign time, chute time, and travel time account for about 8:16 minutes on average and 13:38 minutes for the 90 percentile measurement (excludes the primary PSAP) for combination fire districts and 11:27 minutes on average and 18:18 minutes for the 90 percentile measurement for volunteer fire districts. As discussed previously, the San Joaquin County EMS Agency has established specific response standards for Advanced Life Support (ALS). Specially the ALS ambulance shall respond to 90 percent of all calls in 7:29 to 8 minutes or less for urban areas; 9:29 to 20 minutes or less for suburban; 17:29 to 40 minutes or less for rural; and 28:29 minutes or less or as quickly as possible for wilderness. The measurement for ambulance response begins immediately after call time since American Medical Response (AMR) provides for its own assignment time. Based on these measurements, the ambulance will arrive in urban areas of the districts prior to the fire district's response. Since call volume and financial resources do not support the construction of additional stations, improved service must focus on reducing the time it takes to notify the station (call time and assign time) and reduce the time it takes the fire personnel to get out of the station (chute time).

Fire vs. Medical Emergencies Response

The above discussion concerning dispatch, turnout, and travel time combines the data for both fire and medical emergencies and analyzes this information as an average statistic and at the 90th percentile. There is a difference in overall response time between fire and medical emergencies. However, the information, although available for the same time period, is only described as an average statistic and has not been made available at the 90th percentile. Overall, the average response times are quicker for medical emergencies than for fire emergencies. Table V-7c shows the average elapse time by priority description and is summarized as follows (Table V-7a Combination Districts, Table V-7b Volunteer Districts):

Table V-7a: Average Response Times for Combination Districts
Fire vs. Medical Emergencies - January 1, 2009 to December 31, 2009

	Call Time	Assign Time	Turnout Time	Travel Time	Total
Fire	1:59	0:56	1:11	5:10	9:16
Medical	1:57	0:32	1:18	3:32	7:19

Table V-7b: Average Response Times for Volunteer Districts
Fire vs. Medical Emergencies - January 1, 2009 to December 31, 2009

	Call time	Assign time	Turnout time	Travel time	Total
Fire	2:15	0:37	2:40	6:17	11:49
Medical	1:53	0:32	2:51	5:36	10:52

The total average response times (excluding the primary PSAP) are 9:16 minutes for fire emergencies (excluding volunteer districts) as compared to 7:19 minutes for medical emergencies (again excluding volunteer districts). This is almost a two minute improvement for responses to medical emergencies. The volunteer districts' average total response times are 11:49 minutes for fire emergencies and 10:52 minutes for medical emergencies. The improvement in medical emergency times is primarily due to reduced travel time which seems to indicate that the medical emergencies are closer to the stations where there is perhaps a greater density of population or along roadways which are more easily accessible. Again, the numbers are expressed as an average statistic, meaning that the identified response will be exceeded about half of the time. These numbers should not be confused with the 90th percentile which provides a more accurate assessment as described in the previous section.

Table V-7c: Average Elapse Times by Priority Description

AMERICAN MEDICAL RESPONSE®

Lifecom Dispatch Center
Fire EMS Agency
Average on Elapse Times by Priority Description

Business Unit	Priority Description	Call Volume	Call Time	Assign Time	Average Chute Time	Response Time
Clements Fire	FIRE EMERGENCY	21	0:02:04	0:00:54	0:02:24	0:05:45
	MEDICAL EMERGENCY	31	0:02:01	0:00:31	0:02:40	0:05:08
Collegeville Fire	FIRE EMERGENCY	18	0:02:26	0:00:51	0:02:11	0:05:26
	MEDICAL EMERGENCY	13	0:01:43	0:00:29	0:02:42	0:04:11
Escalon Fire	FIRE EMERGENCY	56	0:01:52	0:00:51	0:02:06	0:05:34
	MEDICAL EMERGENCY	199	0:01:50	0:00:28	0:01:15	0:03:41
Farmington Fire	FIRE EMERGENCY	12	0:02:16	0:01:07	0:03:26	0:07:41
	MEDICAL EMERGENCY	33	0:01:56	0:00:35	0:03:11	0:07:29
French Camp Fire	FIRE EMERGENCY	43	0:02:08	0:00:53	0:01:36	0:05:15
	MEDICAL EMERGENCY	141	0:02:10	0:00:28	0:01:02	0:03:33
Lathrop/Manteca Fire	FIRE EMERGENCY	111	0:01:52	0:01:03	0:01:34	0:05:03
	MEDICAL EMERGENCY	383	0:01:54	0:00:33	0:01:31	0:03:50
Liberty Fire	FIRE EMERGENCY	31	0:02:16	0:00:44	0:01:45	0:04:52
	MEDICAL EMERGENCY	34	0:01:53	0:00:34	0:01:09	0:05:08
Linden Fire	FIRE EMERGENCY	30	0:01:54	0:00:50	0:01:45	0:05:53
	MEDICAL EMERGENCY	85	0:01:54	0:00:32	0:01:11	0:05:18
Mokelumne Fire	FIRE EMERGENCY	46	0:01:55	0:00:56	0:01:46	0:04:33
	MEDICAL EMERGENCY	131	0:02:04	0:00:34	0:01:27	0:04:16
Montezuma Fire	FIRE EMERGENCY	51	0:02:17	0:00:55	0:01:38	0:05:10
	MEDICAL EMERGENCY	128	0:01:52	0:00:33	0:01:43	0:03:24
Ripon Fire	FIRE EMERGENCY	52	0:02:05	0:00:48	0:01:33	0:04:34
	MEDICAL EMERGENCY	255	0:01:53	0:00:29	0:01:06	0:03:40
Thornton Fire	FIRE EMERGENCY	29	0:01:52	0:00:51	0:01:49	0:05:05
	MEDICAL EMERGENCY	55	0:02:06	0:00:35	0:01:44	0:03:30
Tracy Fire	FIRE EMERGENCY	228	0:01:54	0:00:42	0:01:04	0:04:55
	MEDICAL EMERGENCY	1181	0:01:50	0:00:30	0:01:13	0:03:08
Waterloo-Morada Fire	FIRE EMERGENCY	68	0:01:58	0:00:49	0:01:16	0:04:48
	MEDICAL EMERGENCY	345	0:01:52	0:00:30	0:01:04	0:04:24
Woodbridge Fire	FIRE EMERGENCY	85	0:02:01	0:00:53	0:01:25	0:06:20
	MEDICAL EMERGENCY	215	0:02:08	0:00:33	0:01:05	0:04:31

Contract Fire Districts' Dispatch and Response Summary

The Stockton Fire Department provides full fire protection and paramedic service to four adjoining county fire districts - Boggs Tract, Tuxedo-Country Club, Eastside and Lincoln FPDs. Each of these fire district contracts has been in place for more than 20 years. Effective December 1, 2010, medical 911 calls within the city limits of Stockton are transferred to Lifecom (functioning as the secondary PSAP for medical calls). The Stockton Fire Department remains a secondary PSAP for the fire 911 calls originating within the City of Stockton, contract fire districts, and the City of Manteca. Medical 911 calls in the contract fire districts have been routed to Lifecom since May 2006. Emergency 911 dispatch service level indicators are provided below in three assessment categories listing both the average time and the 90th percentile times for each.

Dispatch center times are reported for emergency calls originating within each fire protection district. Dispatch times within the City of Stockton are included as a reference.

> **Received to Dispatch Time:** - represents the time it takes dispatch center staff to determine the nature of the emergency and alert appropriate emergency responders. The Stockton Fire Department dispatch center receives 911 calls from a number of different sources. The dispatch processing time reported begins when the call is answered in the fire dispatch center.
>
> **Turn Out Time**: – represents the time between the initial notification to emergency responders and the time they begin traveling to the emergency incident location.
>
> **Travel Time**: - represents the time an emergency resource is driving to the location of the emergency.
>
> **Total Performance Time**: - includes all time from receipt of the 911 call at the secondary PSAP until the emergency response resource arrives at the incident location.

The following data (Table V-8) are based on Stockton Fire Department dispatch center data from July 1, 2009 through June 30, 2010 and includes all types of medical emergency calls for service. This information is being used since there has been an insufficient time frame to report data using Lifecom's dispatch.

Table V-8: Stockton Fire Department Response Times (All Medical Calls (July 1, 2009 to June 30, 2010)

	Received to Dispatch		Turn Out Time		Travel Time		Total Time to Arrival	
	Average	90th Percentile	Average	90th Percentile	Average	90th Percentile	Average	90th Percentile
Boggs Tract	00:38	01:12	01:17	01:51	03:30	04:25	05:24	07:05
Country Club	00:33	01:06	01:06	01:38	04:21	05:37	06:03	07:58
Eastside	00:32	01:08	00:57	01:31	03:22	04:50	04:56	07:15
Lincoln	00:35	01:05	01:02	01:38	03:10	04:23	04:55	06:51
Average	**00:35**	**01:08**	**01:06**	**01:40**	**03:36**	**04:49**	**05:19**	**07:15**

Dispatch, turn out and travel time for the contract districts while being dispatched by the City of Stockton shows they were considerably less than for the same functions performed by Lifecom for the other districts. The City of Stockton's dispatch practices provided for a quicker response by two minutes on average (0:35 minutes vs. 2:35 minutes) and by nearly three minutes for the 90 percentile (1:08 minutes vs. 4:07 minutes) for combination fire districts. The average turn out time is not significantly different

[1:06 minutes (Stockton) vs. 1:23 minutes (non-contract/combination)] but the 90 percentile varies greatly [1:40 minutes (Stockton) vs. 2:18 minutes (non-contract/combination)]. Lastly, the travel time is also quicker for the City of Stockton with the average for the City at 3:36 minutes vs. 4:18 for the non-contracting/combination districts. The 90 percentile is also significantly different for travel time with 4:49 minutes for Stockton and 7:13 minutes for the non-contracting/combination districts. Even though there is a wide variation in the data for travel time, the non-contracting/combination districts appear to be performing well in light of the size of these districts. These data would also seem to indicate that the station locations for the rural districts are located close to the majority of their calls and where the population density is greatest (Map V-2: Population Densities within Fire Districts). However, because of the large variation in dispatch time, the total time to arrival is significantly less for the contract districts. Again, this emphasizes the need to focus on reducing the time it takes to notify the station (call time and assign time) and reduce the time it takes the fire personnel to get out of the station for the non-contract districts.

ISO Ratings

The Insurance Service Office (ISO) is an independent organization that serves insurance companies, fire departments, insurance regulators and others by providing information about fire risk. ISO staff collects information about fire protection efforts in communities throughout the United States. ISO analyses the relevant data and assigns a Public Protection Classification number from 1 to 10. Class 1 represents exemplary fire protection, and Class 10 indicates that the area's fire-suppression program does not meet ISO's minimum criteria.

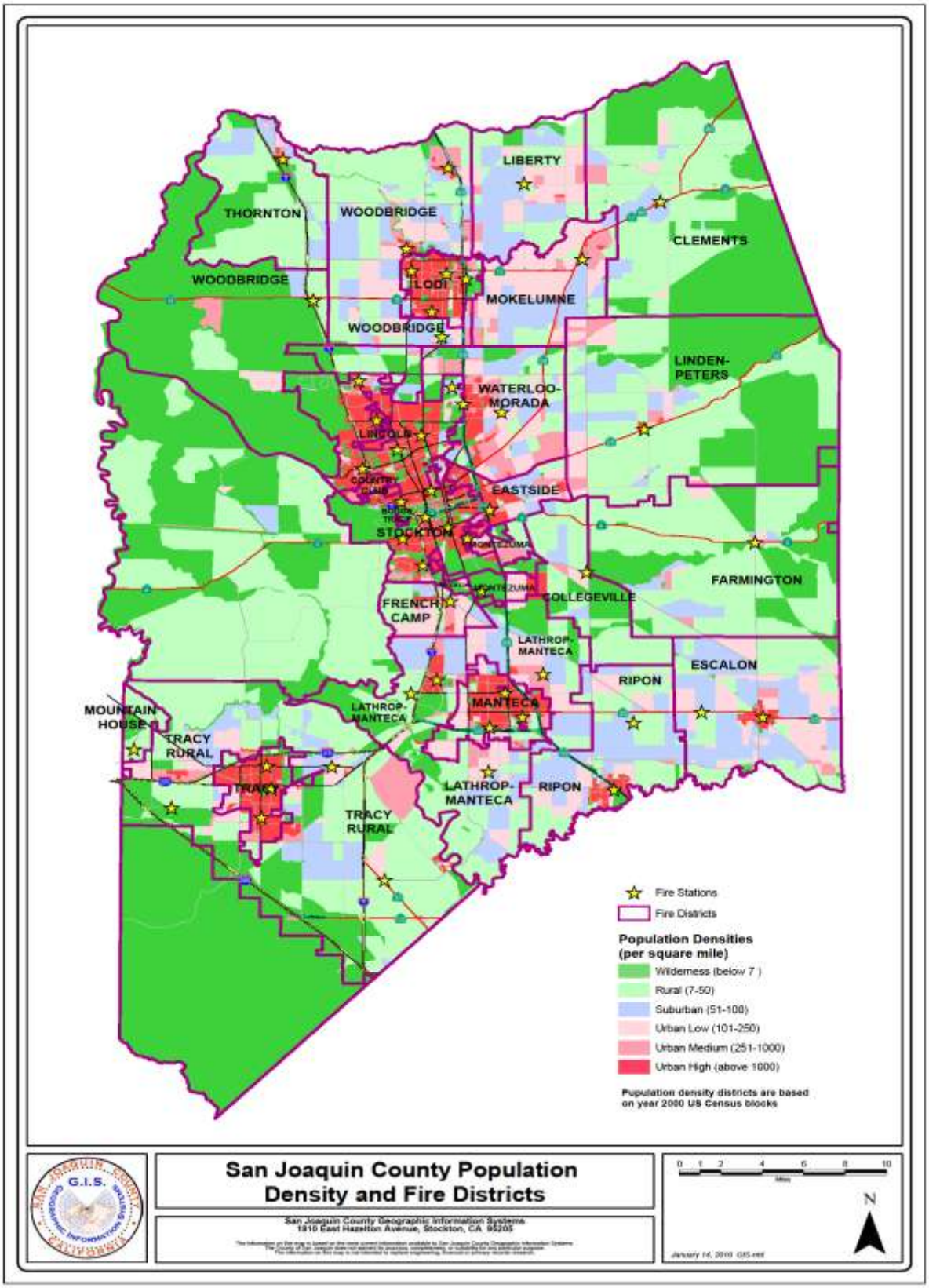
Nearly all insurers of homes and business property use ISO's Public Protection Classification (PPC) in calculating premiums. In general, the cost of fire insurance in an area with a good PPC can be lower than in an area with a poorer rating, assuming all other factors are equal. The ratings are generally considered more important for commercial and industrial property than for residential development.

There are three primary factors considered in the development of the rating. They include: the fire alarm and communications systems; the fire department; and the water supply system. The communication systems' evaluation includes consideration of staffing, telephone systems and dispatching systems. The fire department considerations include equipment, staffing, training, and geographic distribution of fire companies. Lastly, consideration is given to the water supply system including the condition and maintenance of hydrants and the amount of available water compared with the amount needed to suppress fires. Ten percent of the overall rating is based on the communication system; fifty percent for fire department; and, forty percent on the community's water supply. In much of the rural areas of San Joaquin County, there is an inadequate supply of water available for fighting fires thereby leading to higher ISO ratings.

The importance of water supply is critical in determining the overall ISO rating. Fire districts without public water supply and fire hydrants will find it difficult to earn a PPC rating of less than 9. In some districts, ISO develops a split classification in which the first rating applies to properties within five miles of a fire station and with access to public water. The second rating applies to properties within five road miles of a fire station but beyond 1,000 feet of a hydrant. ISO generally assigns a Class 10 rating to properties beyond five road miles of a fire station.

A new rating class 8b was recently established to recognize "superior Class 9" communities that provide superior fire-protection services and fire alarm facilities but lack the water supply required for a PPC of Class 8 or better. ISO ratings among the districts within San Joaquin County range from 4 to 9 depending on proximity to fire stations and public water (Table V-9). Information received from the City of

Map V-2: Population Densities within Fire Districts



Stockton indicates that Boggs Tract, Lincoln, Tuxedo-Country Club and Eastside FPDs maintain a Class 1 ISO rating. While the City of Stockton and its fire department may be classified as Class 1, it doesn't necessarily follow that the districts also maintain a Class 1 rating. For example, parts of Lincoln and Eastside have no water systems in place. Without water flow, an ISO rating cannot be less than a Class 8b designation. Therefore, these four contract districts most likely should be classified a rating of Class 1/8b-9. Despite numerous attempts, the Insurance Service Office (ISO) will not provide information nor verify any of the classifications for these four districts.

Table V-9: ISO Ratings	
Clements	5-8b
Collegeville	7 within 5 miles of station
Escalon	8b
Farmington	6/8b
French Camp-McKinley	4/8b
Lathrop-Manteca	4 city/9 rural
Liberty	8b
Linden-Peters	4Zone 1, 8b remaining area
Mokelumne	5/8b
Montezuma	5-9
Ripon	4 city/8b rural
Thornton	6-9
Tracy Rural	5-8b
Waterloo-Morada	5-8b
Woodbridge	5-8b

Coverage Adequacy

V-3: Fire Districts and Staten Island

This section looks at the adequacy of station coverage within the individual districts, among the various adjoining districts, and between the cities and districts. It further addresses the need for cooperative agreements and, in some cases, the need for the adjustment of boundaries that could result in improved service coverage. Lastly, this section addresses the issue of unprotected fire coverage in the Delta region. Given the economic stresses facing both the districts and cities, it is important to look at the coordination of planning for future facilities and service needs between the local agencies.

- Staten Island (Map V-3) should be served by the Thornton FPD. Staten Island is within the Woodbridge FPD which requires Woodbridge to traverse nearly the entire Thornton FPD to provide service. If Staten Island would be included in the Thornton FPD over eight miles of travel distance could be saved, thereby providing a greater level of service.

- The Woodbridge FPD has two fire stations that are in close proximity to the City of Lodi fire stations. The Woodbridge FPD Station # 72, for example, is located south of Lodi and is within 3 miles to Lodi Station #3. In the future, the City plans to add an additional fire station with the development of Reynolds Ranch located in the southeastern portion of the City. Also Woodbridge Station #72 is

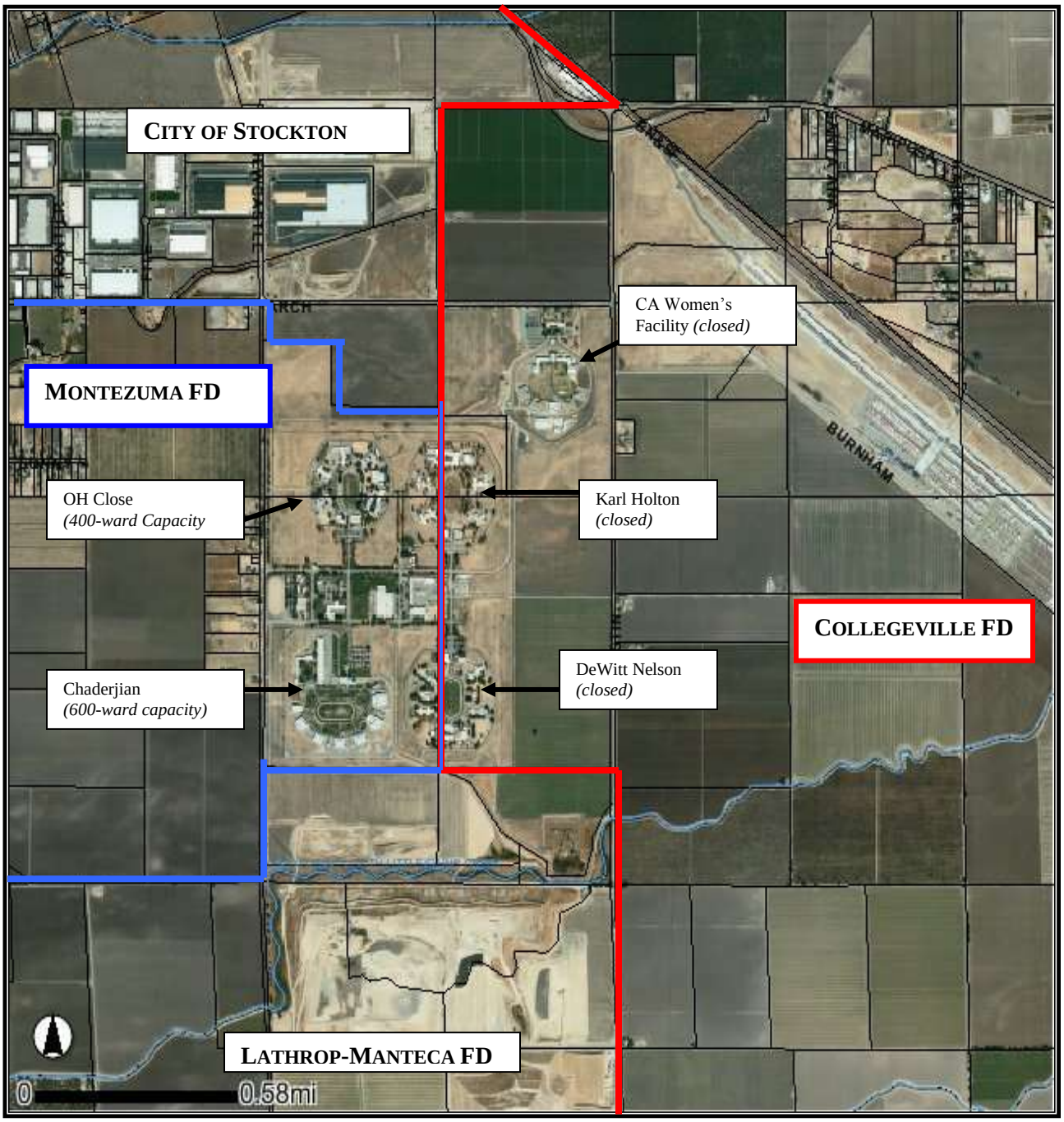
closer to the southwestern portion of the Mokelumne FD and can provide a better response time than from the Mokelumne FD station that is located in Lockeford. Within the same vicinity is the Waterloo-Morada Station #15-2 that is now located within the Stockton city limits due to annexations. The three fire districts, Woodbridge, Mokelumne, and Waterloo-Morada FPDs have discussed the feasibility of relocating the Waterloo-Morada Station #15-2 to serve the south area of Woodbridge FD, the easterly area of Mokelumne FD and the northern area of Waterloo-Morada FD and a subsequent closure of Woodbridge Station #72. The City and the fire districts should coordinate planning efforts in order to ensure an adequate level of fire service is provided to all residents within this area and that duplication of service is minimized.

- The City of Stockton has not kept up fire station construction and is now is a situation where the rural fire districts are closer to the newly annexed areas of the City. Both Montezuma and French Camp-McKinley FPDs are closer than Stockton's stations in the southern part of the City. Although the initial response may be quicker for the rural districts, the number of responding firefighters and the balance of the first alarm assignment will be greater with the City of Stockton. In any case, sharing of resources over the short term would improve service and avoid duplication of facilities. In the case of Manteca, no new fire stations have been built since 1980 although one has been relocated and an additional engine company has been added. The City anticipates completion of a new station by the end of 2011 to serve the northwest portion of the City. Two other stations are planned but no specific time frame has been established. Coordination of services (*i.e.*, automatic aid agreement) with Lathrop-Manteca FPD may reduce the need for the Lathrop-Manteca Station No. 32, located to the south of Manteca.

- The Northern California Youth Correctional Center located along Arch Road is served by two rural fire districts. The Montezuma and Collegeville FPD boundaries divide two of the juvenile correctional facilities in half (Map V-4: Montezuma and Collegeville FPDs/State Facility). Although these two institutions have been closed since 2003 and 2008 the State plans to expand one of the facilities into a medical facility. To the north of NCYCC facilities is the former Northern California Women's Facility, closed since 2003. The state plans to convert this facility into an adult-male re-entry facility. This entire facility is within the Collegeville FPD. The state recently conducted a review to determine which fire district would provide fire services to the planned facilities. The State investigating team considered distance, costs, level of service and benefit to the community and proposes to contract for services to the re-entry and medical facility with Collegeville FPD. A contract with the Collegeville FPD, which is now an all volunteer district, will provide the District with two fulltime firefighters that would be beneficial to the District residents as it will increase the overall level of fire protection service. Unless the two districts or the State of California request a boundary modification, LAFCo does not have the authority to adjust the boundaries.

- A portion of the Delta encompassing approximately 540 residential units and a population of approximately 2,400 people is without fire protection. (Map V-5: Unprotected Delta Region). The adjoining City of Stockton and rural fire districts provide emergency medical response for life threatening incidences namely automobile accidents and for structure fires when life is endangered. The fire districts nor the City has any responsibility since this area is not within a fire district nor served by CalFire under a State Responsibility Area. Tracy Rural FPD via Tracy Boulevard, French Camp-McKinley FPD via Howard Road and City of Stockton via Highway 4, are the only adjoining districts in San Joaquin County which can provide access to the unprotected Delta region. French Camp-McKinley FPD has recently entered into contracts with several homeowners to provide protection. These contracts should be formalized through LAFCo by either amending the boundaries of the district or establishing a SOI and authorizing out-of-agency service approvals pursuant to §56133 of the California Government Code. The City of Stockton Fire Department responds to vehicle

Map V-4: Montezuma and Collegeville FPDs/State Facility



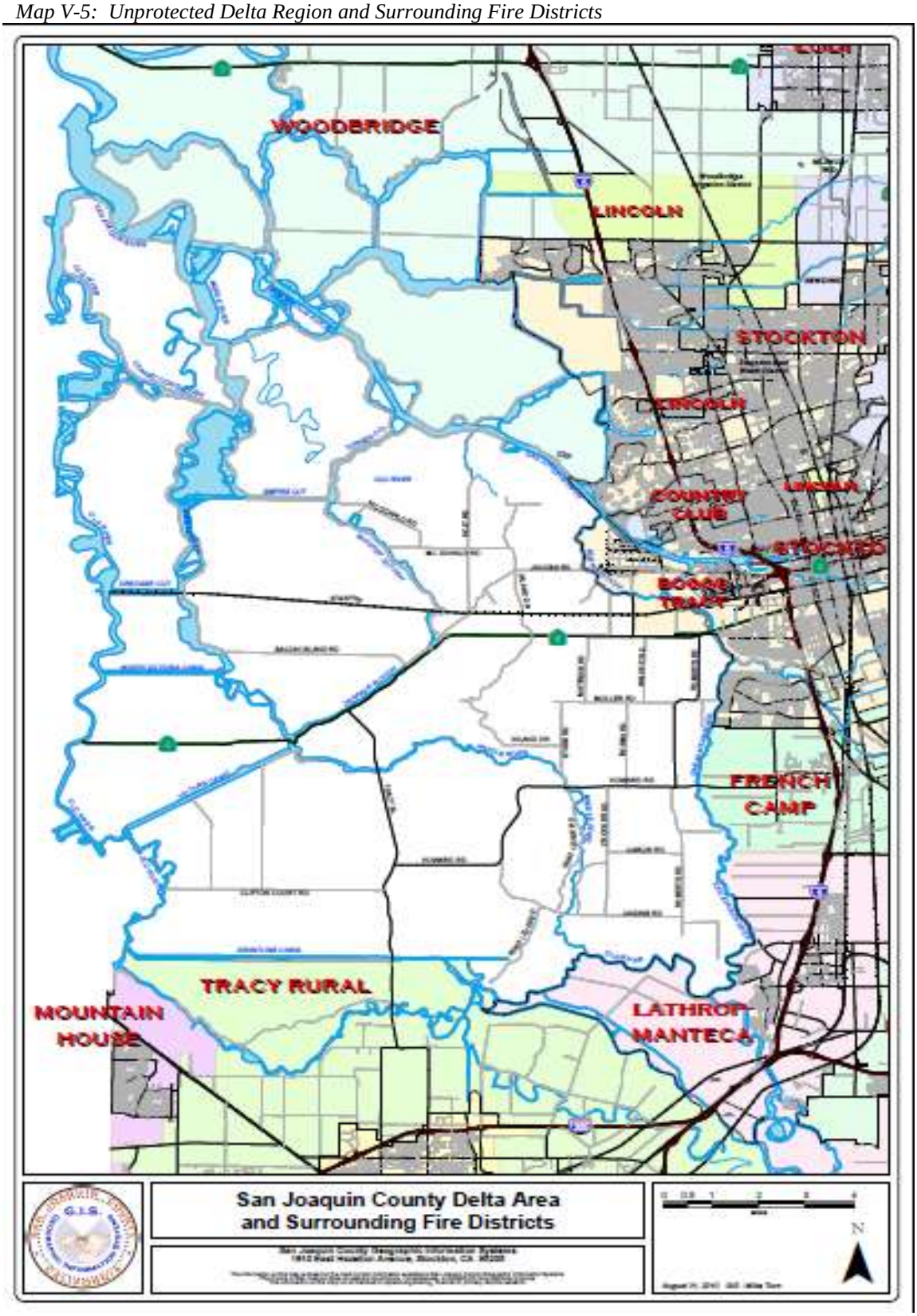
Collegeville Boundary

Montezuma Boundary

Aerial of Fire District Boundaries and the
Northern California Youth Correctional Center

California Department of Corrections and
Rehabilitation Proposed Reentry Facility:
500-bed secure reentry facility at CA Women's Facility
1,734-bed prison medical care facility at Karl Holten
1,133-bed correctional facility at DeWitt Nelson *(No detailed*

Map V-5: Unprotected Delta Region and Surrounding Fire Districts



accidents along the Highway 4 corridor traversing this unprotected area under the reasonable assumption that Stockton residents frequently travel this commute path. The Stockton Fire Department will also dispatch limited resources to fires with immediate life safety concerns. The arriving fire department resource will assess the life safety hazard and may elect not to take any fire suppression action if a life hazard no longer exists. Stockton Fire Department's three-year call volume to this unprotected area is shown below in Table V-10.[12]

Table V-10: City of Stockton Three Year Call Volume to Unprotected Area

	Vehicle Accident Speed	Vehicle Accident Trapped	Water Rescue	Miscellaneous	TOTAL
2007	8	22	7	14	51
2008	13	16	9	8	46
2009	8	15	8	10	41
2010	5	21	6	9	41
TOTAL	**34**	**74**	**30**	**41**	**179**

The long term solution is to establish a fire district for the entire area or annex to an adjoining district. Since there is no tax base, there is no revenue to pay for fire service. The voters previously rejected the establishment of a fire district in 1985 when the Delta Fire Protection District was formed. A special tax assessment would need to be passed by the voters. Authorization of out-of-agency service agreements may discourage the creation of a new district or annexation to another district which ultimately should be the goal.

Training Standards

All fire departments must comply with state and federal laws and regulations, just as any other employer. These laws regulate certain operations, administrative procedures, and training within the organization and are commonly referred to as "mandates." The majority of the regulations are those adopted by the California Occupational Safety and Health Administration (Cal OSHA) to meet national standards developed by the federal OSHA. The goals of most of these regulations focus on *worker safety* but also include *professional performance to recognized standards* and *reduction of exposure to liability*. [13] California is one of twenty five "OSHA" States" which has a state agency to oversee health and safety. Cal OSHA can issue a citation to an employer including local governments and can fine and/or jail individuals employed by government entities if the offense is serious enough. Cal OSHA requires fire departments to: (1) train all employees to perform safely in hazardous job activities, and (2) train all employees to state-mandated or nationally-recognized "industrial standards." Some recently amendments (1998) to the regulations include the "two-in, two-out" standard that prohibits firefighters to enter a burning building under certain conditions, until there is a standby team of two firefighters outside. The elimination of the immunities from civil and criminal liabilities formerly granted to governmental employees in cases involving violation of workplace safety standards was removed by AB 1127 in 2000. SB 1207, enacted also in 2000 and effective in 2004, considers volunteer firefighters to be employees which means the volunteer firefighter must to trained to the same level as the career firefighter.

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[12] *City of Stockton, Comments to Preliminary Draft Municipal Service Review County Rural Fire Protection Districts of San Joaquin County, November 4, 2010*

[13] *"Training Mandates Study for the California Fire Service", D. Schoonover, Mike Dowdle, San Jose Fire Department, November, 2007*

In order to help individual departments meet their obligation to train all employees to nationally-recognized "industrial standards", the California Office of the State Fire Marshall (OSFM) has developed state certified training standards that meet or exceed national standards. Other national standards exist, primarily voluntary ones adopted by the National Fire Protection Association (NFPA). The California OSFM has developed an Accredited Regional Training Program as a partnership between an accredited community college and/or university, local fire agencies and the OSFM to deliver approved State Fire Training curriculum regionally. Training, therefore can be obtain directly from the OSFM, community colleges/universities, or provided by certified instructors. According to information received from the questionnaires, it appears that not all of the districts, particularly the volunteer districts, fully comply with the recommended state certification program. It is imperative that all the districts meet their legal obligation as required by Cal OSHA in order to not only furnish a place of employment that is safe and healthful for the employees but to also train firefighters to state-mandated or nationally recognized "industrial standards" to perform their duties in accordance with the expectation of the public. The Fire Chief's Association should take a leadership role to ensure the Districts comply with training standards.

THE FINANCIAL ABILITY OF THE AGENCIES TO PROVIDE SERVICES

The financial ability of the districts to provide services is affected by the available financial resources and the management practices of the individual districts. This section discusses the revenues sources available to the districts, the financial constraints faced by the fire service providers, and the financial ability of the agencies to provide services. Lastly, it focuses on the long term financial implications of annexations by cities on adjoining fire protection districts.

While cities and counties exercise broad powers of taxation that are granted to general purpose governments by the State Constitution, special districts are limited to revenue sources authorized by the legislature. Although each district is an autonomous unit of local government with sovereignty over internal fiscal issues, the type of revenue sources are relatively restricted. As a result, the Districts rely primarily upon *property tax, special assessments, fees for service, and development mitigation fees*. Unlike cities which can use a wider variety of sources in addition to property tax (sales and use taxes, vehicle license fee, utility user fees, transient occupancy tax, etc.), districts are more restrictive in revenue sources and have little opportunity to increase fees. The most significant financing constraints for fire services are legal requirements that limit property taxes and require voter approval of new taxes and tax increases. Because the district's financial resources are primarily tied to property taxes and special assessments, districts initially have been less affected by the recent downturn in the economy as compared to cities which rely upon sales taxes and other revenue. Only four districts experienced a decrease in revenue in 2007. However by 2010 a dramatic decrease in assessed valuation occurred, affecting nearly all the districts (Table V-11: Change in Property Tax Revenue 2008-2010). The most significant decreased in revenue occurred in the Lathrop-Manteca FPD where a large number of recently constructed homes were re-assessed to a lower value.

Table V-11: Change in Property Tax Revenue 2008-2010

District	FY 2007-2008	FY 2008-2009	FY 2009-2010	2008/2010 Change
Boggs Tract	$129,067	$114,313	$70,934	-45.04%
Clements	372,245	371,325	380,317	2.17%
Collegeville	30,120	32,102	31,372	4.16%
Country Club	1,330,757	1,246,188	934,830	-29.75%
Eastside	2,203,899	2,142,214	1,663,084	-24.54%
Escalon	300,525	292,076	285,948	-4.85%
Farmington	238,189	233,174	231,205	-2.93%
French Camp-McKinley	617,393	533,638	421,017	-31.81%

Lathrop-Manteca	3,539,999	3,051,659	2,419,625	-31.65%
Liberty	846,934	816,713	759,861	-10.28%
Lincoln	1,802,361	1,685,523	1,395,661	-22.56%
Linden-Peters	1,511,732	1,528,866	1,557,031	2.9%
Mokelumne	525,895	519,348	477,969	-9.11%
Montezuma	616,817	640,572	508,816	-17.51%
Ripon	973,502	829,715	914,909	-6.02%
Thornton	141,094	137,524	150,432	6.62%
Tracy Rural	4,035,793	3,823,391	3,565,929	-11.64%
Waterloo-Morada	1,456,169	1,463,410	1,428,021	-1.93%
Woodbridge	2,547,384	2,442,674	2,458,407	-3.49%

Property Tax Revenue

Property taxes are the single most important source of revenues for the fire districts, making up an average of 67.4 percent of all revenues. As a funding source, property taxes are constrained by statewide initiatives that have been passed by voters over the years.

Proposition 13 was passed by the voters in 1978 which limited the ad valorem property tax rate, limited growth of the assessed value, and required voter approval of certain local taxes. Generally, the measure fixes the tax at one percent of the value, except for taxes to repay certain voter approved bonded indebtedness. Immediately following the passage of Proposition 13, the Legislature adopted SB 154 and subsequently adopted AB 8 in 1979 to establish tax allocation formulas. These bills allocated property tax revenues on a *pro-rata* basis. Generally, AB 8 allocated property tax revenue to the local agencies within each tax rate area based on the proportion each agency received during the three years preceding adoption of Proposition 13. This allocation formula benefits local agencies which had relatively high tax rates at the time Proposition 13 was enacted, and allocates less to districts and cities that were spending relatively low amounts at the time. AB 8 also increased the share of property tax revenue allocated to local governments by shifting the property tax revenue away from schools. School losses were back-funded from the State General Fund.

In the mid 1980's, the legislature required counties to shift some of their property tax revenue to cities that had never received property tax revenue or had relatively low levels of property tax revenue. In fiscal year (FY) 1992-1993 and again in FY 1993-94, the Legislature permanently shifted property tax revenues from counties, cities and special districts back to schools in roughly the same proportion as the benefit received under AB 8. In November 2004, voters approved Proposition 1A, which establishes a constitutional amendment protecting local property tax revenue. Property tax revenue cannot be reallocated by the State unless approved by two-thirds vote of the Legislature and the Governor declares a significant financial hardship. For FY 2009-2010 the State has enacted this provision and suspended Proposition 1A protection and shifted the maximum allowed rate of 8 percent from local governments including special districts to the State. In an effort to minimize this impact and in order not to cause harm by the loss of this portion of the property tax, California Communities (a joint powers authority sponsored by the League of California Cities and the California State Association of the Counties) established a Securitization Program

Property Tax Discussion

Because the District's financial resources are primarily tied to property tax and special assessments, districts had been less affected initially by the recent downturn in the economy as compared to cities which rely upon sales taxes and other revenue. However, the recent reassessment of property value in 2010 has had a dramatic impact on most of the districts. (Table V-11 Change in Property Tax Revenue) Unfortunately, this is likely to lead to a long term impact on the districts since the Assessor can only raise the assessed value when there is a recovery in the market. Numerically, the significant decrease in revenue occurred in the Lathrop-Manteca Rural Fire District where a large number of recently constructed homes were reassessed to a lower value.

which replaces 100 percent of the funds loaned by the local agencies to the State. Because the State is paying the interest on the bonds plus the costs of issuing, the full amount of the funds is available to the cities and districts. Eleven of the nineteen rural fire districts in San Joaquin County took advantage of this program.

As discussed, when Proposition 13 was approved, the distribution of revenues was based on the proportion each agency received during the three years preceding adoption of Proposition 13. Local agencies which had relatively high tax rates at the time Proposition 13 was enacted benefited and districts which were spending relatively low amounts at the time did not benefit.

Overall, all districts suffered a proportionate decrease in revenue as a result of Proposition 13. It is estimated that local government property tax revenues were cut by 60 percent. The distribution of post Proposition 13 revenue was based on tax rate areas. A tax rate area is a specific area which receives the same services (lighting, drainage, fire, reclamation etc.) and is assessed the same tax increment for these services. There are nearly 1300 separate tax rate areas in the County and over 800 tax rate areas within the boundaries of the rural fire districts. Therefore not only does each district receive a different increment of the tax dollar, there are also different increments within each of the districts. Table V-12 identifies the approximate range of tax increment among the districts. Boggs Tact FPD receives the greatest percent of the tax dollar at 32 percent and Escalon FPD receives the least at approximately 1.5 percent. The average tax increment for all districts is approximately 11.7 percent. Because of this significant deviation of revenues among the districts as a result of Proposition 13, the tax increment serves as an impediment to consolidation options.

Table V-12: Tax Increment

Average Tax Increment Received by Each District (Percentage of Tax Dollar)	
Boggs Tract	32
Clements	7.7
Collegeville	2.3
Eastside	19.7
Escalon	1.5
Farmington	5.1
French Camp-McKinley	8.1
Liberty	13.1
Lincoln	21.7
Linden-Peters	17.5
Lathrop-Manteca	9.9
Mokelumne	6.2
Montezuma	10.3
Ripon	5.6
Thornton	4.8
Tracy Rural	11.6
Tuxedo-Country Club	21.8
Waterloo-Morada	9.3
Woodbridge	14.3
Average	11.70%

Special Tax Revenue

After property tax, special taxes are the principal source for funding fire protection services. The State Constitution authorizes special districts to impose special taxes with a two-thirds approval of the electors or with 50 percent plus one vote for a benefit assessment. The two-thirds requirement was reinforced in 1986 by Proposition 62 and again in 1996 by Proposition 218. Therefore, the principal alternative that fire districts can use to generate additional revenue requires two-thirds approval of the voters. In San Joaquin County, 13 of the 19 Rural Fire Districts have implemented Special Assessments many of which were imposed prior to the two-third voter requirement. In FY 2009-2010, special assessments accounted for 23.8 percent of all revenue. Approval of special assessments even for fire services has become more and more difficult. As shown in Table V-13, there were eleven special tax elections since 1986. Only four measures received the required two-thirds approval. In June 2010, the Eastside FPD voters approved a benefit assessment.

Special Tax revenue has not been affected by the re-assessment of property values.

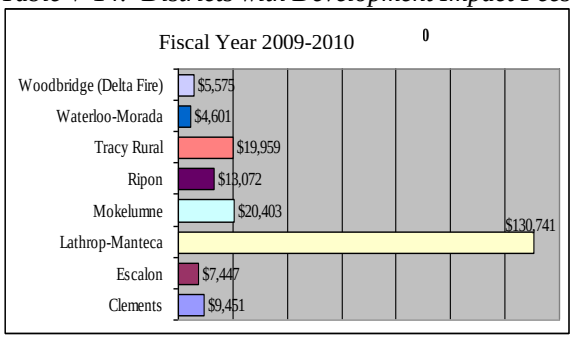
Table V-13: Special Tax Elections from 1985 to 2010

District	Date	Name	Votes Yes	Votes No
Collegeville FPD	March 6, 2001	Measure J	127/79.9%	32/20.1%
Eastside Rural FPD	Nov. 3, 1998	Measure J	1,966/64.9	1,064/35.1
Eastside Rural FPD	June 2, 1998	Measure C	1,616/65.6%	848/34.4%
Escalon Consolidated FPD*	1989		80%	20%
Linden-Peters FPD	Aug. 3, 1993	Measure A	369/39.5%	564/60.5%
Mokelumne FPD	Nov. 6, 2001	Measure H	658/66.3%	334/33.7%
Mokelumne Rural Co. FPD	Mar. 5, 2002	Measure M	1,158/64.3%	643/35.7%
Ripon Consolidated FPD	May 8, 2007	Measure O	1894/54.25%	1597/45.75%
Thornton Rural FPD	May 12, 1987	Measure A	209/75%	69/25%
Waterloo-Morada Rural Co. FPD	Nov. 5, 1985	Measure G	716/58.5%	508/41.5%
Waterloo-Morada Rural Co. FPD	Nov. 4, 1986	Measure R	2,865/72%	1112/28%

**Election information unavailable*

Development Impact Fees

Table V-14: Districts with Development Impact Fees



According to the California Government Code (§66000), cities and counties have the legal authority to impose fire facilities impact fees on behalf of the districts within their city limits or, in the case of counties, within the unincorporated areas. To impose a fee, a city or county must justify the fees as an offset to the impact of future development on facilities. The fee must be committed within five years and the city or county must keep separate funds for each development fee. Since development in San Joaquin County occurs primarily within the cities, the magnitude of development fees outside of cities is not a significant source of revenue for the districts. Nonetheless, this fee does provide the opportunity to augment the district's budget particularly for those districts which have more substantial urban development (Ripon, Escalon, Lathrop-Manteca and Tracy Rural FPDs). For example, in FY 2008-2009 Lathrop-Manteca FPD collected over $267,000; slightly more than $25,000 in FY 2008-2009; and $130,741 in FY 2009-2010. Table V-14 identifies the districts that have fire facility fees and the amount collected in FY 2009-2010. Accounting for these fees must be identified in the agency's capital outlay account and must be used for a capital expenditure (e.g., fire station or equipment) and cannot be transferred to augment operating expenses. All districts should avail themselves of this program.

Fee for Services

An additional source of revenue for districts includes the collection of fees for specific services. Nearly all of the districts collect fees for fire plan check associated with the review of building plans for new construction and remodels. Nearly all districts also collect fees for the issuance of fire permits associated with those uses that require periodic inspections. French Camp-McKinley and Montezuma FPDs receive revenue from other governmental agencies for fire protection of specialized facilities such as the San Joaquin County Jail/Hospital complex and the Stockton Metropolitan Airport. French Camp-McKinley FPD also contracts for service with several properties in the unprotected area of the Delta. Recently many of the districts have been charging for services associated with vehicle accidents from out of area residents. Although not a substantial source of revenue for most districts, fee for services are increasing becoming an integral part of the all of the district's overall financial strategies. For FY 2009-2010, fees for service and other fees represented an average of 2.1 percent of all revenues.

Cost for Fire Services

Over $101 million dollars annually is projected to be spent in FY 2010-2011 for fire services in San Joaquin County. Stockton has the greatest share of this cost at slightly over $48.4 million. Lodi ($9.1 million), Manteca ($7.2 million) and Tracy ($8.6 million) will collectively spend $24.9 million dollars. A total of $27,714,159 is projected to be spent by the rural fire districts in FY 2010-2011. The rural fire districts represent 27.4 percent of all fire service costs in San Joaquin County. Table V-15 provides an overview of the revenues, operational costs, and capital/reserves for each district for FY 2009-2010. The capital and reserve value was estimated base upon the amount of funds remaining on June 30, 2010 in the operating account plus the amount remaining in the accumulative capital reserve accounts. As stated in the above discussion concerning development impact fees, some of the funds contained in the capital outlay account are restricted and cannot be transferred to the operating account. However, the amount remaining at the end of the fiscal year in these two accounts provides a comparative basis of the economic condition of the districts. Overall most districts are in sound financial condition with nearly half of the districts maintaining a balance of more than 100 percent of operating expenditures. More than 70% of the nineteen districts maintain a balance of 50 percent or more. However, five districts (Lathrop-Manteca, Mokelumne, Thornton, Waterloo-Morada, and Tracy Rural) maintain less than 50 percent (in some cases 0 percent) in reserves. Lathrop-Manteca FPD in FY 2009-2010 spent more in operating expenditures than revenues received. Tracy Rural FPD has a debt of $5.67 million owed to the City of Tracy. Nine of the last ten years since the Joint Powers Agreement was established in 1999, the City of Tracy has issued a cash advance to the Tracy Rural FPD. The District has operated in a budget deficit six of those ten years. Eastside FPD's special assessment was approved by the voters in 2010 did not result in a decrease of 16 percent in revenue. Although many districts have substantial reserves, several of the districts have a long term need to upgrade their stations and all of the districts must consider the need to replace equipment.

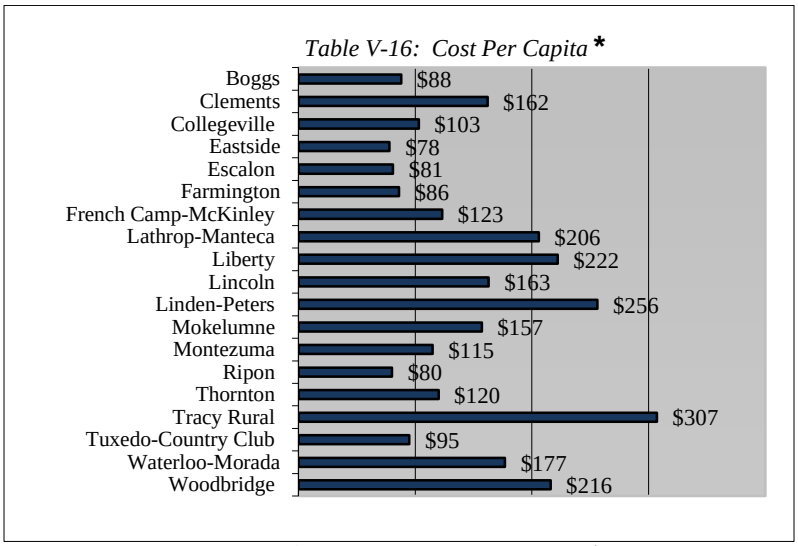
Table V-15: FY 2009-10 Operating & Capital Expenditures

Fire District	Revenues	Operating Expenditures	Capital & Reserves	% of Cap/Rev to Operating Expenditures
Boggs	$ 72,807	$ 69,712	$ 254,534	365%
Clements	452,386	380,305	481,591	127%
Collegeville	73,306	73,148	84,235	115%
Eastside	2,086,758	1,811,106	2,703,692	149%
Escalon	1,041,709	1,020,404	931,645	91%
Farmington	233,568	172,453	307,461	178%
French Camp-McKinley	851,631	894,706	650,476	73%
Lathrop-Manteca	4,727,131	5,183,156	14,832	0.3%
Liberty	760,446	764,407	1,814,646	237%
Lincoln	1,404,916	1,411,061	1,976,629	140%
Linden-Peters	1,451,193	1,443,930	1,276,961	88%
Mokelumne	916,188	1,005,763	364,642	36%
Montezuma	1,024,934	933,575	1,637,727	175%
Ripon	1,491,311	1,486,776	1,046,260	70%
Thornton	219,198	243,253	31,070	13%
Tracy Rural	4,554,033	4,755,744	327,073*	7%
Tuxedo-Country Club	1,001,398	961,415	1,294,498	135%
Waterloo-Morada	2,278,003	2,327,098	1,047,866	45%
Woodbridge	2,724,085	2,776,145	1,844,608	66%
Totals	27,365,001	$28,549,736	18,090,032	

* *Tracy Rural FPD has a debt of $5.67 million owed to the City of Tracy. Since April 2011, the District and the City have entered into a pre-paid services agreement for a joint use Station (Station 92) to resolve the outstanding debt.*

Operating Costs

The median cost for operating a fire district in San Joaquin County was $123 per capita for FY 2009-2010 derived by dividing the total number of people in the district by the operating expenditures). The costs varied considerably among the various districts as evidenced by the range of $78 per capita for Eastside FPD to $307 per capita for Tracy Rural FPD (Table V-16-Cost Per Capita). The cost per capita for the South County Fire Authority which includes the City of Tracy, Tracy Rural FPD and Mountain House Community Services District was $143.71. There is no correlation among the various factors which would explain the variation in costs. Generally, costs tend to be higher per capita for districts that have multiple stations, have relatively larger areas to serve and those that provide advanced life support services. Costs tend to be higher for those districts that have higher labor costs.



**For comparison the cost per capital for South County Fire Authority is $143.71.*

The contract districts, particularly Boggs Tract, Eastside, and Tuxedo-Country Club have some the lowest per capita costs for the delivery of fire services. By comparison, the cost per capita for fire services for FY 2009-2010 in the four cities that provide their own independent fire protection service is $103 for the City of Manteca, $109 for the City of Tracy, $139 for the City of Lodi, and $166 for the City of Stockton. On average, the rural fire protection districts provide fire protection services at a lower cost than the cities.

Compensation Costs

There is a wide disparity of compensation costs among the Districts (Table V-17 Compensation). The median salary of a career firefighter with five years of experience (top step) was $51,068 per year for FY 2009-2010. Tracy Rural had the highest salary at $81,808 per year followed by the $70,464 paid to firefighters employed by the City of Stockton for contract services for Boggs Tract, Eastside, Lincoln, and Tuxedo-Country Club FPDs. Thornton FPD had the lowest salary for career firefighters at $27,360 annually. The disparity of salaries can have a significant influence on the feasibility of the consolidation of districts. In addition to salaries, there are benefit costs for employees and retirees, including pension and retiree health insurance costs into the future. No attempt has been made to calculate these costs.

Table V-17: Compensation

Impact of City Growth on Rural Fire Districts

Fire protection services outside of the Cities of Lodi, Stockton, Manteca, and portions of Tracy are provided by rural fire protection districts. As discussed above, property tax and special assessments are the primary source of revenue for these districts. As annexations to these cities and detachments from the districts occur, the district's physical boundary and financial revenue shrink. Unfortunately, the district does not experience a corresponding reduction in service costs. In situations where automatic aid agreements are in place, the district may even continue to provide services without reimbursement. In any event, the district must still maintain the same number of stations, employ the same number of firefighters, and maintain the same amount of equipment and do all of this with less revenue. This is particularly problematic when the overall tax base is capped at a maximum 2 percent growth under Proposition 13 and while districts are experiencing decreasing property values. Increases in labor and benefits, training, replacement of equipment and facilities all have grown at a rate greater than 2 percent. The opportunity for districts to increase revenues through special assessments has also lost appeal with voters. The combination of these factors has placed significant constraints on the districts' ability to provide services to the remaining area of the district as annexations continue.

Table V-18: Annexations 2005-2010 Stockton

Project	Acres	Annex Date
Old Oak Estates	14.10	7/22/2005
Northbrook-Elkhorn	209.00	11/17/2005
Alvarado-Calaveras	53.00	03/172006
Hammer Lane Estates	1.62	5/10/2006
Michael Estates II	1.70	7/25/2006
Garden Farms	6.90	9/25/2007
Podesta Ranch	11.69	9/28/2007
Crystal Bay	180.00	6/17/2008
Sanctuary	1967.00	1/29/2009
Arch/Newcastle	1.15	4/21/2009

The issue of addressing these financial impacts from annexations on districts has been largely ignored. The City of Stockton has attempted to recently "backfill" the lost revenue during a five year period. In 2005, the City of Stockton and the County agreed to continue to reimburse the fire protection districts the loss of revenue the district was receiving at the time of annexation. This agreement expired in July 2010. The agreement was not *for* a five year period but rather only *during* the five year period. The number of annexations affected by this agreement and financial contribution to the districts were minimal. Table V-18 shows the annexations to the City of Stockton during the agreement period. The only other example was the City of Lodi entered into an agreement in 2000 with the Mokelumne FPD to replace lost revenue for a ten year period for a winery which annexed to the City. [Since release of the preliminary draft of

this report, the City of Manteca has entered into a 10-year agreement with Ripon Consolidated and Lathrop-Manteca RFD to provide loss revenue from property tax plus a two percent annual increase and special assessments for two annexations.]

Twelve of the nineteen rural fire districts are affected by the impact of the expansion of cities into the districts' boundaries. Table V-19 identifies districts that are impacted and the anticipated property tax revenue loss for each district by city. Maps V-6 and V-7 depict the spatial implications of these expansions.

Table V-19: Fire Districts within a City's SOI

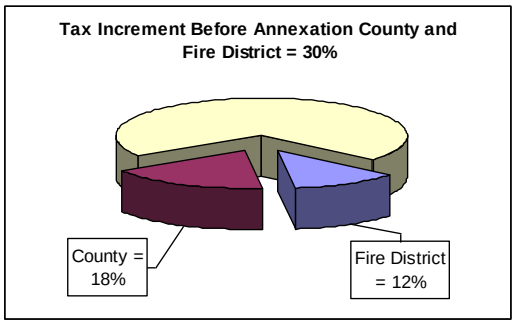
Fire District	Current Area (Acres)	Percentage of Area within the SOI				Estimated Potential Annual Property Tax Revenue Loss to District for area within the SOI (FY 2008-2009)			
		Manteca	Lathrop	Stockton	Lodi	Manteca	Lathrop	Stockton	Lodi
Boggs Tract	99	0%	0%	100%	0%			$70,934	
Collegeville	18,185	0%	0%	19%	0%			$6,108	
Country Club	1,314	0%	0%	100%	0%			$934,830	
Eastside	7,451	0%	0%	49%	0%			$814,911	
French Camp-McKinley	8,419	0%	1%	52%	0%		$45,972	$352,339	
Lathrop-Manteca	54,248	15%	0%	2%	0%	$313,529		$4,276	
Lincoln	8,084	0%	0%	68%	0%			$949,049	
Mokelumne	21,425	0%	0%	0%	1%				$15,992
Montezuma	5,796	0%	0%	100%	0%			$547,102	
Ripon	28,565	4%	0%	0%	0%	$8,357			
Waterloo-Morada	24,818	0%	0%	12%	0%			$466,878	
Woodbridge	101,364	0%	0%	5%	2%			$23,030	$771,629

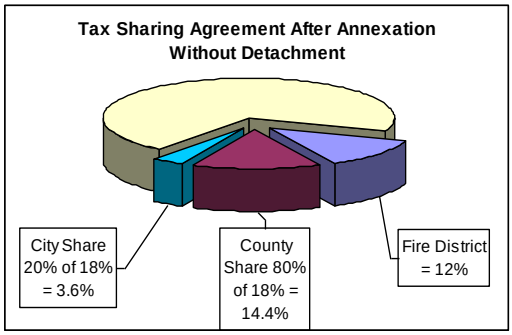
***Note**: Does not include special assessment loss*

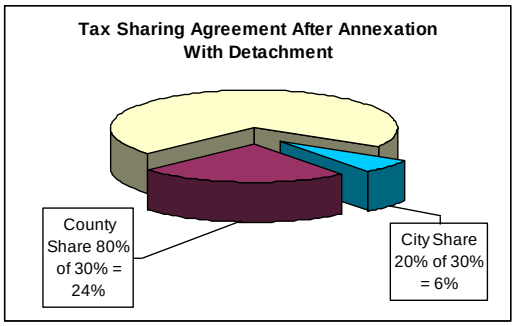
With the exception of the contract districts (Boggs, Country Club, Eastside, Lincoln FPDs), Montezuma, followed by French Camp-McKinley, Collegeville and Waterloo-Morada are the districts most affected by city annexations. All of Montezuma FPD and over 50 percent of French Camp-McKinley FPD are in the sphere of influence of either the City of Stockton or the City of Lathrop. Waterloo-Morada FPD is in particular danger of losing not only property tax revenue but also a significant amount ($238,533) from special assessments currently received from developed industrial property. As these cities grow, the districts will be impacted to a point where they will no longer be able to provide service to the remaining areas of the districts due to the anticipated decrease in revenue.

In order to maintain an adequate level of fire protection services in the districts affected by annexations, a long term financial solution must be found. To evaluate options, it is necessary to first understand the change in the transfer of revenues when an annexation occurs.

Proposition 13 and AB 8 fixes the tax rate at one percent of the value (except for taxes to repay certain voter approved bonded indebtedness) and the property tax revenue to the local agencies was based on the proportion each agency received during the three years proceeding adoption of Proposition 13. Although the tax increment varies considerably from one district to another, it will be assumed that the share of tax increment for fire districts is approximately 12 percent and the share for the County is 18 percent of the tax dollar. If detachment *does not* occur, the district continues to receive its tax increment and continues to provide fire protection services. The district also continues to receive its special assessment revenue. The County and the City share the revenue at an 80 percent-20 percent split.[14] Although the County share is reduced after annexation, it is assumed that overall tax revenue would increase as a result of the increase improvement value from new development. After annexation, if a fire district *is* detached, the fire district share is added to the County's share and then proportioned in accordance with the required Tax Sharing Agreement between the respective City and the County. Therefore, after annexation with detachment from the district, the City will receive about 6 percent (20 percent of the total 30 percent) and the County will receive 24 percent (80 percent of the 30 percent) tax increment. The pie charts provide an illustration on how the tax sharing works.





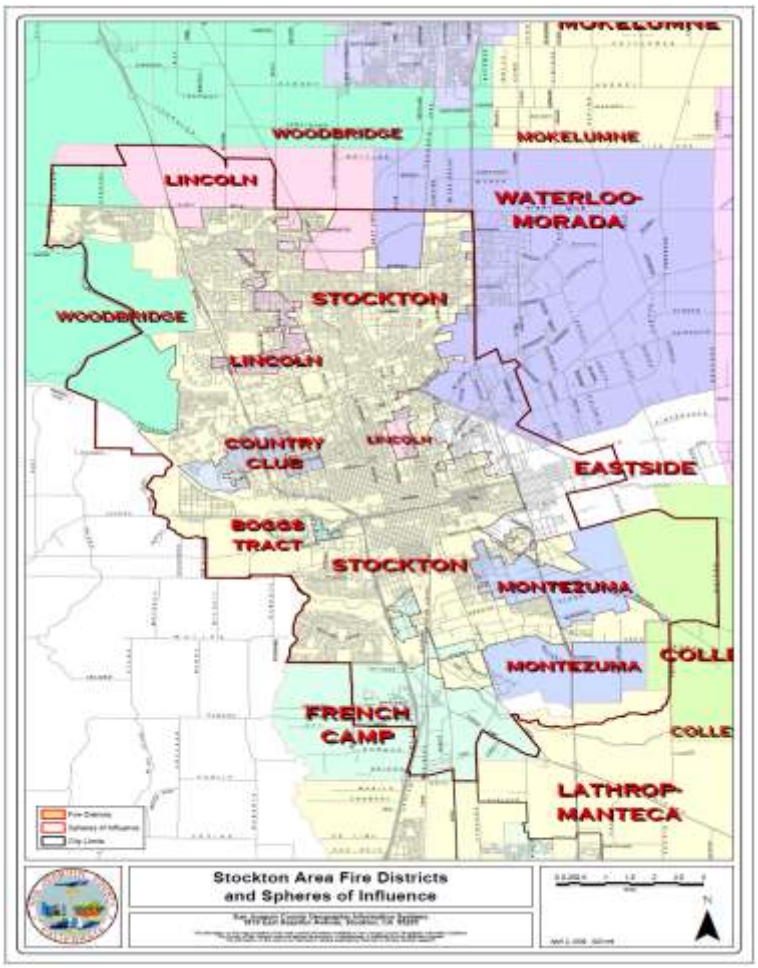


All agencies (Cities and County) will benefit when the assessed value increases. This increase is likely since the purpose of annexation is to facilitate development. This increase in valuation and thus revenue can be substantial, particularly when farmland is converted to urban development. For example, in only three tax rate areas in the Spanos Park West area (TRA 003-243; 003-244; and 003-246), the assessed value increased from approximately $31 million to over $609 million just since 2002 representing a 1,844 percent increase in property taxes. In another example, the Westlake Villages Reorganization (in the same vicinity of Spanos Park West) which occurred in FY 2006-07 increased total assessed value from $12.5 million to $105 million by 2009-10. These examples illustrate the dramatic increase in valuation after annexation. Therefore, there is opportunity to share this increase in revenue with the rural fire districts which are detached in order to address the impact associated with the expansion of cities into the territory of the adjoining districts.

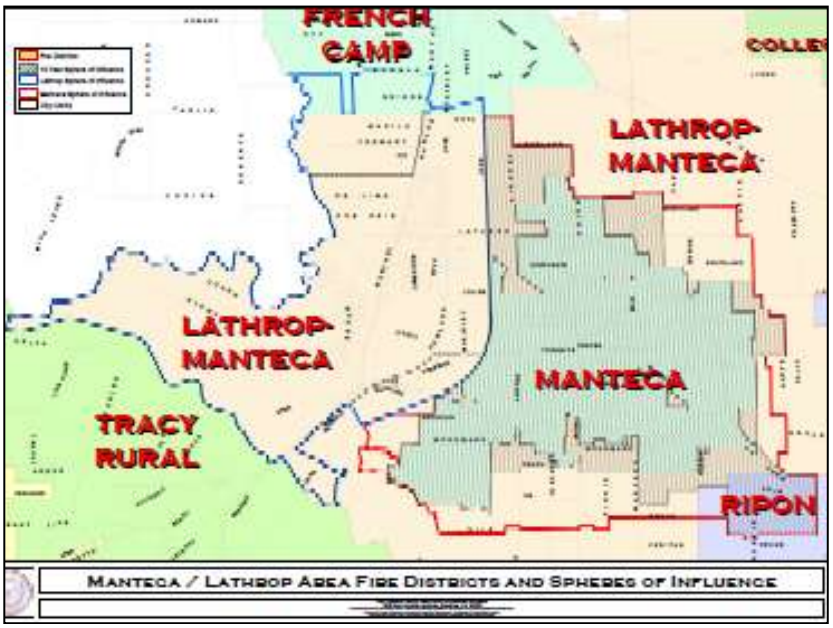
In the Cities of Escalon, Ripon and Lathrop, the fire protection districts do not detach when annexation occurs since these districts provide fire services within each of the cities and to the surrounding area. The tax sharing agreements generally specify an 80/20 or 64/36 spilt of only the previous County increment and not the fire district's increment. The fire district continues to receive their original increment. Therefore, the County receives a lesser increment after annexation since the County increment is shared with the City. The City also receives a lesser increment under those situations when detachment from the fire districts occurs. However, the cities do not need to expend money on fire services.

[14] *For two cities (Escalon and Ripon), the property tax sharing split is 64% to the County and 36% to the City. These two cities do not detach from the fire districts upon annexation.*

Map V-4: Fire districts within Stockton SOI



Map V-6: Fire Districts within Manteca and Lathrop SOI



The City of Tracy's situation is somewhat different. Since 1996, territory annexed to the City of Tracy have not detached from the Tracy Rural FPD. This was done in anticipation of a consolidation of the City of Tracy Fire Department and the Tracy Rural FPD whereby the City of Tracy would relinquish fire protection responsibilities as well as their fire department employees to the Tracy Rural FPD under a contractual agreement. The new district's finance plan relied upon not detaching from the District for property tax reasons and to continue the "voter approved" tax override. Consolidation never occurred and instead a joint powers authority was established in 1999 in the form of the South San Joaquin County Fire Authority. Joint Powers Agreements (JPAs) are formal, legal agreements between two or more public agencies that share a common power and want to jointly implement programs, build facilities, or deliver services. Public agencies create JPAs voluntarily. Officials from those public agencies formally approve a cooperative agreement. The JPA, technically, is a new separate governmental organization created by the member agencies, but is legally independent from them. The agencies retain their own identity. For operational purposes, the South County Fire Authority operates as one agency but for financial purposes they are separate. Joint Power Agreements do not require approval by LAFCo to be established nor do they require approval from LAFCo to dissolve. The situation in Tracy, unlike other cities, is that within the boundary of the City two separated agencies are responsible for fire service. LAFCo's policies favor a single multipurpose governmental agency to be accountable for community service needs as opposed to a single purpose district. From a LAFCo perspective, fire service within the City of Tracy should be solely under the jurisdiction of the City or as a consolidated district.

To address the financial impact of the fire districts that detach when annexations occur, there are several options that can be explored. Several alternatives exist including: short-term backfill agreements, not detaching, incorporating the interest of the fire districts in the tax sharing agreement, or providing financial reimbursement through an agreement (e.g., development agreement).

Short-Term Backfill Approach: The short term backfill agreement approach has been largely unsuccessful in achieving a long term solution. The notion was that continuation of the revenue for a specific period will give the districts time to find additional revenue. Unfortunately, there is little opportunity for the district to find additional revenue to make up for the loss except for voter approved assessments. Not only are these difficult to pass, it would be more difficult to pass when the voters would most likely view the need for increased taxes being related to new development occurring outside the district. The flaw to this approach is that there is no new revenue available now or into the future.

No Detachment from the Fire District Approach: The second approach of not detaching has significant advantages to the districts but not to the County or to the cities. The County shares its increment with the City and ultimately receives less increment than prior to annexation. After annexation, however, a significant increase in total value is expected. From a LAFCo perspective, it is not desirable to have two agencies provide fire services in one community.

Tax Sharing Agreement Approach: The next approach is to include the fire districts in the tax sharing agreement. The agreement could keep the same revenue (not increment) going to the districts with perhaps an escalator (CPI) to cover future costs. At first, the cost would equal the same increment received by the district prior to annexation. When development occurs, the same numeric amount would be received by the district but it would represent a much smaller percentage.

Mitigation Fee Approach: The last approach would be similar to the tax-sharing agreement in that continuous revenue would be received by the district through an agreement with a City funded by the jurisdiction or the applicant. A recent inquiry to the Attorney General's Office for a similar proposal in Solano County concluded that a Local Agency Formation Commission (LAFCo) may require the payment of a mitigation fee (either on a one-time basis or a recurring basis) to a public agency (i.e., fire district) as a condition of approval of a land boundary change among public agencies.

The Attorney General's Office provided an informal letter opinion on whether a mitigation fee to a public agency can be imposed by a LAFCo as a condition of approval for a land boundary change. The Attorney General's Office provided the following in its informal letter opinion: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) (Government Code Sections 56000 through 57550) is designed "to encourage orderly growth and development." The primary function of a LAFCo is to "review and approve or disapprove with or without amendment, wholly, partially, or conditionally, proposals for changes of organization or reorganization" of local agencies. In reviewing proposals for changes of organization or reorganization the Commission must consider review factors set forth in Government Code Section 56668. Included in the list of factors is the cost and adequacy of governmental services (§56668(b)); the effects of the proposed actions on adjacent areas (§56668(c)); and the sufficiency of revenues for providing services to new areas (§56668(j)). It is within these review factors, according to the of the Attorney General's Office, that provide LAFCo with ample authority to consider the potential adverse economic impact of a proposed annexation on the remaining territory of a special district, i.e., a fire district. The authority to condition an approval of a change in organization or boundary with a requirement of a mitigation fee falls under Government Code §56886.

It is not the intent of LAFCo to impose a recurring mitigation fee without further review of the receiving fire district's long term viability, its ability to continue to provide effective and efficient services, and an assessment of the financial health of the district. In fact, LAFCo is required to review and update spheres of influence of local agencies every five years (Government Code §56425(g) and prior to updating the sphere must conduct a municipal service review. The MSR review period provides LAFCo with the opportunity to determine whether a change in organizational structure of a subsidized fire district would be appropriate and whether the mitigation fee would be no longer justifiable. In addition, with each annexation to a City and detachment from a fire district LAFCo is afforded the opportunity to again considered those review factors cited above (§56668) and to make determinations on which local agency can best accommodate and provide the necessary governmental services in the most efficient manner feasible.

Implementation of a mitigation fee should be formalized through the amendment of the Commission's policies and procedures to require on-going mitigation prior to detachment of fire districts.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

> *As part of the MSR process, LAFCO is responsible for evaluating opportunities for sharing facilities and resources among the jurisdictions and districts. The service review should identify opportunities for jurisdictions to share resources to create a more efficient service delivery system. The benefits of sharing resources are numerous, including the pooling of funds to enjoy economies of scale, reducing service duplications, diversifying administrative functions, reducing costs and providing better overall services. Maximizing the opportunities to share facilities and resources allows for a level of service to citizens that may not otherwise be possible under normal funding constraints.*

Fire Protection districts are somewhat unique as compared to other districts and agencies. Each district has a specific responsibility that cannot be shared or delegated. The focus of this section is to identify the areas where joint coordination has helped the districts carry out their individual responsibilities and identify any other potential opportunities.

Mutual and Automatic Aid

The Cities and the fire protection districts since 1986 have agreed to provide supplemental fire, rescue, and related services upon request by providing personnel, services, and equipment. This is a prearranged plan between agencies for reciprocal assistance *upon request* by the first-response agency. Under this agreement the requesting party in not required to provide compensation to the assisting party for the services rendered. The cooperative agreement is especially important for districts since for structure fires most districts must rely upon assistance in order to assembly an adequate work force to fight the fire and to comply with specific safety regulations.

In addition to the County-wide agreement, many of the districts have entered into automatic aid agreements whereby there is a prearranged plan or contract between agencies for an *automatic response* for service with no need for a request to be made. Many times the closest available engine responds without regard to district boundaries.

Joint Power Authorities

Joint powers authorities (JPAs) are permitted under Government Code Section 6500 which authorizes two or more public agencies to operate collectively. Joint power authorities do not require approval by LAFCo. A JPA is distinct from the individual member agencies and has a separate operating board of directors. Several JPAs exist as cooperative efforts of the participating fire districts to develop and manage services and to combine efforts to achieve economies of scale. Existing JPAs include:

San Joaquin County Joint Radio Users Group (JRUG): A collection of 15 San Joaquin County (CA) fire districts that oversee dispatch services and maintenance of equipment owned cooperatively. JRUG participated with other County public safety organizations in developing a Master Radio Communications Plan to improve and update the radio system for the region's First Responders. Lifecom provides joint dispatch services to all fire protection districts.

South County Fire Authority In September 1999, the Tracy City Fire Department merged with the Tracy Rural FPD. A partnered South County Fire Authority was created to manage the department in order to offer better response times, services, staffing levels and general streamlining of the organization.

Other Coordinated Programs

The fire districts have worked cooperatively on other program and issues including:

County Urban Search and Rescue Team (USAR), Hazardous Material Response Team (Haz/Mat) and County Joint Fire Investigations Unit (FIU): Several rural fire districts provide assistance in emergency situations that require joint resources and specialized training. The specialized teams cooperate and work with the County Office of Emergency Services.

Fire Agencies Self-Insurance System (FASIS): This is a worker's compensation program for fire districts. The agency that offers the insurance is governed by an 11-person board of directors. The agency offers legal assistance, work place safety training and risk management.

San Joaquin County
Joint Radio Users Group

Originally, the San Joaquin County Fire Districts dispatched emergencies individually by staffing each fire district with a dispatcher which most often was a firefighter assigned to the task. In 1979, the Waterloo-Morada, Linden-Peters, and Woodbridge Fire Districts recognized the need to improve the emergency dispatching and entered into a mutual agreement in which each district hired dispatchers that were stationed at the Woodbridge Fire District where the communication center was located. This combined effort improved communications amongst the districts, but more importantly relieved a firefighter from the duty of dispatching and placed them back into the capacity of firefighting.

In the late 1980's, the 911 emergency communication system was instituted designating law enforcement as the Primary Safety Answering Point (PSAP). This system was a giant step to enhance the emergency communications system throughout the County. All fire districts, with the exception of the then Manteca-Lathrop Fire District were dispatched by the County Sheriff's Office. It was the opinion of many fire officials that this arrangement was the benchmark in consolidating fire emergency communications which not only benefited the constituents but most importantly firefighter safety. At this time the City of Tracy Fire Department, Tracy Rural Fire District, City of Manteca Fire Department and the Manteca-Lathrop Fire District were dispatched under a separate agreement with the City of Stockton and dispatched by the Stockton Fire Department as a secondary PSAP.

In the mid-1990's, costs to operate the County Sheriff's Office communication center were increasing, resulting in additional financial liabilities to the fire districts. Fire district administrator's started analyzing and investigating a cost effective solution with emphasis on and maintaining the integrity of the communication system. At this time the City of Stockton offered dispatch services to the fire districts. The fire districts entered into a contractual agreement with the City for communications and dispatch based on cost and because dispatching would be conducted by a fire agency.

In 2005, the fire districts began to explore alternatives to provide emergency communications services and the viability of establishing a Joint Powers Agreement (JPA). With the exception of the Lathrop-Manteca and Tracy rural fire district, the districts opened dialog with many communication centers throughout the region. Simultaneously, the County issued a Request for Proposal for ambulance service within the County that would include a communication/dispatch component.

In April 2006, the fire districts entered into a JPA and established the San Joaquin County Joint Radio Users Group (JRUG) consisting of fourteen fire districts. JRUG entered into a contractual agreement with American Medical Response for emergency communications/dispatch service with their communication center located at Lifecom in Salida, CA. In April 2007, the Tracy Fire Department and Lathrop-Manteca joined JRUG and received dispatch services from Lifecom. Today, all County fire districts and one City fire department are members of JRUG and dispatched by Lifecom.

JRUG is involved with the communications center with management responsibility for fire communications/emergency dispatch services and provides continuous evaluation of the communication system through the JRUG Dispatch Oversight Committee. Much has been accomplished through JRUG and dispatch center including the development of policy and procedures, the standardization of a radio programming plan, and the procurement of numerous grants to upgrade communication equipment and its infrastructure.

Training

Fire fighting is an essential public service. It takes quality trained professionals and volunteers to keep communities safe and to maintain an adequate level of service. As new or improved technologies for firefighting are introduced additional training becomes essential. Training programs and facilities are limited for the rural fire districts. In order to meet training requirements, firefighters must often travel out of the County for the required classes which takes away from the time a firefighter could be available for duty. Districts that have the ability to provide training courses share with the neighboring fire district even with an adjacent out-of-county fire district. Currently a fire technology program is provided by San Joaquin Delta College; however, classes offered do not prepare a student beyond the introductory training. A regional fire and emergency services training facility and program should be given consideration. An example for a regional training center is located in Stanislaus County. The Stanislaus Regional 9-1-1 Center and the Regional Fire Academy is located at the Modesto Junior College campus. Each fire district is a member of the Fire Science Advisory Committee and each of the fire districts has made a financial contribution to the Training Center in Stanislaus County. The Regional Fire Academy offers a wide range of fire service classes that range from entry level to officer level curriculum. A regional training center in this County would be beneficial by standardizing the training among agencies and would provide seamless service as agencies work more closely together. Regional training provides for efficient utilization of shared training props and expensive equipment and a regional effort will allow access to revenues through federal and state funding streams only available to community colleges.

Other Opportunities

The County rural fire districts have identified and implemented several programs to share facilities and resources at various forms and levels. The sharing of facilities and/or resources can provide opportunities to reduce costs and maximizes the use of facilities that are being underutilized. The fire districts were asked if they have identified or are pursuing opportunities for sharing facilities and resources. The types of opportunities identified by the districts include:

- Escalon Consolidated FPD shares personnel with Ripon and Salida Fire Districts for training and operations.
- City of Ripon and Ripon Consolidated FPD recently passed resolutions regarding a new joint public safety facility in the northern area of the City. This enables the fire district to meet the 5-minute response times for that area.
- Farmington and French Camp-McKinley FPD share training in specific areas. French Camp-McKinley provides Farmington training in budgets and accounting.
- French Camp-McKinley provides on-site oil recycling and shares a command vehicle with Lathrop-Manteca.
- Linden-Peters FPD conducts a Fire Science class at their station for Linden High School students and provides space for the school district fire engine.
- Montezuma FPD shares its facility with the Airport Police and the County.
- The Office of Emergency Services fire engine is shared between the City, Tracy Rural FPD and Mountain House Community Services District.
- Woodbridge and Liberty FPDs share emergency medical service training.

Table V-20 summarizes the various agreements related to mutual aid, automatic aid, and joint powers authorities.

Table V-20: Fire District Agreements

	Mutual Aid Partners	Automatic Aid	Joint Powers Authority
Clements	Neighboring fire districts, Statewide Mutual Aid, Countywide Mutual Aid	Liberty	JRUG
Collegeville	Statewide Mutual Aid, Countywide Mutual Aid	None	JRUG
Eastside	Neighboring Districts, Statewide Mutual Aid, Countywide Mutual Aid	None	None
Escalon	Ripon, Farmington, Salida, Stanislaus Consolidated, and Oakdale, Statewide Mutual Aid, Countywide Mutual Aid	Ripon, Salida, Oakdale, Farmington, Stanislaus Consolidated	JRUG, FASIS, County USAR and Haz/Mat Response Team, Escalon Community Ambulance
Farmington	French Camp-McKinley, Statewide Mutual Aid, Countywide Mutual Aid	Linden, Escalon, Collegeville, Oakdale Rural (Stanislaus County)	JRUG, FASIS
French Camp-McKinley	Statewide Mutual Aid, County wide Mutual Aid	Montezuma, Lathrop-Manteca	JRUG, CA Fire District Association, , County USAR, Joint Fire Investigations Unit, and Fire Training Officer's Association
Liberty	North county fire districts, CalFire, Statewide Mutual Aid, Countywide Mutual Aid	Clements, Woodbridge, Mokelumne, and Cosumnes FD	JRUG, FASIS
Lincoln	Neighboring Fire Districts Statewide Mutual Aid, Countywide Mutual Aid,	None	None
Linden-Peters	Jenny Lind Fire District, Statewide Mutual Aid, Countywide Mutual Aid	Neighboring fire districts (for specific incident types)	JRUG, County Fire Investigation Unit, USAR Team, Haz/Mat Response Team, Shared Employees Agreement with Waterloo-Morada FD
Lathrop-Manteca	Statewide Mutual Aid, Countywide Mutual Aid	City of Manteca	
Mokelumne	Mutual Aid upon request, Statewide Mutual Aid, Countywide Mutual Aid	Neighboring fire districts	JRUG, FDAC, FASIS
Montezuma	Statewide Mutual Aid, Countywide Mutual Aid	French Camp-McKinley Fire and Lathrop-Manteca	JRUG, Chief Officer and Training with French Camp-McKinley, County USAR Team, Fire Investigations Unit
Ripon	Statewide Mutual Aid, Countywide Mutual Aid	Lathrop-Manteca, Manteca FD, Escalon, and Salida FDs for fire and rescue resources	JRUG, Fire Investigations and Incident Management Team
Thornton	Statewide Mutual Aid, Countywide Mutual Aid	Cosumnes FD	JRUG

Tracy Rural	State Disaster and Civil Defense Master Mutual Aid Agreement, Alameda County, Stanislaus County Fire Protection District, State OES, Countywide Mutual Aid		JRUG
Tuxedo-Country Club	Neighboring fire districts, Statewide Mutual Aid, Countywide Mutual Aid	None	None
Waterloo-Morada	Statewide Mutual Aid, Countywide Mutual Aid	Linden Peters, Woodbridge and Mokelumne	JRUG
Woodbridge	Statewide Mutual Aid, Countywide Mutual Aid	Waterloo-Morada, Mokelumne, Liberty, Stockton, and Consumes CSD,	JRUG, County Haz/Mat Team, USAR, Fire Investigation Unit, and Incident Command Team

JRUG – Joint Radio Users Group
FASIS – Fire Agencies Self Insurance System
USAR – Urban Search and Rescue
FDAC – Fire Districts Association of California

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

The CKH Act requires the Commission to consider advantages and disadvantages of various governmental structures that could provide public services including an evaluation of consolidations or reorganization of service providers. The Municipal Service Review (MSR) provides an opportunity to study existing and future public service conditions; to evaluate options that would accommodate growth; and ensure that critical services are effectively and efficiently provided. The MSR should consider efficiencies that could be gained through: (1) functional reorganization within existing agencies; (2) amending or updating spheres of influence; (3) annexations or detachments from cities or special districts; (4) formation of new special districts; (5) mergers of special districts; (6) establishment of subsidiary districts; or (7) any additional reorganization options found in the LAFCo statutes.

LAFCo is not required to initiate changes of organization base on service review conclusions. However, LAFCo, local agencies, and the public may use service review determinations to pursue subsequent changes to service structures and spheres of influence. The Commission is responsible for guiding local agencies in the County to address the need for more logical and efficient service areas, funding for service levels that the resident's desire, and for providing adequate service levels in growing areas.
Tied closely to the consideration of organizational or governance alternatives, the MSR also needs to evaluate management efficiencies. Management efficiencies refer to the quality of public services and the agency's ability to provide service. Efficiently managed agencies implement plans to reduce waste, eliminate duplication of effort, contain cost, build and maintain adequate contingency reserves.

State law does not require county government to provide structural fire protection and emergency medical services (EMS). Emergency services in unincorporated areas throughout the State are provided by a mixture of county departments, special districts, cities, Joint Powers Agreements (JPAs), State, Federal, Tribal and volunteer operations. A survey conducted by San Diego LAFCo found that 31 of 58 counties directly fund structural fire protection and 32 counties have county fire departments. While most of the

counties that provide fire service do it directly, there are several somewhat unique models. The following are examples of uniquely different organizational structures that support regional fire protection services that impose a property tax rate specifically for fire protection services prior to Proposition 13 and may serve as examples for application/discussion in San Joaquin County.

Orange County

The Orange County Fire Authority (OCFA) is a **joint powers agreement** between Orange County and 22 member cities created in 1995. Historically, fire protection services were largely provided through contract with the CDF (Cal Fire) until 1980 when fire service was transitioned to the Orange County Fire Department (OCFD) under the oversight of the County Board of Supervisors. The present day joint powers organization was formed in 1995. The legislative body includes two Orange County Supervisors and elected officials from the 22 member cities. The OCFA is one of the largest regional fire protection and emergency medical services provider in the state. The Authority provides structural fire protection, emergency services, and wildland fire protection. The Authority's adopted 09/10 general fund budget is over $263 million operating 62 fire stations and providing all-risk emergency response for 1.3 million people.

San Bernardino County

The San Bernardino County Fire Department is organized under an umbrella of a **county-dependent County Service Area (CSA**). In July 2008, the Department completed its reorganization of 27 county-dependent agencies into to one district. Like Orange County, prior to 1994, San Bernardino contracted with CDF to provide fire protection services. Today, the San Bernardino County Fire Department has a budget of approximately $147 million with 69 stations serving a population of over 2 million.

Riverside County

The Riverside County Fire Department is an operation of **county government that contracts with Cal Fire** to provide fire protection to the unincorporated area. The Riverside Unit Chief serves a dual role of CDF Unit Chief and Chief of the Riverside County Fire Chief. The Fire Chief reports directly to the County Board of Supervisors. The County contract also provides services for 19 cities and one special district. Together, CDF provides oversight for 91 stations including county owned, city owned, state owned, and volunteer facilities. The adopted 2009/2010 budget is approximately $125.8 million derived from property tax, Riverside County Fund, and funds from contracting agencies.

Sacramento Metro Fire District

Although not a county-wide fire district, Sacramento Metro Fire District recently (2000) consolidated with American River and Sacramento County Fire Protection Districts to form the seventh largest fire agency in the State. The formation of the present district was the result of more than 60 years of reorganizations and consolidations among 16 former fire providers. Metro Fire serves nearly 640,000 citizens over a 417 square mile area, serving Sacramento and Placer Counties and the Cities of Citrus Heights and Rancho Cordova. Sacramento Metro is an **independent special district** governed by an elected nine-member board of directors. Eighty-five percent of the $126 million budget is generated from pre-Proposition 13 districts that were organized into the current Metro Fire.

Consolidation of the fire providers has the advantage of offering more efficient service areas, and coordinated, regional planning of the optimal location of fire stations. Consolidation could also improve service levels, particularly in the smaller fire departments by providing centralized and more specialized

staff responsible for strategic planning, fire prevention, training, and public education. Consolidation could improve the effectiveness of response to structure fires by promoting consistency in operational practices.

There are numerous factors in San Joaquin County which, unlike many other counties, make consolidation of the districts more feasible from a financial standpoint. First, the EMS function is provided by the County and is not the financial responsibility of the individual districts (except Ripon). Second, all of the districts were formed prior to Proposition 13 (except a portion of Woodbridge-formerly Delta Fire District) and receive secure property tax revenue. Thirdly, all districts are special independent districts. Fourth, more the half of the fire districts has special assessments which provide additional financing. Fifth, collectively there is a substantial amount of revenue collected annually from all the districts (over $27.4 million from all of the districts-over $23.1 million from the non-contracting districts). And lastly, the districts (except Ripon and Escalon) are not subject to the diversion of funds to any redevelopment agencies.

The above factors have been an impediment to district consolidations considerations in other counties particularly when districts were formed after Proposition 13 and have no permanent financing or when the districts are volunteer districts with no permanent revenue sources such as within the County of San Diego.

A report, entitled the Nyman Report, prepared in 1989, provided an overview of the conditions affecting the districts at the time and addressed the issue of consolidation of the districts. A summary of this report is provided as an insert following this page as it serves as a historical background.

Several models which would achieve an integrated system in San Joaquin County could include:

County Fire District

The Board of Supervisors could initiate actions leading to the County of San Joaquin assuming operational responsibility for fire protection services in the unincorporated areas and within those cities served by fire protection districts. The Board of Supervisors could initiate reorganization with LAFCo that would request dissolution of all unincorporated area fire protection districts. LAFCo's approval would substantiate the County's obligation to assume emergency services within the unincorporated region. The County Fire Department's service area would include all unincorporated territory, any city by contract, and previously unserved areas. The assets and property tax increment of each dissolved special district would transfer to the County for deposit in the County General Fund. As a County Department, fire protection services in unincorporated area would be funded from the General Fund and would be subject to the County's annual discretionary budget process. A County Fire Chief would be selected by the Chief Administrative Officer unless the County Charter was changed to add Fire Chief to the list of offices appointed directly by the Board of Supervisors or establish a County Fire Chief as an elected office (e.g., Office of Sheriff). Operations would be carried out by County staff or be carried out by contract. Administration would be overseen by the County.

Centralizing fire protection services under the County would provide a unity of command and would allow the public agency with land use authority to also coordinate regional planning with long range planning for emergency services. The redundancies for multiple agencies and elected and appointed offices would be eliminated. It would be expected that a single agency could use resources more effectively. However, this aspect needs to be evaluated within the context of additional bureaucracy.

Nyman Report

In 1989, a report prepared by Robert Nyman on Fire Districts in San Joaquin County was completed and accepted by the Board of Supervisors. The report, prepared in conjunction with input from the various agencies, made several findings and recommendations. Similar to today issues, the report found that the primary problem revolves around money. The districts, at that time were still feeling the effects of Proposition 13 which considerably reduced their share of property tax revenue. At the same time, the districts were experiencing higher operating costs, increased calls for service (including medical and accidents response), impact of growth including incorporated cities detaching territory and tax base from adjoining districts, and service area overlaps. The growth for the cost of services (insurance, fuel, safety equipment) was increasing at a greater rate than the incremental tax increase authorized by Proposition 13. The districts were also experiencing the effects of their new role as "first responders" as most of their calls for service related to emergency medical care and rescue as compared to the earlier years when their major efforts were primarily fire-related. This shift had placed new demands on the districts in terms of staffing, meeting state training standards and obtaining the necessary equipment. And lastly, expanded workload occurred as a result of hazardous material spills investigations and clean-up and emergency medical care unrelated to the rescue of the victims.

In response to these findings, the report offered several recommendations to address financing and the organizational structure of many districts. The primary finance recommendation pertained to the imposition of a special tax to offset the loss of property tax revenue. The special tax is generally described as a property tax "override" which requires a 2/3 majority vote of those voting on the measure. A number of districts had passed these measures at that time but many had not. The special tax was noted as not a realistic tool to address long-range capital needs. The report noted that long term capital needs for additional stations and apparatus are perceived by the voters to be required by new growth and that new growth should "pay its own way". To address this concern the report offered other revenue solutions such as the imposition on a Fire Facilities Fee whereby new development would be required to pay a fee at the time of construction to offset the cost to provide new or expanded services. Additionally, the report discussed the need to impose a fee for service for emergency medical care, rescue, etc.

The Nyman Report looked closely at the organizational structure of the fire districts and recommended several specific changes. First the report considered the feasibility of a massive, multi-district consolidation. This approach has been successful in many counties at the time including Orange County and to some extent in Contra Costa County. In order for a massive consolidation proposal to be viable, it needs to gain the necessary political support and would have to address and "equalize" such factors as types and levels of service and financing levels. The report identified that there were significant differences in the levels of service between the districts which have paid fire fighters and those which rely largely on volunteers. There were also vast differences among the districts in terms of financing levels. To achieve a successful consolidation, the report contended that there had to be a large enough of an economic advantage from the "pooling" of the districts to increased the level of service within some existing districts without a visible reduction in the service levels of those districts with the greatest economic resources. The report concluded that those "ideal" circumstances were not present in the districts within San Joaquin County and did not recommend that massive, multi-district consolidation be pursued.

The report did recommend several selective district consolidations. In arriving at the recommendations, the report considered the conditions unique to the various districts and the also relied on the recommendations of a technical advisory committee which was made up of representatives of the directors and technicians from the fire districts as well as members of the San Joaquin County Fire Chief's Association. The advisory committee concluded that in some communities, it would appear that consolidation of fire fighting resources would result in a better utilization of human resources, apparatus and equipment and an increase level of service to all residents within the area. A quicker response time to the scene of an emergency within a city's jurisdiction could result from the initial dispatch of a rural district's station. Furthermore, consolidation would help reduce the need for some new stations in the future. Lastly, the report concluded that one advantage of consolidation would be the elimination of the disruption to a rural district cause by the loss of finances when it territory passes to a city as a result of annexation. The committee acknowledged that sometimes consolidations may result in a subsidy to some rural areas through the improvements in service levels made possible through consolidation. The Nyman report recommended the following organizational changes/joint efforts subject further feasibility analysis:

Consolidations
City of Lodi-Woodbridge Rural Fire District
City of Manteca- Manteca/ Lathrop Rural Fire District
City of Tracy- Tracy Rural Fire District
Woodbridge Rural Fire District – Forest Lake Rural Fire District

Note: Since preparation of the report, Forest Lake merged with Woodbridge Fire and City of Tracy and Tracy Rural Fire District formed a JPA.

Contract Mergers (joint powers)
Eastside-Lincoln and Tuxedo-Country Club (Boggs Tract)
Montezuma and French Camp-McKinley/ City of Stockton (contract)

The need to provide services throughout the entire County would improve fire protection services but would add additional cost to areas not contributing. The special assessments currently being collected for fire services would not be transferred to the County resulting in a loss of nearly 23.8 percent of existing revenues.

Consolidated Fire Protection District

LAFCo, one or more affected special districts, or registered voters by petition could initiate actions for consideration by LAFCo to consolidate all of the fire protection districts into a single special district. A consolidated agency could provide unity of command, eliminate duplicate positions, and allow strategic planning for the unincorporated area and within those portions of the cities which are served by fire protection districts. Areas not presently served would not be included in the consolidated agency. Depending upon the number of board member selected for the new agency, more than 87 elected and appointed positions could be eliminated.

Consolidated agencies inherit the property tax allocation of the previous districts. Since all districts were formed prior to Proposition 13, the districts would convey property tax revenue of over $23.1 million. The special tax assessments which the voters in several of the fire protection districts have adopted would also transfer to a consolidated agency and would add an additional $6.5 million of available revenue. Under this situation, it would be appropriate to form service zones to retain the current revenues received from the special assessments. No new sources of revenue would become available as a result of consolidation.

If LAFCo were to initiate the proposal for consolidation, a petition of 10 percent of the voters or landowners within any affected district would trigger an election over the entire region. If an election was required, a majority of voters within each district must approve the consolidation. Failure to receive a majority vote in any one district would terminate a consolidation of the other fire protection districts. If a proposal for consolidation were initiated by a district board or by petition of property owners or registered voters, a 25 percent threshold of voters or landowners would trigger an election.

Consolidated Fire Protection District with Expanded Territory

A legislative body (i.e. Board of Supervisors) could apply to LAFCo to initiate proceedings to combine all current fire protection districts and concurrently include unserved territory into a single agency. This proposal could not be initiated by LAFCo since it is not a consolidation and would need to be processed as a reorganization. Under this option fire protection would be expanded to include service to currently unprotected areas. Unity of command, elimination of redundancies, strategic planning opportunities would be positive aspects similar to the consolidation approach. Although fire protection services would be afforded to unserved areas, including unserved territory does not generate property tax and would not bring resources to a new agency.

Structural Joint Powers Authority (JPA)

The Fire Protection Districts could form a Joint Power Authority (JPA) to coordinate the joint delivery of fire protection services. Participation in a JPA would be voluntary. However, the purpose of the Authority would be to unify the command structure for providing fire protection within San Joaquin County. The JPA would not require LAFCo approval, would not decrease the current number of agencies, and would not eliminate the existing representation of the districts through their board of directors. Formation of a JPA would, however, establish new Authority board of directors comprised of member agencies representatives who would assume governance of over regional operations, regional planning, and allocation of resources for fire protection.

The JPA would not require voter approval and would not need to be limited to fire protection districts in the unincorporated areas. JPA models used in other counties such as Orange County include both special districts and cities. The unprotected areas of the County could not participate unless the areas annex to an existing district or form a new district.

A JPA could establish a unity of command, eliminate redundant positions, provide strategic planning and allocate resources to provide enhanced fire protection services to the entire region. Funding for the JPA would come from the individual districts and perhaps cities if the agency was structured to include cities. The individual agencies would have to have adequate revenue base in order to participate. Fortunately, in San Joaquin County all of the districts were formed prior to Proposition 13 and have long a term source of revenue through property tax assessments and many have additional revenue through special voter approved assessments.

A JPA model presently is utilized by the City of Tracy and Tracy Rural FPD. These two agencies formed the South County Fire Authority in 1999. As discussed in the financial section of this report, Tracy Rural FPD has the highest per capita cost for the provision of fire protection service and has the highest outstanding debt of any fire protection district.
While there is clearly benefits to be derived from this type of model, experience in San Joaquin County from a financial perspective has not shown great promise. Furthermore, since participation in a JPA is voluntary, dissolution of a JPA can occur easily and without consent neither from the voters nor from LAFCo. The same number of agencies would exist under this model with the same number of board and elected/appointed officials.

Functional JPA

The public agencies (districts and cities) could form a JPA to regionalize specific functions. For example, the Fire Protection Districts have joined together to provide dispatch through the Joint Radio Users Group. This model could be expanded to include training, geographic information services, or apparatus maintenance. This functional JPA approach would focus on economies of scale and sharing of resources rather than unity of command or eliminating redundant positions. Like the structural model, participation would be voluntary and would not require LAFCo approval. The Functional JPA would not reduce the number of agencies nor their representation. Due to the variation in financial resources, the function JPA would have to be structured to allow the fire protection agencies to participate at different levels. Membership in a functional JPA would be available to cities. Unprotected areas would not be eligible to participate unless an agency status was obtained.

Consolidation of Districts at Sub-Regional Level

As an alternative to a Countywide Fire Protection District, consolidation of districts at a sub-regional level could partially achieve the objectives of a unity of command, elimination of duplicate positions, and the ability to undertake comprehensive strategic planning. The foremost objective to consider for any consolidation must be the level of service. The quality of service for fire protection must be maintained or improve upon as a result of any changes in organization. Second, financial considerations must be given great weight. Governments including special districts must consider new ways to do business given the present fiscal constraints and future financial uncertainty. Services must perform effectively and efficiently. Traditional approaches to providing services must be closely evaluated to ensure that they are performing effectively and efficiently.

Fire Services in San Joaquin County are steep in tradition. Many were formed over 70 years ago. All of the districts have clearly defined boundaries and most have received the approval of the voters for special assessments to help provide the financial support to provide the services desired by the residents. The board of directors provides an avenue for the citizens to participate in the planning and decision making

process of the district. Many of the fire districts are closely associated with the identity of the area or community. The fire districts along with the school districts are what distinguish many rural areas. And lastly, there is no vocal displeasure with the service provided. Yet given these circumstances, it is still important to explore other service delivery options.

Any discussion of partial consolidation must set forth guiding principles by which to consider when suggesting reorganization. The following list some of these considerations:

- Geography- the proximity of the districts
- Specialized services (i.e., water rescue)
- Historic automatic aid agreements
- Existing sharing of personnel
- Overlap of service areas
- Career/career-volunteer/ volunteer departments
- Service to specialized facilities (Airport/Jail/State facilities/Hospital/Army Depot/Railroad operations)
- Similarity of responses (highway medical- Highways 88-26-12-4-99-5)
- Impact of city growth/annexations on districts physical boundary
- Fiscal condition of the district
- Unprotected areas
- Previous efforts of consolidation

North County Fire District Alternatives

Based on the above factors, several of the North County Fire Districts share similar characteristics to warrant consideration for consolidation. The Districts include: Woodbridge, Thornton, Liberty, Mokelumne, and Clements and perhaps Waterloo-Morada and Linden-Peters. All of the districts share geographic relationships, several districts share a need for specialized water rescue service, most are experiencing increasing demand from highway medical incidents, and most districts are relatively sound financially. The districts presently rely upon each other to marshal adequate resources for structural firefighting. In addition, the overlap of station coverage with Woodbridge and the City of Lodi could also be addressed either through consolidation with the City of Lodi or through contractual service agreements to eliminate the duplication of coverage north and south of the City. Also the relocation of Waterloo-Morada Station 2 to serve portions of Woodbridge and Mokelumne (and the corresponding closure of Woodbridge Station No 2) is further justification for the need to considered joint unitization of resources. Nearly $8.8 million of annual revenue is received by the respective rural fire districts.

Stockton Contract District Alternatives

The City of Stockton provides contractual fire services to Boggs Tract, Eastside, Lincoln, and Tuxedo-Country Club Fire Protection Districts. All of these districts are unincorporated County areas immediately adjoining the City of Stockton. With the exception of a portion of Eastside and Lincoln, all the districts are within Stockton's sphere of influence. The financial arrangement (known as the Lincoln formula) is that the districts pay for services based on the proportion of the cost for fire service (e.g., General Fund) as calculated by the ratio of assessed property value in the districts as compared to the total assessed property value in the City. This contractual arrangement has worked well in that these areas receive a high level of service in a cost effective manner. These districts have some of the lowest per capita cost for the delivery of fire services of any of the districts in the County and have substantial revenues in their capital and reserves accounts. It appears that this is a highly successful model. Those areas within the ten year planning horizon of the sphere of influence plan should be annexed to the City of

Stockton. At this time, the City does not have a definitive program or timeline to annex these properties. Delivery of other services (i.e., Police) could benefit from annexation.

Waterloo-Morada, Montezuma, and French Camp-McKinley also share some similar characteristics with the contract districts in that they also are immediately adjacent to the City of Stockton and are partially or totally within the City's sphere. In the case of the Montezuma FPD, the entire district in within the City's sphere of influence and would be a prime candidate for contractual consideration. The relatively low revenue that is received from the County for fire protection services for the Airport ($118,000 annually) may be a financial impediment to a successful arrangement with the City. In the case of French Camp-McKinley and Waterloo-Morada, their long standing separate community identity may prevent any successful arrangement with the City of Stockton. These models should nonetheless be explored.

Central County Fire District Alternatives

Waterloo-Morada, Linden-Peters, Farmington, Collegeville, Montezuma and French Camp-McKinley FPDs have similar geographic relationships and issues. One governance option (in addition to the one described for the North County Alternative) is to consolidate all of these providers into one agency to improve efficiency of services areas, promote facility sharing and improve service levels. Presently they share dispatch, some districts rotate personnel, all respond jointly to marshal adequate resources for a structural fire response, and most respond to incidents regardless of boundaries. Consolidation could improve the effectiveness of response to structure fire by promoting consistency in operational practices. Cost saving could be achieve if the second station in Waterloo-Morada were to close/relocate and if Collegeville's low service call volume could be shared amongst the adjoining stations. Revenues received collectively from these districts amount over $5 million annually. Potential new revenue could be received from the State of California as a result of the proposed hospital and incarceration facility.

Escalon and Ripon Consolidated Districts

Both Escalon and Ripon have consolidated districts which serve both the individual cities and the adjoining rural areas. Both have a central station within the urban core and a secondary station in the rural area. In the case of Ripon, the second station is staffed and Escalon's case it is a volunteer station. Both districts provide cost effective fire services with Escalon having the lowest per capita cost in the County. The governance structure appears to be operation well. No changes are recommended.

Lathrop-Manteca Fire Protection District

The Lathrop-Manteca FPD provides fire services to the City of Lathrop and the rural areas surrounding the City of Manteca. The boundary is awkward in that is surrounds the City of Manteca and is very large in size (84.7 square miles). The district has four stations and highest revenue and operating cost of all of the districts. Furthermore, only approximately 8 percent of the property tax revenue is received in Fire Station #32 response area and approximately 12 percent of the property tax revenue is received within Fire Station #33 response area. The district has also experienced significant decrease of over 31.7 percent since 2008 in property tax revenue due to property reassessments in 2009-2010 which has placed a particular strain on the operational budget. Even though these factors paint a bleak short-term financial picture, the district could in the future be fiscally sound since the district receives 9.9 percent of the property tax increment and has an established special assessment tax. With growth in the district expected to grow from 25,197 people to over 76,400 people by 2040, considerable revenue is expected. The current operational costs need to be addressed. Due to its close proximity to the City of Manteca, coordination of service would benefit the district. The feasibility of consolidation with the City of Manteca has been harmed by the passage of the public safety sales tax increase in the City for fire and

police. This makes a consolidation less likely. Nonetheless, coordination of service would improve the delivery of service in the area.

South County Fire Authority

The South County Fire Authority was formed in 1999 involving participation from the City of Tracy, and Tracy Rural FPD. The South County Fire Authority unlike Ripon and Escalon is not a consolidated district but was formed under a joint powers agreement. The authority has a separate board of directors that provide direction for the operations of the overall Authority. Since the individual districts are maintained, the boards of directors of the districts are still responsible for the individual districts and the area within the City which is within the district. The City Council is responsible for fire services in those areas of the city which is not in the district. Originally, consolidation of the two agencies were contemplated rather than the joining the agencies through a joint powers approach. As a result, as annexations to the City of Tracy were processed, detachments from the Tracy Rural FPD did not occur. This was intentionally done to maintain a revenue source for the district. By not detaching from the district, the district continues to receive revenue from property tax and from a special tax assessment approved by the voters. The County and City shares only the tax increment that the County was receiving prior to annexation on an 80 percent/20 percent basis. If detachment would occur upon annexation to the City of Tracy, the district would not receive any revenue from property tax nor special assessment nor would the district be responsible for fire protection service. The City would take on this responsibility and the County and City would share the tax increment of the County's *and* Fire District's previous property tax increment. This arrangement may be financially beneficial to the District but not to the County nor to the City except the City is not required to provide fire protection service directly. Another situation which arises from a LAFCo perspective is that there are two separate agencies responsible for fire protection service within one city. LAFCo's policy is to favor the provision of services by a municipality over the provision of services by a single-purpose district. Most residents in the City of Tracy are represented by their City Council while others are represented by a district board. The City should assume responsible directly within the City boundary or consider consolidation so as to permanently decide responsibility for fire protection services.

The Tracy Rural FPD and the City of Tracy will be conducting an analysis of best practices in respect to governance in late 2011. The purpose of this analysis will be to consider the best model for fire service in the Tracy region. There are possible alternatives to the current structure of the JPA such as consolidation, contracting for services, etc. The ultimate governance model has yet to be determined, however, the Tracy Rural FPD Board of Directors and the City are committed to a structure that best serves the community within the jurisdictional area. It is anticipated any changes in governance will be evident within fiscal year 2011/2012.

VI. FIRE DISTRICT PROFILES

1. BOGGS TRACT FIRE PROTECTION DISTRICT

FORMATION AND BOUNDARY

The community known as Boggs Tract is an unincorporated island within Stockton that is approximately 99 acres. It is located to the east of the Port of Stockton and west of Interstate 5. Fire protection for the unincorporated island was provided by the Boggs Tract Fire Protection District (FPD) until 1992 when the City of Stockton agreed to provide fire services by contract. A map of the Boggs Tract FPD service area is shown on Map 1-1.

In 1973 the Commission adopted a "zero sphere of influence" (SOI) for the District. The Commission established a zero SOI for all urban service districts located wholly within a City or within a City's SOI that provided competing municipal services. A zero SOI indicated that the City would eventually annex the unincorporated islands at some time in the future and would be the provider of all public services.

LOCAL ACCOUNTABILITY AND GOVERNANCE

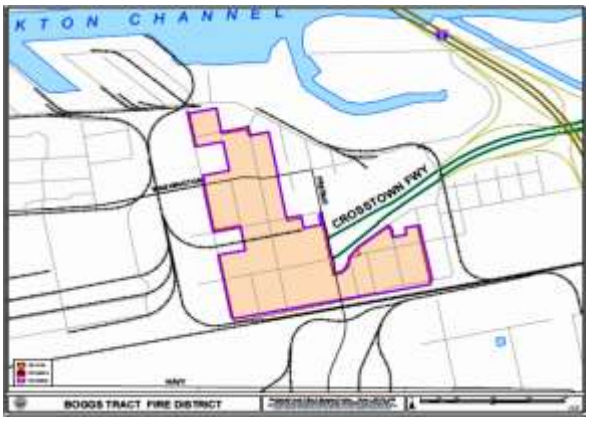
The governing body of the Boggs Tract FPD is appointed by the Board of Supervisors. The District Board consists of three board members two of which must live within the District boundaries and one may live outside the district boundary. Board vacancies existed for several years until recently when the Board of Supervisors appointed three members in August 2009. The following Board members and their terms are:

Board Member	Term Expiration Date
Kathy Langford	2011
Christina Chavez	2011
Irene Rueda	2011

SERVICE DEMAND AND GROWTH

The Boggs Tract unincorporated island consists predominately of single-family residential uses (approximately 280 units) and includes other governmental buildings for community centers and schools, and approximately 2.25 acres for industrial uses. Future growth within the boundaries is limited to development of the vacant properties as shown on Map 1-2: Land Use Map. The 2000 population within the District was 758 and the population increased by 38 persons to 796 in 2010. Population growth is projected to correspond with the annual population growth of the unincorporated areas of the County at 1.10 percent per year. Using the average annual growth rate of 1.10 percent the population is projected to grow to 888 people within the District by 2020. By the year 2040, however, the City of Stockton should have annexed this unincorporated island according to its General Plan and SOI Plan and would provide fire protection services. It is therefore projected that by 2040 the fire district would cease to exist.

Map 1-1: Boggs Tract FPD



Map 1-2: Boggs Tract Land Use Map

FINANCING

The sole source of revenue for the District is property taxes and interest. Property owners do not pay a special tax or benefit assessment for fire protection. The District experienced a 45.04 percent loss of property tax revenues from fiscal year 2008 ($129,067) to 2010 ($70,934). It is projected that revenues from property taxes would continue to decrease by 3 percent for fiscal year 2010-2011. The cost of the City contract to provide fire service to Boggs Tract was $82,752 in 2008 and decreased to $69,920 in 2009 and 2010. For the fiscal year ending June 2010, the District carried forth reserves in the amount of $254,534 or about 3.5 years in operating costs. Operating costs to the District is solely the cost for the City contract.

The District currently owns a fire station located at 611 South Los Angeles Street that has been vacant since 1992. There are two abandoned fire vehicles sitting on the lot, ownership has not been determined. The community has expressed concern that the abandoned fire station and the property in which it sits is neglected and poses safety and health threats.

NATURE AND EXTENT

Services to the district are provided by the City of Stockton mainly from the nearest City fire stations. The closest city station is located on West Sonora Street near the Crosstown Freeway providing adequate access to the Boggs Tract area.

SERVICE ADEQUACY

There are two general indicators of service adequacy for municipal fire providers: ISO rating and response times. The Insurance Service Office (ISO), an advisory organization, classifies fire service in communities from 1 to 10, indicating the general adequacy of coverage. Communities with the best systems for water distribution, fire department facilities, equipment and personnel and fire alarms and communications receive a rating of 1. The City of Stockton provides fire service to Boggs Tract and it has an ISO rating of 1.

GOVERNANCE ALTERNATIVES

The District has not considered other governmental structures or other structural reorganizations. The District board members are new to their positions and have not been apprised of the District's financial data and their functions and responsibilities as board members.

MSR DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

1) Residential population growth is projected to be minimal and limited to the various vacant lots located within the District.
2) One hundred percent of the District lies within the City of Stockton's sphere of influence and by 2040 the District may cease to exist if the City annexes its unincorporated islands as stated under its General Plan and SOI Plan.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

1) Fire protection is provided to the Boggs Tract community through a contract with the City of Stockton. Even though the District service area may be annexed to the City of Stockton, fire services will not change because it is provided through a contract with the City.
2) The District owns one fire station that is abandoned and not being maintained. The District Board should consider what alternatives are available to use or sell the property.

FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

1) The sole source of revenue to the District is property taxes. The District experienced a 45.04 percent loss of property tax revenues from 2008 to 2010. The District contracts with the City of Stockton for fire protection which was slightly less than the amount received in property tax revenues. The reserve account held $254,534 at the end of fiscal year 2010.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

1) The Boggs Tract FPD is a contract fire district and does not employ staff. The old Boggs Tract fire station is vacant and the fire trucks have been abandoned. There are some safety issues that need to be addressed by the District.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

1) The Board members are new to their position and need additional time to become acquainted with their roles and responsibilities. The Board should review the financial status, make a determination regarding the District's property, and ensure that adequate services are being provided to the satisfaction of the residents.

2. CLEMENTS RURAL FIRE PROTECTION DISTRICT

FORMATION AND BOUNDARY

The Clements Rural Fire Protection District (FPD) was formed in 1942 under the Health and Safety Code 13800-13970. The services that the District currently provides include fire protection, suppression and prevention, inspection, hazardous material, water rescue, and basic and emergency medical services.

The District's service boundary is approximately 115 square miles and is located in the northeastern portion of the County. The service area includes the rural communities of Clements and a portion of the Collierville community. State Routes 12 and 88 and Liberty Road are the main thoroughfares traversing the district and provide access to the Comanche Reservoir. Major waterways flowing through the District include the Mokelumne River, Coyote Creek, Goose Creek and Bear Creek. Dry Creek runs along the northern boundary of the District. The map of the existing boundary is shown in Map 2-1 next page.

In 1984 the Commission adopted a sphere of influence (SOI) that was coterminous with the District boundaries. The District is adjacent to the Liberty, Mokelumne and Linden-Peters FPDs. Its northern and eastern boundary is the San Joaquin County line.

LOCAL ACCOUNTABILITY AND GOVERNANCE

The Clements FPD has a five-member governing body that is elected at large. Board members serve four year terms. Board meetings are held on the third Monday of each month at the fire station.

	Name	Position	Began Serving	Term Expires
Members	Ray Engle	Board President	2000	2012
	Glenn Thorns	Board Member	2002	2010
	Bill Henderson	Board Member	2005	2012
	Rob Buckwalter	Board Member	2007	2010
	Russ Cobb	Board Member	2008	2012
Meeting Schedule	Day: Third Monday of each month Location: 18901 East Highway, Clements			
Agenda Distribution	Mailed and posted			
Minutes Distribution	Mailed and posted			

The District maintains a limited website at http://www.clementsfire.org that provides contact information and links to CalFire, California Highway Patrol, and the San Joaquin Valley Air Pollution Control.

STAFF AND MANAGEMENT

Clements FPD is a volunteer fire district with one paid full-time firefighter and 19 on-call firefighters. The base salary for the paid firefighter is $2,500 per month and on-call firefighters are paid at a rate of $12.75 per hour. The District operates one fire station that is staffed with a minimum of two on duty firefighters and is able to call upon an average of 5-10 on-call firefighters for service.

An annual audit is conducted each fiscal year. The last audit conducted was in 2008. A formal policy on maintaining financial reserves has been adopted. As of June 2010 the District held a reserve and capital account balance of $481,525.

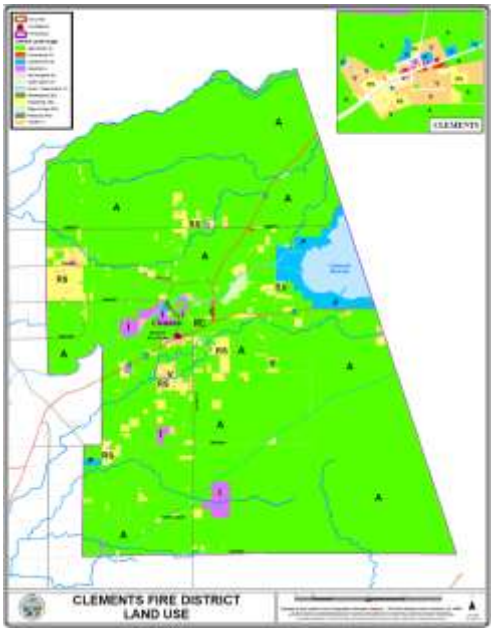
Revenue sources for the District in fiscal year 2009-2010 included property taxes ($380,317), special assessments ($56,216), and development impact fees ($9,451). The special tax ordinance does not have a sunset clause and the Board reviews and adjusts the amount of special taxes to be collected each year.

SERVICE DEMAND AND GROWTH

Types of land uses within the District boundaries include various density residential, schools, limited commercial and industrial, with the majority of land in the District designated for agricultural uses. Map 2-2 provides an overview of land uses within the District. The 2000 population was 2,261 and in 2010 it increased to 2,524, an 11.6 percent increase in the 10 year period. In 2009 there were approximately 994 residential units, and in 2010 there were 39.2 million square feet industrial uses (902 acres) and 1.3 million square feet commercial uses (32 acres) within the service area. Two new subdivisions in Clements were approved but construction had not taken place due to the downturn in the housing market. At build out the two new subdivisions would double the size of the town of Clements. Population growth is projected to correspond with the annual population growth of the unincorporated areas of the

Map 2-1: Clements Rural Fire Protection District

Map 2-2: Clements Rural Fire District Land Use Map



county at 1.10 percent per. By 2040 the population within the District is projected to increase to 3,262 people.

FINANCING

Property taxes (81 percent) and special assessments (12 percent) are the main revenue sources for the fire district. Other revenue sources include development impact fees and fees for services. The amount of property taxes received for each of the last three fiscal years has decreased but not to the same extent as other rural fire districts. From 2008 to 2010 the District received 1.78 percent less in property taxes as compared to the average loss of 14.09 percent to other rural fire districts. It is projected that revenues

from property taxes would continue to decrease by 3 percent for the next fiscal year. The District received $56,216 from the collection of special assessments in FY 2009/2010. In FY 2008/2009 the District was reimbursed $143,573 by the State for Strike Team Response. The previous fiscal year the amount of reimbursement was $20,406.

Operating costs in fiscal year 2008/2009 was $430,868 and in FY 2007/2008 it was $370,602. The increase in operating costs was due to an increase in salaries and overtime pay, however, the State reimbursed the District for its contribution in assisting with Strike Team Response services. Generally, the District's operating costs are lower than the revenues acquired and the District is able to transfer these funds to its capital/reserve account. At the end of FY 2007/2008, $78,593 was transferred to the capital/reserve account and at the end of FY 2008/2009 the District transferred $163,630. At the end of fiscal year 2009/2010 the District account held a total of $481,525 in its reserves and capital outlay accounts.

NATURE AND EXTENT

The Clements FPD responds to an average of 250 calls each year. In 2008, there were 253 calls for service as follows:

Medical Assistance	60%
Alarm	5%
Other	5%
Automatic Aid	20%
Wildland Fires	10%

Map 2-3: CalFire SRA

Approximately 50 percent of the District is considered wildland and is designated as a State Responsibility Area (SRA) under CalFire (see Map 2-3). The District is primarily responsible for fire protection in the SRA area for other than wildland fires although the District is often the first on the scene and responds to any calls within the SRA. There are approximately 278 residential units within the SRA. The nearest CalFire stations are located in Sutter Hill (Amador County) and Valley Springs (Calaveras County) sometimes resulting in up to approximately 20 minute response times for calls for service.

County residents traveling to a new casino built in Amador County has resulted in an increase in volume for vehicle accidents on Highway 88 and Liberty Road. The District states that the number of calls has increased 100 percent and at least 75 percent of the calls were for vehicle accidents on these thoroughfares.

The Mokelumne River is a popular site for rafting, kayaking and other floating devices between the Mokelumne Fish Hatcher and Stillman Magee Regional Park. The District which provides water rescue service, stated that it was not unusual to have more than 400 floaters on the Mokelumne River in any one day during the summer and that the fire district responds to these calls for service. .

The District provides automatic aid to Linden-Peters, Mokelumne and Liberty FPDs and provides mutual aid as well. The East Bay Municipal Utility District is responsible for Lake Comanche of which half of the lake lies within the District's service area.
The District indicated that the boundary is appropriate and that they have the ability to accommodate new development.

INFRASTRUCTURE

The District operates one fire station located at 18901 East Highway 88 which serves an area of 115 square miles. The station is centrally located in the community of Clements also the most populated area of the District. The fire station location is adequate at this time and is in good condition, requiring only routine maintenance. The station is undergoing the addition of 3 bedrooms to provide sleeping quarters for on-call and volunteer firefighters to increase the efficiency and reduce response times to calls for service and an addition of classroom space for training. Equipment at the station include: 3 engines, 2 water tenders, and 1 rescue vehicle.

SERVICE ADEQUACY

The District provides fire protection, prevention and suppression, fire inspection, hazardous materials, water rescue, and basic emergency medical. Fifty percent of the staff are certified as Fire Fighter I, 4 percent are Fire Fighter II, and 65 percent are certified Emergency Medical Technicians. The Fire Chief is the only paid staff and there are 19 on-call firefighters available. The fire station is staffed with a minimum of two personnel at all times.

There are two general indicators of service adequacy for municipal fire providers: ISO rating and response times. The Insurance Service Office (ISO), an advisory organization, classifies fire service in communities from 1 to 10, indicating the general adequacy of coverage. Communities with the best systems for water distribution, fire department facilities, equipment and personnel and fire alarms and communications receive a rating of 1. The Clements FPD reported an ISO rating of 5 (town) and 8b (rural).

Response data provided by LifeCom Dispatch Center regarding the District's 90 percentile "turnout time" and "travel time" in 2009 were 4:16 minutes for turnout and 8:53 minutes for engine performance. The average 90 percentile response times for volunteer fire districts was 4:23 minutes for turnout time and 9:19 minutes travel time.

GOVERNANCE ALTERNATIVES

The District has considered other reorganizational structures for staffing and service with Liberty and Mokelumne FPD. The District maintains mutual and automatic aid agreements with adjacent rural fire districts and is a member of the Joint Radio Users Group and the Fire Agencies Self-Insurance System.

The following governmental structure options were identified for Clements FPD:

- Consolidation among the north county fire service providers to improve efficiency of services, improve staffing levels, and to promote facility and apparatus sharing.
- Participate in a Functional Joint Powers Authority or Consolidation for administrative services for the District. Districts with limited or no administrative staff could share the costs with other districts for accounting, payroll, recordkeeping, ordering of supplies, and provide administrative support to implement community programs, fundraising activities and grant writing projects for the fire district.

MSR DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

1) Residential population growth within the District boundary is projected to be minimal; however, growth could occur in Clements where two subdivision projects were approved but failed to move

forward due to the economy. Build out of the subdivisions would double the population for the community of Clements.

2) The District receives an average of 250 calls for service each year of which 60 percent are for medical emergencies. The average number of calls received by the other county rural fire districts was 898 calls in 2008.
3) Fifty percent of the District is within the State Responsibility Area for which CalFire is responsible for wildland fires.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

1) The District owns one fire station that is centrally located and also located in the densely populated area of the District. The District reported that the station is in good condition, needing only routine maintenance. The District is currently adding a training classroom and living quarters so that on-call and volunteers could staff the station thereby increasing efficiency and response times.
2) The station is staffed by a minimum of two firefighters. The District maintains an on-call list of nineteen volunteers.
3) The District owns five apparatus: 3 engines, 2 water tenders, and one rescue vehicle.
4) The Lifecom Dispatch Center reported the District's 90 percentile on elapse times as 4:16 minutes for Turnout and 8:53 minutes for Response. The average 90 percentile times for Volunteer Districts was 4:23 minutes for Turnout and 9:19 minutes for Response.

FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

1) The two main revenue sources for the District include property tax revenue (81 percent) and special assessments (12 percent). Other revenue sources include development impact fees and other service fees. Operating costs have generally been lower than the revenues received and the District is able to build up its reserves and capital outlay accounts.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

1) The District provides and receives mutual and automatic aid from adjacent rural fire districts.
2) Approximately 50 percent of the District is within the CalFire State Responsibility Area for which the State is responsible for wildland fires.
3) The District is located in a remote area in the north county. Opportunities to share facilities with other fire districts are not readily available.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

1) Voters within the District approved a special tax override measure demonstrating the District's accountability to its constituents to provide adequate level of services.
2) The feasibility of consolidation among the north county fire service providers to improve the efficiency of services, to improve staffing levels, and to promote facility and apparatus sharing should be explored. Establishment of a functional joint powers authority to share administrative services and support among Districts should also be considered.

3. COLLEGEVILLE RURAL FIRE PROTECTION DISTRICT

FORMATION AND BOUNDARY

The Collegeville Rural Fire Protection District (FPD) was formed in 1962. The District is the only all-volunteer fire district in the County and provides fire protection, suppression and prevention, hazardous materials, and basic emergency medical services.

The District's service boundary is approximately 28.4 square miles and is centrally located within the County. The District is bounded by Farmington FPD to the east, Escalon and Ripon Consolidated FPDs to the south, Lathrop-Manteca and Montezuma FPDs and the City of Stockton Fire Department to the west and the Linden-Peters and Eastside FPDs to the north. The District's service area includes a portion of the rural community of Collegeville west of intersection of Jack Tone and Mariposa Roads, the Intermodal Rail Facility, Burlington Northern and Santa Fe Railroad, an agricultural chemical company, the former California Women's Facility and the eastern portion of the Northern California Youth Correction Center (NCYCC). The map of the existing boundary is shown in Map 3-1 on the following page.

In 1984 the Commission adopted a sphere of influence for the district that was coterminous with the district boundary.

LOCAL ACCOUNTABILITY AND GOVERNANCE

The Collegeville FPD has a five-member governing body. Board members are appointed by the County Board of Supervisors and serve three year terms. Board meetings are held on the second Tuesday of each month at the fire station.

	Name	Position	Began Serving	Term Expires
Members	Paul Sanguinetti	Member	1980	2013
	Kurt Pettitt	Member	1988	2012
	Grant Thompson	Chairman	1991	2013
	Mark Bonham	Member	2007	2013
	Robert Norman	Member	2009	2012
Manner of Selection	Appointment by the County Board of Supervisors			
Meeting Schedule	Day: 2nd Tuesday at 7:00 pm Location: 13225 East Mariposa Road			
Agenda Distribution	At Meeting			
Minutes Distribution	At Meeting			

MANAGEMENT

At the present time the District has 11 on-call firefighters that are paid $10 per hour. Of the 11 on-call staff, 1 is a certified Fire Fighter II and 6 are certified as Emergency Medical Technicians. The District provides in-house training including emergency medical, structural and wildland fire fighting, fire fighting strategy and tactics, and equipment operation. Emergency medical certification and continuing education opportunities are provided off-site.

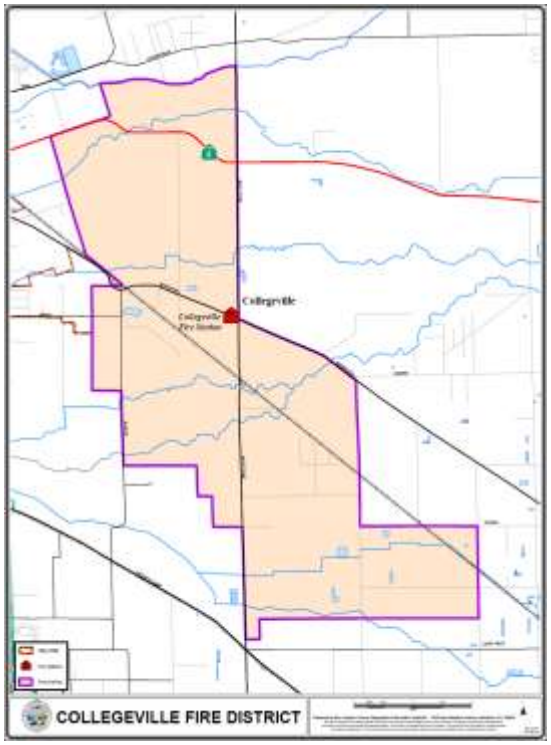
Health and Safety Code Section 13916 authorizes the District to charge fees to cover the cost of any services provided by the District or the cost of enforcing any regulation. At this time the District has adopted fees for service but is presently not being implemented. In 2001 the District obtained voter approval (80 percent of the voters approved the Measure) for a special tax providing additional revenues for the District. The revenue from this source makes up almost 57 percent of the total budget.

The District provides mutual aid under the San Joaquin County Mutual Aid Agreement. As of January 1, 2011 the District entered into an Automatic Aid Agreement with Farmington FPD.

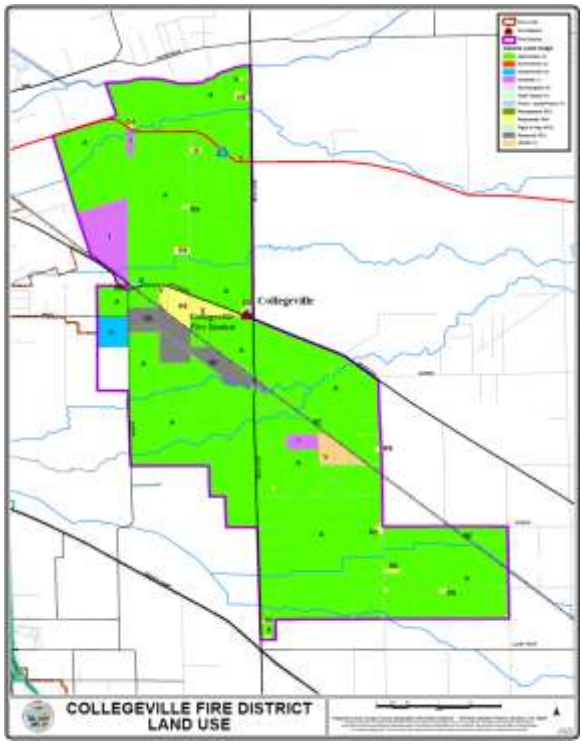
SERVICE DEMAND AND GROWTH

The majority of lands within the District boundary are in agricultural uses. Rural residential uses are scattered throughout the District and a small concentration of residential homes are located in the area known as Collegeville on Mariposa Road (Map 3-2: Collegeville FPD Land Use). The Collegeville community to the east of Jack Tone Road, however, is served by the Farmington FPD in which the nearest station is located ten miles away. The Collegeville fire station is located approximately 500 yards from the intersection and in some instances can provide a better response time.

Map 3-1: Collegeville Rural Fire Protection District



Map 3-2: Collegeville Fire District Land Use Map



The District considers its customer base to be the structures within the District boundaries and individuals living, working or traveling in and through the District. In 2000, the population of the District was 644 people and in 2010 the population increased to 711. The population, however, can potentially increase based upon occupancy of the proposed State facilities development whose location will be within the District. In 2009 there were 225 residential units, and 2010 data shows there were 25.7 million square feet industrial uses (590 acres) and no commercial land.

The District indicated that it does not plan to expand services outside its existing boundary and that there are no areas in the District that might be served more efficiently by another agency. The District's western boundary bisects the Northern California Youth Correctional Center (NCYCC) so that the facility is within two fire districts (see Map 3-3). The east side of the complex is within Collegeville and the west side of the same building is within Montezuma FPD. Karl Holton was closed in 2003 and there are proposed plans to develop a new facility on the site for a 1,800 bed medical care facility with a proposed staff of 3,030. The DeWitt facility was closed in 2008. The former Northern California Women's Facility located to the north of NCYCC and within Collegeville's service territory, is currently vacant but plans are to convert the facility to an adult male re-entry facility that would house 500 inmates plus staff. These proposed uses for the NCYCC land will potentially increase the demand for fire and emergency services. The State Department of Corrections recently negotiated a contract with Collegeville to provide fire services for the adult male re-entry facility. In order to provide an adequate level of service to the state facility the District proposed to hire two full-time firefighters to staff its station. The addition of full-time staff will be of a benefit to the entire District as it will increase the overall level of fire protection service. Unless the Collegeville or Montezuma or the State of California request a boundary modification, LAFCo does not have the authority to adjust the boundaries.

FINANCING

In Fiscal Year (FY) 2009-2010 revenue sources include $31,372 (43 percent) from property taxes and $41,862 (57 percent) from special assessments. The District's operating expenses for the period ending 2010 was $73,148, approximately the same as the incoming revenues. The District was the only fire district that did not experience a decrease in property tax revenues from 2008 to 2010. In fact property taxes increased by 4.16 percent from $30,120 to $31,372. The District has one of the lowest tax increments of 2.3 percent (percentage of tax dollars received) of the rural fire districts, the average tax increment being 11.7 percent.

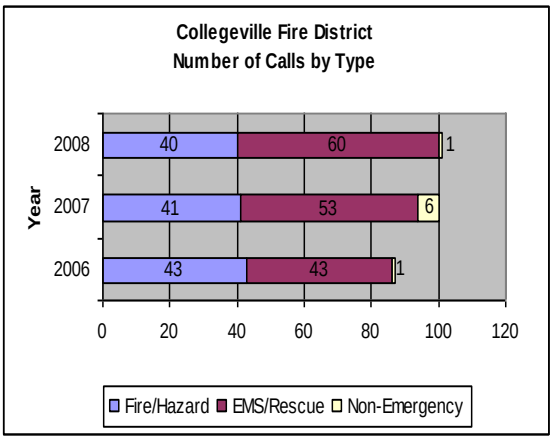
Map 3-3: Northern California Youth Correctional Center

In 2001, registered voters of the District approved a special tax override measure. A tax override is levied on properties based on square footage and the Board reviews the ordinance on an annual basis. The District does not collect development impact fees.

The Commission's Sphere of influence (SOI) policies requires a City to depict growth within a 5-10 year sphere horizon and where a city intends to grow within a 30-year timeframe. The City of Stockton's SOI overlaps the Collegeville FPD service boundary. Approximately 3,497 acres (19 percent) are in the City's sphere and consists of the Mariposa Lakes Master Development Project and the NCYCC state lands. The timing of annexation of these territories into the City has not been determined. Using 2008-2009 property-related information the County Auditor-Controller's Office provided an estimate of $5,412 in property tax revenue loss resulting in the detachment of the territory from the District to the City.

NATURE AND EXTENT

Table 3-1: Calls for Service



The Collegeville FPD provides fire protection, prevention, suppression, hazardous material, and basic emergency medical. In 2008, the District reported a service demand of 101 calls for service. The District receives the least number of calls for service of all rural fire districts. Of these, 57 percent were for emergency medical services and 38 percent were for fire and hazardous/material services. The number of calls by type for the last three years is shown in Table 3-1. The District responded to 15 calls for service for wildland fires. The fire station is staffed by 11 on-call volunteers and operates 24 hours, seven days a week.

The District operates one fire station located at 13225 East Mariposa Road. The District indicates that the fire station location is adequate at this time and is in good condition, requiring only routine maintenance. The District owns four apparatus with the most recent purchase being a 1997 used engine from the French Camp-McKinley FPD.

SERVICE ADEQUACY

There are two general indicators of service adequacy for municipal fire providers: ISO rating and response times. The Insurance Service Office (ISO), an advisory organization, classifies fire service in communities from 1 to 10, indicating the general adequacy of coverage. Communities with the best systems for water distribution, fire department facilities, equipment and personnel and fire alarms and communications receive a rating of 1. The District's ISO rating is 7 within 5 miles of the station.

The District recently gained permission from three local farmers to utilize water wells on their properties for the purpose of implementing a water haul program. The ability to draft water from a local water source and into the District's water tenders in a way that meets ISO guidelines can increase the District's ISO rating which is beneficial for the agency and the residents in the District. The District provides the opportunity for other bordering fire districts to cooperate with Collegeville FPD in the ISO water haul program to attain an ISO 7 rating.

The District has established its own response goal of five minutes or less from alarm to arriving on scene.

The Lifecom Dispatch Center reports that the District's 90 percentile "turnout time" and "travel times" in 2009 were 3:37 minutes turnout and 8:50 minutes engine performance. The average 90 percentile times for volunteer fire districts was 4:23 minutes for turnout time and 9:19 minutes travel time.

GOVERNANCE ALTERNATIVES

The following governmental structure options were identified for Collegeville FPD:

- To improve the level of service delivery the District should establish mutual and automatic aid agreements.
- A boundary change or establish an automatic aid agreement with Montezuma Fire Protection District are two options identified to assure that the NCYCC property is provided an adequate level of fire protection service.

- Consolidation among the central county fire service providers to improve efficiency of services, promote facility and apparatus sharing and improve service levels.

MSR DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

1) Residential population growth within the District boundary is projected to be minimal.
2) The Mariposa Lakes Project, consisting of 3,800 acres of mixed-use development, is within the City of Stockton SOI and would annex to the City if the project were to move forward. The project could potentially remove 3,800 acres from the Collegeville FPD.
3) The State Department of Corrections and Rehabilitation is proposing a 1,800 bed medical care facility with a proposed staff of 3,030 and to establish a 500-adult male re-entry facility on the Northern California Youth Correctional Center property and Northern California Women's Facility. These proposed uses will greatly increase the District's service volume.
4) Demands for service are the lowest of the 19 rural fire protection districts with an average of 96 calls per year. The average number of calls for the county rural fire districts was 947 calls in 2008.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

1) The District owns one fire station that is staffed only by on-call volunteers. The District maintains an on-call list of ten volunteers. Volunteers report to the fire station from their homes or places of employment when dispatched. Response times are increased when a station is not staffed.
2) The District owns four apparatus. The most recent purchased engine was a 1997 used engine purchased from the French Camp-McKinley FPD. The District has sufficient funds in its reserves or capital outlay accounts to replace or purchase new equipment.
3) The District's service area is 18,185 acres.
4) The District sets a response goal of five minutes to respond to a call for service from alarm to arriving on scene. It reported that its median response time in 2008 was 6:63 minutes from dispatch to arrival on scene.
5) The LifeCom Dispatch Center reported the District's 90 percentile on elapse times as 3:37 minutes for Turnout and 8:50 minutes for Response.
6) The fire station is located in a few hundred yards from the intersection of Jack Tone Road and Mariposa Road which is considered the rural community of Collegeville. However, all the area east of Jack Tone Road is served by the Farmington Rural FPD and their nearest fire station is located ten miles away. To better serve this area an automatic aid agreement should be considered.

FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

1) The two revenue sources for the District include property tax revenue (43 percent) and special assessments (57 percent). The District's operating costs are about the same as the total revenues it receives.
2) The District was the only fire district whose property tax revenues increased (+4.16 percent) rather than decrease for the fiscal years 2008 to 2010. However, it is projected that all districts will experience a 3 percent decrease in property tax revenues for the fiscal year 2010/2011.

3) Nineteen percent of the District's territory is within the City of Stockton's sphere of influence. Property tax revenue loss to the District was projected to be $5,412 (2009).
4) Collegeville FPD receives the second least amount of property tax increment of the rural fire districts at 2.3 percent. The average property tax increment for the rural fire districts is 12.4 percent.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

1) The District should seek automatic and mutual aid agreements with adjacent fire districts to improve services.
2) In order to improve its ISO rating, a water haul program was implemented in coordination with local farmers in the community permitting the District to utilize their existing wells as a water source. This program has resulted in a more favorable ISO rating of 7 for the District.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

1) Voters within the District approved a special tax override measure in 2001 demonstrating the District's accountability to its constituents to provide adequate level of services.
2) In order to provide an adequate level of service for the Department of Corrections proposed facilities the District should consider making a boundary change to allow the Montezuma FPD which is staffed 24-hours, to provide the services to the facilities or establish an automatic aid agreement to allow Montezuma FPD to serve this facility.

4. EASTSIDE RURAL COUNTY FIRE PROTECTION DISTRICT

FORMATION AND BOUNDARY

The Eastside Rural FPD is located to the east and adjacent to the City of Stockton. The District contracts with the City to provide fire protection for the unincorporated area that is approximately 7,451 acres. A map of the existing boundary is shown on Map 4-1.

In 1983 the Commission adopted a sphere of influence (SOI) for the District that was coterminous for the portion of the district which was beyond the City of Stockton SOI boundary and a zero sphere for that portion of the district that was within the City's SOI boundary. A zero SOI indicated that the City would eventually annex the unincorporated area at some time in the future and would provide all public services to the area at the same level provided to all City residents.

Since 1983 the City annexed more than 163 acres and detached this same territory from the Eastside FPD (Table 4.1). In September, 2008 the Commission updated the City of Stockton's SOI boundary and it currently overlaps the fire district service boundary by approximately 3,660 acres or about 19.23 percent of the District's territory.

Table 4.1: District Detachments

Eastside FPD Detachments Since 1983	Acres	Year
Brady Reorganization	0.195	1986
Southpark Reorganization	36.58	1987
Cooney Reorganization	1.92	1987
Filbert-Vine Reorganization	0.56	1989
Juliet Terrace Reorganization	21.24	1992
VanDenBergh Reorganization	4.6	1994
Stockton Montego Reorganization	98.0	2003
Total Acres	163.095	

LOCAL ACCOUNTABILITY AND GOVERNANCE

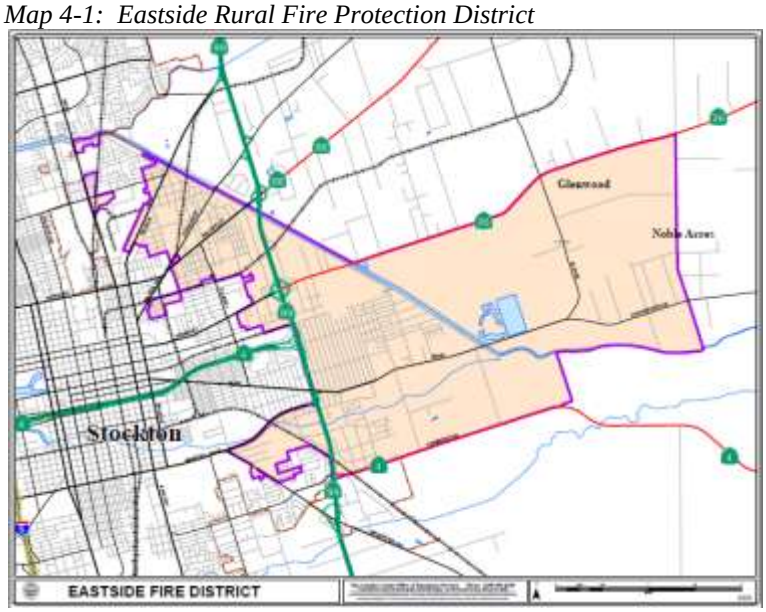
The District has a five-member governing body. Board members are elected at large and serve four year terms. Board meetings are held on the first Wednesday of every month at the City's fire station located within the District boundaries.

	Name	Position	Began Serving	Term Expires
Members	Ben Moore	President	1980's	12/2012
	Ray Schenone	Vice President	1960's	12/2012
	Lynne Armanino	Director	Pre 1989	12/2012
	Martin Asborno	Director	2003	12/2012
	Kathleen Garcia	Director	1991	12/2012
Manner of Selection	Election			
Meeting Schedule	Day: Wednesday	Location: 4010 East Main Street		
Agenda Distribution	Mailed			
Minutes Distribution	Mailed with Agenda			

MANAGEMENT

The District does not employ firefighters or other personnel. It contracts with a Clerk of the Board who prepares agendas and minutes, budgets, provides accounting and management services and represents the District at the County Fire Chiefs Association and other meetings.

Map 4-1: Eastside Rural Fire Protection District



SERVICE DEMAND AND GROWTH

The estimated population within the District in 2010 was 23,200. Population growth is projected to increase at the same rate for the unincorporated county to 25,882 by 2020. However, since more than 49 percent of the District boundary is within the City of Stockton SOI it is expected that this area would be annexed to the City according to the City's General Plan and SOI Plan. It is therefore projected that by 2040 the population within the District would decrease to 3,221. Demographic data provided by the County Community Development GIS Division showed that in 2009 there were approximately 8,163 residential units, and in 2010 there was 18.0 million square feet industrial uses (414 acres) and about 2.5 million square feet commercial uses (59 acres) within the District's service area.

FINANCING

Property tax revenues and benefit assessments are the two main revenue sources for the District. In the fiscal year ending June 2010 the District received $1,663,084 (80 percent) in property taxes and $410,922 (20 percent) in assessments. It receives one of the largest property tax increments (19.7 percent) of all rural fire districts, 11.7 percent being the average increment received. In 2010 the cost of the contract for services was $1,811,106 which is lower than the amount of revenues received allowing the District to maintain an adequate reserve account for unforeseeable emergencies. At the end of fiscal year 2010 the reserve account held $2,703,692. The district however experienced a 24.54 percent decrease in property tax revenues from the years 2008 to 2010. In 2008 the District received $2,203,899 and in 2010 it received $1,663,084, a substantial decrease.

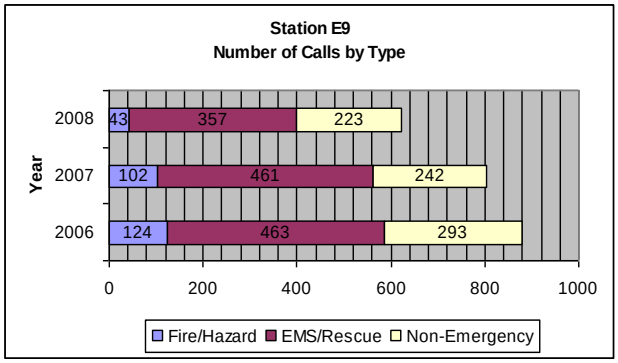
The District's current special assessment that has been in place for ten years has an approaching sunset date in 2011. The District voters, however, voted on June 2, 2010 to approve continuation of the benefit assessment.

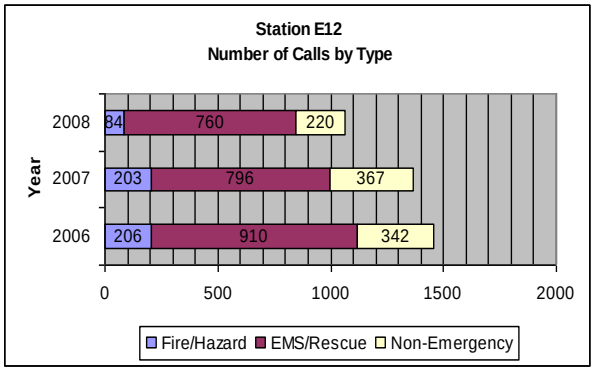
NATURE AND EXTENT

The District receives the same level of fire services extended to City of Stockton residents because it contracts with the City for services. The District boundary is 11.6 square miles that consists mostly of single family residences, industrial, commercial, and public schools. The Mormon Slough and Diverting

Canal run through the District as well as the Central California Traction Company and Stockton Terminal Eastern Railroad tracks.

Fire services are provided primarily from Stockton Stations E12 which is located on 4010 East Main Street and E9 on 550 East Harding Way. Station E12 is located within the District boundary. The two tables below illustrate the service demand for the District from the two main City fire stations serving the District during the past three years. The District averages a total of approximately 2,100 calls per year from four stations, about 61 percent being for emergency medical services.





INFRASTRUCTURE

The District does not own or operate any fire stations. Services to the district are provided by the City of Stockton from a station located on 4010 East Main Street. The District also does not own apparatus or other fire equipment. Fire hydrants are the responsibility of the City. Agricultural pumps are available for use when needed.

SERVICE ADEQUACY

There are two general indicators of service adequacy for municipal fire providers: ISO rating and response times. The Insurance Service Office (ISO), an advisory organization, classifies fire service in communities from 1 to 10, indicating the general adequacy of coverage. Communities with the best systems for water distribution, fire department facilities, equipment and personnel and fire alarms and communications receive a rating of 1. The City of Stockton, which provides fire services to Eastside FD by contract, has an ISO rating of 1.

The District reported that the median response time was 4 minutes and 41 seconds and a 90th percentile response time of 6 minutes and 45 seconds. Since fire services are provided by the City of Stockton, the District indicated that they were satisfied with the response times to the District.

GOVERNANCE ALTERNATIVES

The District has not considered other governmental structures or other structural reorganizations. The District states that contracting with the City seems to be working for both parties involved.

MSR DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

1) Over 49 percent of the District is within the City of Stockton SOI. The District population would decrease from 23,200 to 3,221 by 2040 if the City annexes all of the territory within its sphere of influence according to the General Plan and SOI Plan.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

1) The District does not own a fire station or apparatus. Fire services are provided through a contract with the City of Stockton.
2) The District receives the same level of service provided to City residents.

FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

1) Revenue sources for the District include property taxes and benefit assessments. The District receives sufficient revenues to cover the City's contract costs and other related costs for fire protection.
2) At this time the District maintains an adequate reserve balance.
3) As the City of Stockton grows outward and annexes territory from the District, the District loses the property tax and special assessment revenues. The District will eventually be impacted to a point where it can no longer operate or provide an adequate level of fire services to its remaining territory.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

1) The District contracts for services and does not own facilities.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

1) Voters within the District approved a special tax override measure demonstrating the District's accountability to its constituents to provide adequate level of services.

5. ESCALON CONSOLIDATED FIRE PROTECTION DISTRICT

FORMATION AND BOUNDARY

The Escalon Consolidated Fire Protection District (FPD) was formed in 1982 with the consolidation of the Escalon Rural County Fire Protection District and the Escalon Fire Protection District. Prior to their consolidation, the two fire districts operated independently but provided fire protection to the City and the surrounding unincorporated rural area. Both fire districts operated from one fire station located near the City center and were volunteer fire districts. The Consolidated District is a combination fire district with both paid and on-call volunteers.

The District's service boundary is approximately 64 square miles and covers the southeastern portion of the County, south of Dodds Road and east of Carrolton Road to the County boundary on the east and south. The District serves the City of Escalon and the surrounding unincorporated county mainly designated for agriculture. The Escalon Consolidated FPD is bounded by the Ripon Consolidated, Collegeville and Farmington FPDs on the north and west and Stanislaus County to the east and south. The map of the existing boundary is shown in Map 5-1.

In 1982 LAFCo conducted a sphere of influence review of the two independent fire districts serving the Escalon area. The sphere study provided the basis for consolidation of the two Districts. Upon completion of the consolidation, a coterminous sphere of influence was adopted for the newly formed Escalon Consolidated FPD.

LOCAL ACCOUNTABILITY AND GOVERNANCE

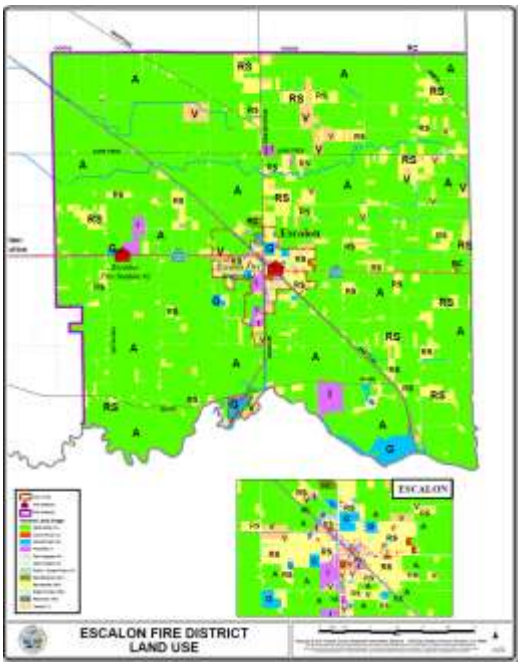
The Escalon Consolidated FPD has a five-member governing body. Board members are elected at large and serve four year terms. Board meetings are held on the second Thursday of each month at the District's fire station located at 1749 Coley Avenue, Escalon.

	Name	Position	Began Serving	Term Expires
Members	John Wright	Chairperson	2004	2012
	Andy Dugo	Vice Chairperson	1998	2014
	Dan Keyser	Director	2009	2014
	Steve Reichmuth	Director	2008	2012
	Mickey Schilber	Director	2002	2014
Meeting Schedule	Day: 2nd Thursday of every month Location: Fire Station 1, 1749 Coley Avenue, Escalon			
Agenda Distribution	Posted at Station 1. Distributed to members and public at meeting			
Minutes Distribution	Mailed to all members. Catalogued at Station 1.			

The District maintains a website at www.escalonfire.com that provides information on the District Board and Staff, history, equipment, and fire safety tips for the community.

Map 5-1: Escalon Consolidated FD

Map 5-2: Escalon Consolidated FD Land Use



MANAGEMENT

The District's staff consists of 25 employees. Ten are sworn full-time firefighters and 15 are paid on-call as well as firefighters that can work shifts. One hundred percent are certified Fire Fighter I's and 20 percent are Fire Fighter II's, and 76 percent are Emergency Medical Technicians. The District staff also employs a certified Paramedic. The District maintains 1.92 sworn staff per 1,000 population. Full-time firefighters with five years experience are paid an annual salary of $41,671 plus insurance benefits. Reserves and volunteers are trained on the first, second and third Mondays of each month. Training includes monthly safety topics, emergency medical, fire suppression, auto extrication, hazardous materials and technical rescue.

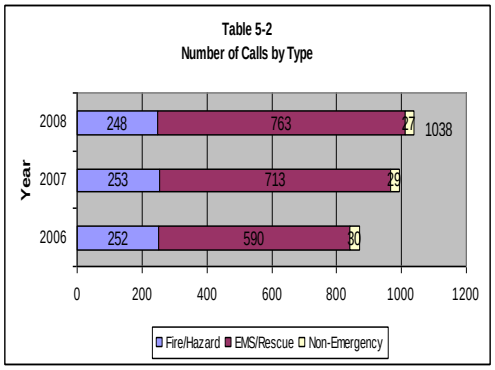
Health and Safety Code Section 13916 authorizes the District to charge fees to cover the cost of any services provided by the District or the cost of enforcing any regulation. The District recently reinstated their Fee for Service Ordinance which is administered by Fire Recovery USA. The Board is considering increasing fire facility fees for commercial and residential development. The District reports that an independent audit is conducted annually in October. Currently a Capital Improvement Plan is being devised as part of the District's strategic planning efforts.

The District has explored a personnel sharing program with the Ripon FPD and the Salida FPD (Stanislaus County). This program would allow personnel from all three agencies to spend time at the other districts to see the response areas, observe training and operations.

SERVICE DEMAND AND GROWTH

Land uses within the District boundaries encompass various density residential, industrial, commercial, governmental uses and general agricultural land (Map 5-2: Escalon FPD Land Use). The 2010 population was 12,598 and is projected to increase by an average annual growth rate of 1.40 percent to a population of 18,836 by 2040. Demographic data provided by the County Community Development GIS Division indicated that in 2009 there were approximately 4,458 residential units, and in 2010 there were 22.9 million square feet industrial uses (525 acres) and about 2.1 million square feet commercial uses (47.6 acres) within the District's service area.

The District maintains two fire stations located at 1749 Coley Avenue and 179950 South Van Allen. The number of calls by type for the last three years is shown below for the fire station located on Coley Avenue (Table 5-2). The District reported that 65 (2008) of the types of calls it receives are for emergency medical and rescue services and that 76 percent of its staff are certified EMT-1s. The District does not desire or plan to serve areas that are not now within its boundaries.



Note: Station 1 responds to all incidents in the District. Station 2 is staffed by volunteers only and is not dispatched to incidents.

FINANCING

The two main sources of revenue for the District include property taxes (28.2 percent) and special taxes (71.1 percent). The District also receives development impact fees and charges certain fees for services. The District receives the lowest tax increment of all rural fire districts at 1.5 percent (average tax increment is 11.7 percent) and the amount it receives in property tax ($285,948) could not sustain operating costs without the special assessment. Property taxes for the last three fiscal years however did not decrease significantly as it did for other districts. The District received 4.85 percent less in property taxes from 2008 to 2010, however, it is expected that it would decrease by 3 percent for the current fiscal year. The special tax override was approved in 1989 by the voters and provides substantial revenues for the District. In fiscal year 2010 total revenues generated by the District was $1,041,709 and operating costs were $1,020,404. There is no sunset date for the special tax and each July/August the Board evaluates the tax rate. The special tax was set to its maximum level in 2006 to accommodate the need to add additional full-time staff. The District augments its budget by applying for grants. In 2008 it received a grant for breathing apparatus from Homeland Security.

A formal policy on maintaining financial reserves of $35,000 has been adopted. The District carried forth a contingency reserve and capital outlay balance at the end of fiscal year 2009-2010 in the amount of $931,645.

NATURE AND EXTENT

The Escalon Consolidated FPD provides fire protection, prevention, suppression, fire inspection, hazardous material, water rescue, emergency medical, technical rescue, and mass decontamination (infection disease control).

Two railways, Burlington-Northern-Santa Fe and Union Pacific traverse through the District. State Highway 120 runs through the District boundaries and the Stanislaus River, South San Joaquin Irrigation District's main and lateral canals. Large manufacturing and businesses include the Hogan Manufacturing plans, Wrights Petroleum, Eckert Frozen Foods and Escalon Premier Brands.

The District provides service primarily within its boundary area. Under a Mutual Aid Agreement (fire district provides or receives aid upon request by the first-response agency) the District cooperates with the Ripon Consolidated FPD and Farmington FPD. It cooperates with adjacent fire districts in Stanislaus County including the Salida FPD, Stanislaus Consolidated FPD, and the Oakdale Rural FPD.

The District has non-written agreements with all surrounding fire agencies for automatic aid emergency response (closest available resource, regardless of boundaries) in designated areas for specific incident

types. Automatic aid is provided to the following agencies and in the following areas: Ripon Consolidated FPD, provide engine, water tender or rescue to areas in the eastern portion of Ripon's Station 2 response area; Salida FPD, provide truck, engine, water tender to areas bordering the San Joaquin/Stanislaus County lines; Oakdale Rural FPD, provide engine or water tender to western portion of Oakdale's Rural Station 3 response area; Farmington FPD, provide engine, truck, water tender or rescue to incidents on District borders.

INFRASTRUCTURE

The District operates two fire stations. The station located at 1749 Coley Avenue, Escalon is in fair condition, requiring non-routine renovations, upgrading and repairs are needed. The Station was originally constructed in 1949, with an add-on in 1969. It has undergone six remodels/additions to accommodate staffing and administrative needs. Station 1 is staffed by 1 Battalion Chief and 2 firefighters and with the following apparatus: 1 Type 1 Engine, 2 Type 3 Engines, 1 Type 2 Truck, 1 Water tender, 1 Rescue, and 3 Staff/Support Vehicles. Station one is centrally located to serve the City of Escalon.

Station 2 is located at 17950 South Van Allen, Escalon and is in excellent condition. The station is staffed by all volunteers. A Water Tender and a Rescue Truck is available at the station.

At this time the District is in the preliminary stages of preparing a strategic plan for upgrades and replacement of its infrastructure. Currently, there are no immediate plans for infrastructure upgrades. The District indicated that it has the ability to accommodate future development.

SERVICE ADEQUACY

There are two general indicators of service adequacy for municipal fire providers: ISO rating and response times. The Insurance Service Office (ISO), an advisory organization, classifies fire service in communities from 1 to 10, indicating the general adequacy of coverage. Communities with the best systems for water distribution, fire department facilities, equipment and personnel and fire alarms and communications receive a rating of 1. The Escalon Consolidated FPD has an ISO rating of 4 for the City and 8b rating for the rural areas.

The District establishes service response goals of five minutes from dispatch to arrival on scene in the City of Escalon; and 15 minutes from dispatch to arrival in the rural areas of the District. The most recent time studies indicated a five minute response time in the City of Escalon 90 percent of the time and less than 15 minutes in the rural areas 100 percent of the time.

Response data provided by LifeCom Dispatch Center regarding the District's 90 percentile "turnout time" and "travel time" in 2009 was 2:25 minutes turnout time and 7:25 minutes response time. These times were below the average 90 percentile time for all combination rural fire districts at 2:18 minutes turnout time and 7:13 minutes r travel time.

The District reported that its main service challenge is inhibited response created by train traffic along the Burlington-Northern-Santa Fe rail lines.

GOVERNANCE ALTERNATIVES

The District indicated that it does not foresee any future reorganization at this time. The District feels it has managed financial solvency, as well as operations solvency and that further consolidation would not benefit the District.

The District has had preliminary talks with the Ripon Consolidated and Salida FPDs on a personnel sharing program. This program would allow personnel from all three agencies to spend time at the other agency to study response areas and observe training and operations. The idea is not being pursued fully at this time.

MSR DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

1) The District's population is projected to grow at an average rate of 1.4 percent annually, from 12,598 in 2010 to 18,836 in 2040, an increase of 6,238 people.
2) The District receives on average 968 calls for service each year and approximately 71 percent are medical calls. The average number of calls received by the other county rural fire districts was 898 calls in 2008.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

1) The District owns two fire stations. The main station is located in the City of Escalon which is the most populated area. The second station is located east of Escalon on Hwy 120 and is staff by volunteers.
2) The main station is staffed with a minimum of a Battalion Chief and two firefighters. The District maintains an on-call list of nineteen volunteers.
3) Apparatus owned by the District include: 2 engines, 1 truck 2 water tenders, 2 rescue vehicles and 3 staff/support vehicles.
4) The Lifecom Dispatch Center reported the District's 90 percentile on elapse times as 2:25 minutes for Turnout and 7:25 minutes for Response, below the average 90 percentile times for all rural fire districts.

FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

1) The two revenue sources for the District include property tax revenue (28.2 percent) and special tax override (71.1 percent). The District receives the lowest property tax increment of all rural fire districts. It would not be able sustain operations if it did not have a special tax override in place.
2) The District did not experience a dramatic decrease in property tax revenues as did other rural fire districts. Property taxes revenues decreased 4.85 percent between 2008 and 2010. Over half of the fire districts saw a decrease of over 10 percent in its property tax revenue base.
3) The District's property tax revenue base is not affected by city annexations.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

1) The District provides and receives mutual and automatic aid from adjacent rural fire districts.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

1) Voters within the District approved a special tax override measure demonstrating the District's accountability to its constituents to provide adequate level of services.
2) No alternative governmental structures have been identified for the District.

6. FARMINGTON FIRE PROTECTION DISTRICT

FORMATION AND BOUNDARY

The Farmington Fire Protection District (FPD) was formed in 1936. The District currently offers fire protection, suppression and prevention, fire inspection, hazardous material, and basic and emergency medical services.

The District's service area is approximately 100 square miles and is located in the eastern portion of the County between Copperopolis Road to the north, Dodds Road to the South, Jack Tone Road to the west and the County border on the east. The District serves the communities of Farmington and the southern portion of the community of Peters. The Linden-Peters Rural FPD provides service to the northern portion of Peters. The majority of the service area is designated for agriculture. The Farmington FPD is bounded by three other County rural fire districts including Linden-Peters to the north, Collegeville to the west, and Escalon Consolidated FPD to the south. The county line and the Oakdale FPD (Stanislaus County) border the District on the east. The map of the existing boundary is shown in Map 6-1.

In 1984 the Commission adopted a sphere of influence for the District that included the existing territory and the 160-acre parcel located to the east that did not receive fire services from any county rural fire district. The parcel is within the CalFire State Responsibility Area. The Commission also considered the realignment of the District's northern boundary to avoid the division of the Peters community; the realignment being based on an equitable exchange of territory and revenues with the Linden-Peters Rural FPD. The boundary splitting the community of Peters remains and the 160-acre parcel has not been annexed.

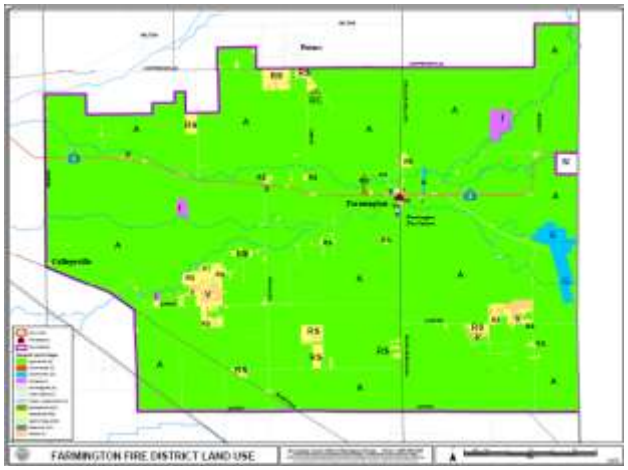
LOCAL ACCOUNTABILITY AND GOVERNANCE

The Farmington FPD has a five-member governing body. Board members are elected at large and serve four year terms. Board meetings are held on the fourth Monday of each month at the District's fire station.

	Name	Position	Began Serving	Term Expires
Members	Matthew W. Bailey	President	2006	2010
	Frank Ed Bracco Jr.	Sec/Treasurer	2008	2012
	Mike Keener	Member	2008	2012
	Cleve Latini	Member	2009	2010
	Kelly Ogilvie	Member	2008	2012
Manner of Selection	Election/Appointed			
Meeting Schedule	Day: 4th Monday at 7:00 pm Location: 25474 E. Hwy 4			
Agenda Distribution	Posted at the fire station 72 hours prior to meeting			
Minutes Distribution	Posted at fire station and distributed to Board members 72 hours prior to meeting and to public upon request			

Map 6-1: Farmington Rural Fire Protection District

Map 6-2: Farmington Rural Fire District Land Use Map



STAFFING AND MANAGEMENT

The District's staff consists of 1 paid employee who is the Fire Chief and 19 on-call sworn firefighters. The Fire Chief receives a base salary of $20,400 plus benefits and on-call staff receive $10 per diem per call. The station is covered with 1-2 Firefighters during the day and 1 EMT-2 at night at all times with volunteer Firefighters on call. There are no shifts. There is no minimum training requirement for volunteer firefighters but volunteer staff is required to be within 15 minutes response time to the fire station to be called and upon acceptance the volunteer must have CPR and First Responder certification completed within six months. Training opportunities are provided through the Modesto Fire Academy and in coordination with Ripon Consolidated FPD. The District hosted a live-fire-attack training and progressive hose lay training utilizing three wheat stubble fields donated by nearby farmers.

As of January 1, 2011 the District and Collegeville FPD entered into an Automatic Aid Agreement for specific areas, boundary line calls, and training.

SERVICE DEMAND AND GROWTH

Land uses within the District boundary encompass mostly low density residential, industrial, commercial and general agricultural uses (Farmington Fire District Land Use Map 6-2). The population of the District in 2010 was 2,010 people. Population growth is projected to correspond with the annual population growth of the unincorporated areas of the county at 1.10 percent per. By 2040 the population within the District is projected to increase to 2,790 people. In 2009 there were approximately 770 residential units, and in 2010 there were 12.9 million square feet industrial uses (296 acres) and 71.8 square feet commercial uses (2 acres) within the service area.

A small portion of the northern area of the District lies within the State Responsibility Area (SRA) under CalFire. The SRA includes lands classified by the State Board of Forestry as areas in which the primary financial responsibility for preventing and suppressing wild land fires is that of the State during fire season. These lands are covered wholly or in part by timber, brush, undergrowth or grass and lands used principally for range or forage purposes. Structural fires and other fire services are the responsibility of the local fire agency year round. There are very few residential units and some farm structures located in the SRA area. The State Bureau of Land Management provides fire protection to the Farmington Flood Control Basin also located within the District.

FINANCING

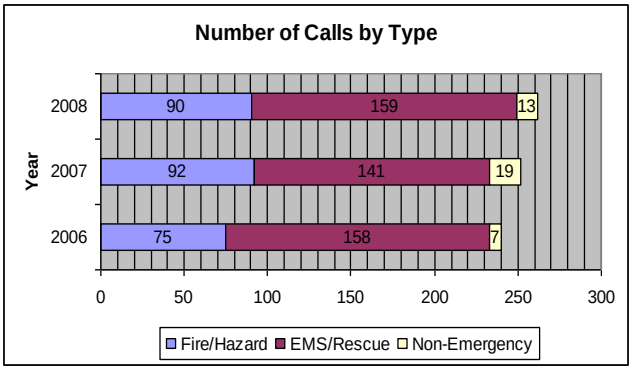
The District relies 99 percent on property tax revenues which totaled $233,568 in the fiscal year ending June 2010. Operational costs for the District in 2010 were $172,453. Farmington FPD is one of five rural fire districts that does not have a special tax or benefit assessment in place. Its property tax revenue base however has remained almost consistent in the last three years, decreasing by only 2.93 percent. The District also has one of the lowest property tax increments at 5.1 percent in comparison to the average for all rural fire districts at 11.7 percent. The District carried forth a reserve and capital outlay balance of $270,901 at the end of fiscal year 2010. Other revenue sources include fees for service and Strike Team reimbursements. For the purchase of equipment the District participates in a volunteer organization that has been in existence since 1936 and continued to participate after its incorporation in 1942.

The District will not be affected by annexations of Cities of district territory. The City of Stockton's sphere of influence does not overlap into the District territory.

NATURE AND EXTENT

The District operates one fire station located at the intersection of Highway 4 and Escalon-Bellota Road. No additional stations are planned. The District receives an average of 250 calls for service each year. The number of calls by type during the last three years is shown in Table 6-1. The District reported that 78 percent of the types of calls it receives are for emergency medical services and that 30 percent of its staff are certified EMT-1s and 70 percent are certified First Responders.

Table 6-1: Number of Call by Type



The District indicated that it has the equipment and training to accommodate a greater call volume than the District generates at this time. It currently provides assistance to the northeast portion of Stanislaus County that was unprotected until the Oakdale Rural FPD took in the unprotected area.

Highway 4 runs through the District and has a high volume of traffic on weekends and especially during the holidays and summers when travelers make their way to the mountains and lakes. There are numerous water ways including Duck Creek and the North and South Little John Creeks. The northeastern portion of the District is considered wildland and is designated as a State Responsibility Area (SRA) under CalFire. CalFire provides fire protection for wildland fires during fire season and the District is primarily responsible for structural fires however, the District responds to wildland fires throughout the year.

LOCATION

The District provides service primarily within its boundary area. Under a Mutual Aid Agreement (fire district provides or receives aid upon request by the first-response agency) the District provides service to French Camp Fire. The District maintains automatic aid emergency response (closest available resource, regardless of boundaries) to Linden-Peters, Escalon, and Collegeville FPDs in San Joaquin County and the

Oakdale Rural FPD in Stanislaus County. It also participates in the Countywide Fire Mutual Aid Agreement in which services are provided upon request.

Jack Tone Road and Mariposa Road serve as the District's western boundary. The community of Collegeville is located at this intersection and the Collegeville Rural FPD station is located to the east on Mariposa Road approximately 500 yards from the intersection. Its service area is to the west of Jack Tone and Mariposa Roads. The Farmington FPD station is approximately 10 miles from the intersection and serves properties east of Jack Tone and Mariposa. The fire district that can provide adequate response times to this area has not been determined. The Farmington FPD station is staffed 24-hours with a minimum of 2-3 firefighters while the Collegeville FPD is an all volunteer district and its station is not staffed. An Automatic Aid Agreement with Collegeville was agreed upon on January 1, 2011.

INFRASTRUCTURE

The District operates one fire station located at 25474 East Highway 4 and is in good condition, requiring only routine maintenance. The District has applied for a grant to expand and upgrade the station with living quarters. The fire station is staffed by an Assistant Chief for the night shift and the Chief and two officers during the day shift. Equipment at the station include: 3 engines, 2 water tenders and 1 rescue vehicle.

The District reported that the fire hydrants within the town of Farmington are inadequate at this time; however, upgrades to the hydrants are scheduled to be completed by summer of 2011. Upgrades will be paid for by a grant received by the Farmington Water Company.

SERVICE ADEQUACY

There are two general indicators of service adequacy for municipal fire providers: ISO rating and response times. The Insurance Service Office (ISO), an advisory organization, classifies fire service in communities from 1 to 10, indicating the general adequacy of coverage. Communities with the best systems for water distribution, fire department facilities, equipment and personnel and fire alarms and communications receive a rating of 1. The Farmington FPD has an ISO rating of 6/8b.

Response data provided by Lifecom Dispatch Center regarding the District's "turnout time" and "travel time" in 2009 were 5:17 minutes and 10:14 minutes 90 percent of the time for emergencies. The average 90 percentile for volunteer rural fire districts was 4:23 minutes for turnout time and 9:19 minutes travel time. Response data collected by the District however, showed an average "turnout time" of 2.7 minutes for the period July 2009 to June 2010 for 158 calls for service,

The District reported that its main service challenge was the extensive wildland areas within the district and also cited waterways with little or no access as problem areas within the District.

GOVERNANCE ALTERNATIVES

The Farmington FPD has not been affected by city annexations and the lost of territory and revenues. It has not considered other governmental alternatives for the provision of services as the board feels that current fire services are being provided adequately.

The District also belongs to the Joint Radio Users Group and the Fire Agencies Self Insurance System for workers compensation insurance coverage. The District participates in the County Mutual Aid Agreement.

MSR DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

1) Residential population growth within the District boundary is projected to be minimal.
2) The District receives an average of 250 calls for service each year of which 78 percent are for medical emergencies. The average number of calls received by the other county rural fire districts was 898 calls in 2008.
3) The northwestern portion of the District is within the State Responsibility Area for which CalFire is responsible for wildland fires.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

1) The District owns one fire station that is located in the town of Farmington where the District has the highest density of population.
2) The station is covered with 1-2 Firefighters during the day and 1 EMT-2 at night at all times with volunteer Firefighters on call.
3) The District owns six apparatus: 3 engines, 2 water tenders, one rescue vehicle, and 1 command vehicle.
4) The Lifecom Dispatch Center reported the District's 90 percentile on elapse times as 5:17 minutes for Turnout and 10:14 minutes for Travel Time. Data collected by the District indicates an average Turnout time of 2.7 minutes.

FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

1) Property tax revenue makes up 98 percent of the District budget. Total revenue received in 2008-2009 was $237,531 and operating expenses were $219,614. The reserve account held $242,670 at the end of fiscal year 2009.
2) The District would not be affected by city annexations.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

1) A mutual aid agreement with the French Camp-McKinley FPD provides needed administrative assistance with accounting and budget training.
2) The District maintains automatic aid agreements with adjacent San Joaquin County rural fire districts as well as the Oakdale Rural FPD in Stanislaus County.
3) The District entered into an Automatic Aid Agreement with Collegeville FPD on January 1, 2011.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

1) The Automatic Aid Agreement with Collegeville FPD will improve service to the community of Collegeville which is located at the District's western boundary and in closer proximity to the Collegeville FPD.
2) The feasibility of consolidation among the central county fire service providers in order to improve efficiency of services, improve staffing levels, and to promote facility and apparatus sharing needs to be explored as well as the establishment of a Functional Joint Powers Authority or Consolidation for administrative services for the District.

7. FRENCH CAMP-McKINLEY FIRE PROTECTION DISTRICT

FORMATION AND BOUNDARY

The French Camp-McKinley Fire Protection District was formed in 1946. The District currently provides fire protection, suppression and prevention, inspection, hazardous material, water rescue, and emergency medical services.

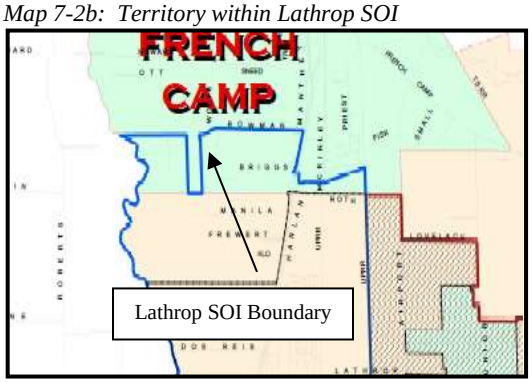
Map 7-1: French Camp-McKinley Fire Protection District

The District's service boundary is approximately 16 square miles and is centrally located in the County, south of the City of Stockton between French Camp Road and Roth Road and the San Joaquin River and Union Pacific Railroad. Included within the boundary is the community of French Camp, Interstate 5, Sharpe's Army Depot, and 114 acres of County facilities including the County hospital, jail, Sheriff's Office, Juvenile Justice Center, Mary Graham Children's Center, and migrant family housing units. The District is bounded by the City of Stockton Fire District to the north, Montezuma FPD to the east and the Lathrop-Manteca FPD to the south. To the west of the District is the unprotected Delta area. The map of the fire district boundary is shown on Map 7-1.

In 1983 the Commission amended the sphere of influence (SOI) for the District as follows: a coterminous SOI for the portion of the district which was beyond the City of Stockton SOI and a zero sphere for that portion of the district that is within the City's SOI boundary. Since 1993 the City has annexed more than 112 acres and detached this same territory from the French Camp-McKinley FPD. Currently, the City's SOI boundary covers 4,390 acres (52 percent) of the District's territory. In addition, the City of Lathrop's SOI boundary overlaps the District territory by approximately 963 acres or 11 percent of the District's territory. (See Map 7-2a & b Territory within Stockton and Lathrop SOI Boundary)

Map 7-2a: Territory within Stockton SOI

Map 7-2b: Territory within Lathrop SOI



LOCAL ACCOUNTABILITY AND GOVERNANCE

The French Camp-McKinley FPD has a five-member governing body. Board members are elected at large and serve four year terms. Board meetings are held on the first third Thursday of each month at the District's fire station.

	Name	Position	Began Serving	Term Expires
Members	Brandon Burlingame	Chair	2010	2014
	Bob M. Pico	Vice Chair	2000	2012
	Douglas Beckwith	Director	2004	2012
	Gorman Houbein	Director	2010	2014
	Serina Lee	Director	2010	2014
Manner of Selection	Districtwide Election			
Meeting Schedule	Day: 3rd Thursday of every month Location: San Joaquin General Hospital, Emergency Medical Services Classroom			
Agenda Distribution	Posted at the fire station (11-1) at least 72 hours prior to meeting			
Minutes Distribution	Posted at fire station and distributed to Board members 72 hours prior to meeting and to the public upon request			

The District makes an effort to connect with the community of French Camp and hosts several events during the year.

STAFF AND MANAGEMENT

The District's staff consists of 16 employees, seven are line staff and nine are reserve personnel. The District staffs one fire engine with additional engines staffed on a call back basis. A firefighter with five years experience at top step is paid an annual base salary of $39,900 plus benefits. On-call firefighters are paid $10.00 per hour. A range of in-house training opportunities are provided for staff and by an agreement with the Montezuma FPD and include emergency medical continuing education. The French Camp-McKinley and Montezuma FPDs rotate Fire Chiefs in order to provide coverage for the fire stations.

An audit was approved by the Board of Directors for fiscal year ending June 30, 2008. The audit found that the District's financial records conform to generally accepted accounting principles.

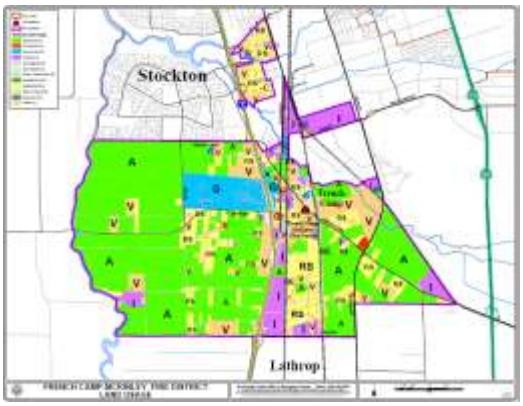
The Board adopts an annual budget. The District maintains a Capital Projects Fund to account for money received and is set aside by the Board for the purpose of building or buying major capital assets. The Contingency Fund has been established to account for money set aside for future unknown events, and a Health Reserve Fund is established to account for money set aside for future health costs.

Health and Safety Code Section 13916 authorizes the District to charge fees to cover the cost of any services provided by the District or the cost of enforcing any regulation. The District Board adopted a fee schedule in which fees are charged to non-resident customers for services provided by the District.

The District belongs to and participates in joint decision-making efforts including: Fire District Association of California, San Joaquin Joint Radio Users Group, County Fire Training Officer's Association, County Joint Urban Search and Rescue Unit, County Hazardous Materials Unit, and the County Fire Chief's Association.

SERVICE DEMAND AND GROWTH

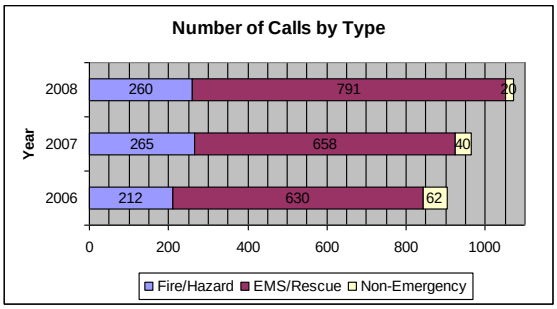
Map 7-3: French Camp-McKinley FD Land Use



Land uses within the District boundary encompass various density residential, industrial, commercial, governmental and general agricultural uses (French Camp-McKinley Fire District Land Use Map 7-3). According to the 2010 population count there were 7,272 people residing in the District. Future population growth is projected to correspond with the annual population growth of the unincorporated areas of the county at 1.10 percent per year through 2020 to a population of 8,112, an increase of 840 people. However, by the year 2040 it is anticipated that the areas now lying within the Stockton and Lathrop SOI boundaries will be detached from the District and the remaining population will be 1,009 people.

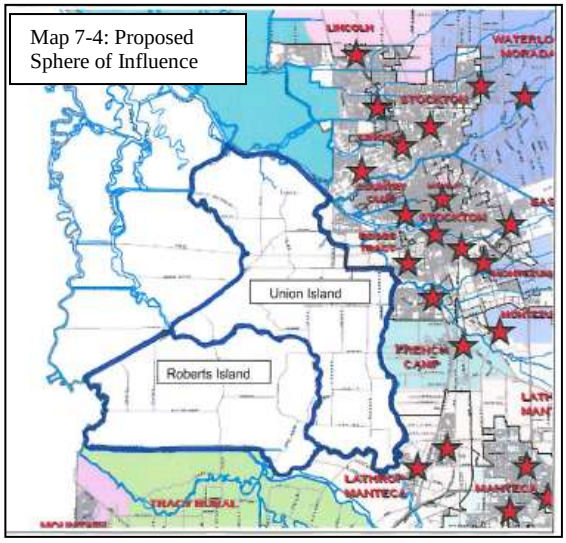
The District considers its customer base to be the structures and individuals living, working or traveling in and through the District. This includes the number of people who occupy the County jail, juvenile detention center, children's shelter, and the county hospital. The District estimates that on any given day there are at least 4,000 people who visit the county hospital. Demographic data provided by the County Community Development GIS Division indicates that there are approximately 1,571 (2009 estimate) residential units, and in 2010 there was 26.5 million square feet industrial uses (608 acres) and about 1.6 million square feet commercial uses (37.7 acres) within the District's service area.

Table 7-2: Calls by Type



The District maintains one fire station located at 310 East French Camp Road. The station is staffed by two engine companies. The number of calls by type is shown in Table 7-2. The District receives approximately 1,000 calls per year.

Located to the west of the District is the unprotected Delta area where no fire services are available. The Delta area is zoned AG-80 (minimum parcel sizes are 80 acres) under the County General Plan where the intent is to preserve agricultural lands. The estimated 2010 population of the unprotected Delta area is 2,410 and there are approximately 540 residential units. The adjacent rural fire districts and the City of Stockton Fire Department provide limited emergency services to this area mainly for vehicle accidents on Highway 4 and for structural fires when life is endangered. The District has requested that the two adjacent islands shown on Map 7-4, Roberts and Union Islands, be included in their sphere boundaries as they have contracted with 29 property owners living within these two islands to provide fire protection. The approximate area of the two islands is 75 square miles.



Government Code Section 56133 provides that a district may provide services outside its district

boundary but within its sphere of influence if it first requests approval by LAFCo. These contracts should be formalized through LAFCo by either amending the boundaries of the district or request LAFCo approval prior to entering new contracts.

FINANCING

Property taxes, special assessments, and fees for services are the main revenue sources for the District and provide 50 percent, 31 percent, and 10 percent of the budget respectively. During the last three years (2008 to 2010) rural fire districts experienced decreases in property tax revenues as property values decreased. Fire districts in general received an average decrease in property taxes revenues of about 14 percent; however, French Camp-McKinley FPD received 31 percent less revenue. This reduction in property tax revenues has had a great impact on the District budget. In addition, the Board has reached the maximum level that can be assessed under the special tax ordinance and would need to obtain voter approval for further increases. Approximately $263,825 in revenue is obtained from special assessment. At the end of fiscal year 2010 the District's capital and reserve balance was $650,476, about 72 percent of its operating budget.

The Board actively seeks other funding opportunities and has applied or received funds as follows: a $5,900 matching grant from CalFire for equipment, USDA Command Vehicle grant, and FM Global Fire Prevention grant to cover 100 percent of the cost for fire prevention. The District provides in-house training classes to outside agencies for a fee to recover its costs. An additional fund has been established to fund retired or separated employees sick leave, retirement, vacation and holiday pay. A Capital Outlay fund is used with current budget funds to upgrade and replace all apparatus over a 14 year period.

Although Development Impact Fees are not a significant source of revenue for many fire districts it does provide an opportunity for additional revenues. The French Camp-McKinley FPD has not participated in the program and should request that the County impose fees on its behalf. The District receives, through its contracts with property owners in the Unprotected Delta, area approximately $26,000 for fire protection services and receives service fees from the County to provide services and inspection to the County facilities.

Approximately 96.26 acres (11.4 percent) are in the City of Lathrop sphere and 4,390 acres (52.14 percent) are within the City of Stockton sphere. Using 2008-2009 property-related information provided by the County Community Development GIS Division, the County Auditor-Controller's Office provided estimates of what the property tax revenue loss would be to the fire district as a result of annexation of properties within the City of Lathrop and City of Stockton sphere horizons. The estimated property tax revenue loss would be $45,972 and $352,339 annually, respectively. As the City continues to grow outward and as annexations occur the District loses its property tax and special assessment revenues. The District will eventually be impacted to a point where it could no longer operate or provide an adequate level of fire services to its remaining territory if the current fiscal policies continue.

Detachment of territory from the District and annexed to the City of Stockton is subject to an agreement between the City and County (as the representative of rural fire districts). Under this Agreement, rural fire districts continue to receive their share of property tax revenues from the City and County in order help the District ease into the transition of the revenue loss. The Agreement, effective for five years commencing June 7, 2005 ended in June 2010. During the Agreement period, only one detachment consisting of 5.9 acres occurred. The District will no longer receive the property tax from this annexation.

The District reported a long-term debt from the State of California for the shortfall in funding received through supplemental roll tax revenue during the fiscal year 1984-85. The loan is interest free and was to

be repaid from the 1984-85 fiscal year supplemental roll tax revenue received by the district after January 1986. No due date has been assigned to the loan.

NATURE AND EXTENT

The District provides automatic aid (fire district provides or receives aid upon request by the first-response agency) to the Lathrop-Manteca FPD and to Montezuma FPD for aircraft incidents at the Stockton Metropolitan Airport. The District serves large areas of unincorporated farmland consisting of dirt roads, ditches, stand pipes, pesticide/herbicide hazards. There are many areas where there are no municipal water sources; however, the District's apparatus carry large amounts of water for this purpose. In addition there are various waterways within the service boundaries such as the San Joaquin River, Little John's Creek and numerous irrigation canals and ditches, non-standard bridges that restrict fire apparatus access. In order to provide fire services to the 5-story County Hospital the District has an agreement with the Sharpe/DLA for the use of their ladder truck.

Under an Automatic Aid Agreement with the Lathrop-Manteca FPD the French Camp-McKinley FPD provides structural fire, wildland fire, and vehicle accident and incident command (overhead personnel) services. The District also participates in the Countywide Fire Mutual Aid Agreement in which services are provided upon request.

Currently, the District is negotiating an Automatic Aid Agreement with the Sharpe/DLA Fire Department to provide services to the southern portion of its District. The automatic aid agreement will enhance the provision of services to the District. The District is also seeking automatic aid agreements with Sharpe/Defense Logistics Agency, the City of Stockton Fire Department and with the South County Fire Authority (Tracy) for the Roberts and Union Islands unprotected area.

SERVICE ADEQUACY

The District operates one fire station located at 310 East French Camp Road. The District indicates that the fire station location is adequate at this time and is in good condition, requiring only routine maintenance. The fire station is staffed 24-hours a day, each of the shifts, A-B-C are staffed by two personnel and an on-duty Fire Chief. An agreement with the Montezuma FPD provides for a rotating Chief so that one Chief is on duty during a 24 hour period, seven days a week.

Equipment at the station include: 4 apparatus equipped for wildland, structure, rescue, and hazardous materials and all can carry 800-1200 gallons of water on-board.

There are two general indicators of service adequacy for municipal fire providers: ISO rating and response times. The Insurance Service Office (ISO), an advisory organization, classifies fire service in communities from 1 to 10, indicating the general adequacy of coverage. Communities with the best systems for water distribution, fire department facilities, equipment and personnel and fire alarms and communications receive a rating of 1. The French Camp-McKinley FPD has an ISO rating of 4/8b.

Response data provided by LifeCom Dispatch Center regarding the District's 90 percentile "turnout time" and "response" times in 2009 were 2:11 minutes and 6:15 minutes respectively. These times were below the average 90 percentile time for all rural fire districts at 2:42 minutes turnout time and 7:38 minutes response time.

GOVERNANCE ALTERNATIVES

The District recognizes the need to explore other reorganizational structures. On-going discussions regarding consolidation or establishing a Joint Powers Agreement have occurred between the French Camp-McKinley, Montezuma and Lathrop-Manteca FPDs. The Districts are geographically connected and currently share fire stations, equipment, human resources, training, and have purchased equipment jointly. However, the uncertainties of the economy have stalled further discussions.

The District is encouraged to explore other options in light of future economic impacts to the District due to city annexations. Two alternative governmental structures that the District may want to consider is: 1) Contract with the City of Stockton, similar to the contract districts of Eastside, Boggs Tract, Lincoln, and Country Club-Tuxedo FPDs; or 2) Consolidate with the centrally located fire districts (i.e., Waterloo-Morada, Linden-Peters, Farmington, Collegeville, and Montezuma FPDs) into one agency. As a contract district the district pays for services based on the proportion of costs for fire service (e.g., General Fund) as calculated by the ratio of assessed property value in the district as compared to the total assessed property value in the City.

MSR DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

1) Population growth is projected to continue at the same pace as the County through 2020; however by 2040 due to City annexations it is projected that the District will decrease in size and have a population of 1,009.
2) The District receives an average of 1,000 calls for service each year of which 72 percent are for medical emergencies. The average number of calls received by the other county rural fire districts was 898 calls in 2008.
3) The District provides fire protection and inspection to the County facilities that include the County jail, hospital, juvenile detention center and children's shelter. On any given day at least 4,000 people visit this area for services.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

1) The District owns one fire station located at 310 East French Camp Road.
2) The Lifecom Dispatch Center reported the District's 90 percentile on elapse times as 2:11 minutes for Turnout and 6:15 minutes for Response. The average 90 percentile times for all Districts was 2:42 minutes for Turnout and 7:38 minutes for Response.

FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

1) The three main revenue sources for the District include property tax revenue (50 percent), special assessments (31 percent) and fees for services (10 percent). Property tax revenues decreased due to the decrease in property values by 31 percent from 2008 to 2010 which significantly impacted its budget.
2) Fifty-two percent of the District's territory is within the City of Stockton's SOI and one percent is within the City of Lathrop's SOI. City annexations will have an adverse impact to the District's ability to provide adequate service to its remaining territory due to the loss of revenue. The estimated property tax revenue alone represents a loss of 41 percent of the total budget. In

addition the District will lose a substantial amount of its special assessments collected from these areas.

3) The District does not participate in the Development Impact Fee program and should request that the County impose fees on its behalf as an additional revenue source.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

1) The District provides and receives mutual and automatic aid from adjacent rural fire districts and participates in various cooperative efforts to improve the provision of services.
2) The District shares staff and equipment resources with other rural fire districts in areas such as training, staff coverage, and administrative duties.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

1) Two alternative governmental structures have been identified for the District and should be explored by the District:
    a. Contracting with the City of Stockton
    b. Consolidation with the other centrally located rural fire districts
2) The District maintains contracts with several homeowners within the Unprotected Delta Region. These contracts should be formalized through the LAFCo by either amending the boundaries of the District or establishing out-of-agency service approvals pursuant to Government Code Section 56133.

8. LATHROP-MANTECA FIRE PROTECTION DISTRICT

FORMATION AND BOUNDARY

The Lathrop-Manteca Fire Protection District (FPD) was formed in 1936 under the Health and Safety Code. The District's service boundary is approximately 84.7 square miles and is located in the southern portion of the County. The existing boundary is shown on Map 8-1. The service area includes the City of Lathrop and the unincorporated land surrounding the City of Manteca.

The spheres of influence (SOI) for the cities of Manteca and Stockton overlap the service boundary of the fire district. Approximately 15 percent (8,000 acres) of the District's territory is within Manteca's SOI and 2 percent (over 800 acres) are within Stockton's SOI. Since 1990 the District's service territory has decreased in size by more than 5,800 acres due to annexations to the City of Manteca.

A coterminous sphere of influence for the District was adopted in 1983 by the Commission.

LOCAL ACCOUNTABILITY AND GOVERNANCE

The Lathrop-Manteca FPD has a five-member governing body. Board members are elected at large and serve four year terms. Board meetings are held on the third Thursday of each month at the District's fire station.

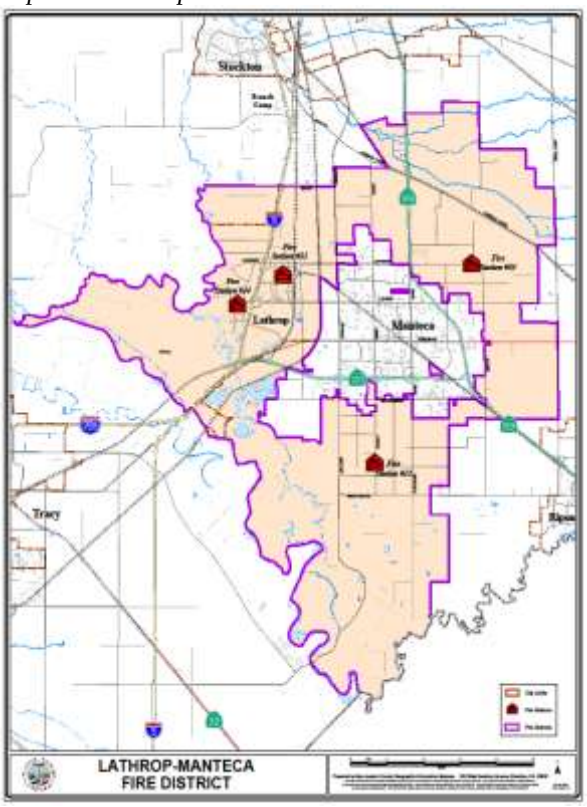
	Name	Position	Began Serving	Term Expires
Members	Bennie Gatto	Board Chairman	1998	2010
	Bill Mahaffey	Vice Chairman	1992	2012
	Manuel Medeiros	Director	1992	2012
	Frank Cauaco	Director	2007	2010
	Gloryana Rhodes	Director	2008	2012
Manner of Selection	General Election			
Meeting Schedule	Day: 3rd Thursday of every month Location: 800 J Street, Lathrop, CA			
Agenda Distribution	Posted at each fire station, Lathrop City Hall, and website			
Minutes Distribution				

The District's website at http://lmfd.org/ provides information about the District. The Board Agenda is posted and a schedule of activities and meetings is available.

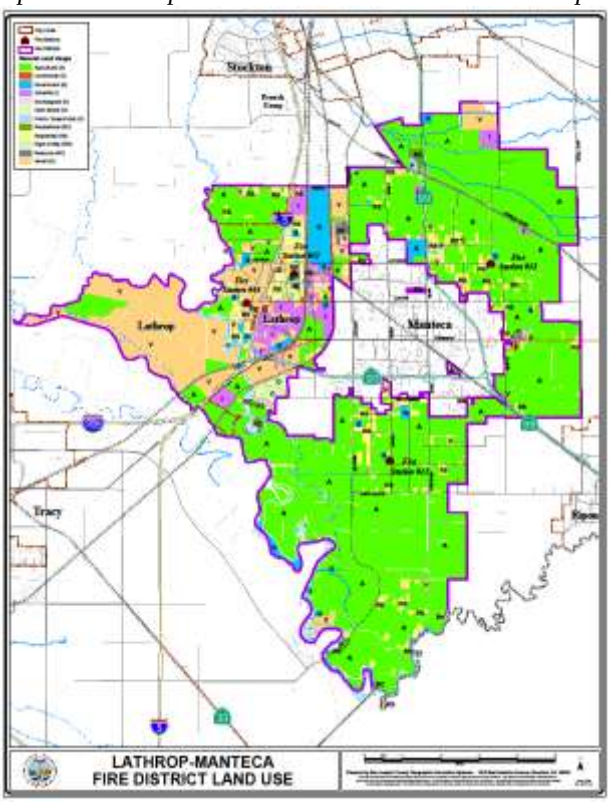
STAFFING AND MANAGEMENT

The District's staff consists of 37 sworn full-time firefighters including an interim fire chief, deputy chief, a Battalion Chief, 12 fire captains, 16 firefighter/engineers; 18 on-call firefighters; and 3 administrative staff. The base salary for a full-time firefighter with five years experience is $51,452 per year plus medical, dental and retirement benefits provided. The medium base salary for the same level firefighter employed in the County is $51,068. On-call firefighters are paid $8.00 per hour.

Map 8-1: Lathrop-Manteca Fire District



Map 8-2: Lathrop-Manteca Fire District Land Use Map



Prior to the drastic shortfalls in property tax revenues the District staffed the two fire stations located within the City of Lathrop with a minimum of three staff and a minimum of two staff for the two rural fire stations. After the budget shortfall and as a cost saving measure, all stations are being staffed with a minimum of two firefighters.

The District provides all firefighting requirement classes and provides specialized training for hazardous materials, dive rescue, urban search and rescue and medical training.

SERVICE DEMAND AND GROWTH

Land uses within the District bounds encompass various density residential, industrial, commercial and general agricultural uses (Lathrop-Manteca FPD Land Use Map 8-2). In 2010 the total population for the District was 25,197. Considerable population growth is expected to occur within the City of Lathrop when the River Islands Project completes construction of the planned 11,000 homes. It is projected that by 2020 the population will increase 49 percent to 37,612 and by 2040 it will increase another 103 percent to 76,453 people. Demographic data provided by the County Community Development GIS Division indicates that in 2009 there were approximately 6,210 residential units, 78.1 million square feet industrial uses (1,794 acres) and about 4.9 million square feet commercial uses (113 acres) within the District's service area.

FINANCING

Property taxes and special assessments are the main revenue sources for the fire district. The District received property tax revenues in the amount of $2,419,625 in fiscal year 2009/2010. The District's tax increment is 9.9 percent (percentage of tax dollars received) which is below the average of the other rural

fire districts. The average tax increment for all fire districts is 11.7 percent. During the period 2008 to 2010 most rural fire districts experienced declines in property tax revenues due to decreases property values. The Lathrop-Manteca FPD experienced one of the largest losses in property tax revenues. Between 2008 and 2009 property taxes decreased by 14 percent and between 2009 and 2010 property taxes decreased another 21 percent. The average decrease for all fire districts was 14.09 percent and it is anticipated that at least another decrease of 3 percent for 2010/2011 will occur. Because 52 percent of the total budget comes from property tax revenues the decreases has had a significant impact on the budget. In anticipation of the expected reduction of property tax revenues the District reduced its operating budget. In 2008, staff salaries and benefits totaled $5,076,167 and by 2010 the cost was reduced to $4,485,504, a 12 percent decrease. Additionally, it reduced its service and supplies expenditures by six percent. At the end of fiscal year 2008/2009 the District's reserve and capital outlay balance was $547,542 but by the end of fiscal year 2009/2010 the District's balance was $14,576, an insufficient reserve balance considering the District operating budget of $4.7 million.

Even though the District is currently experiencing a dire financial emergency now, the anticipated future growth within the City of Lathrop could make it fiscally sound since growth would generate revenues for the District. The District receives 9.9 percent of the property tax increment and has an established special assessment tax that would also apply to the new growth.

Special taxes generate 35 percent of the budget revenues. The District collects the largest amount of revenue from special assessments in comparison to the other rural fire districts. In fiscal year 2009/2010 the District generated revenue from special taxes in the amount of $1,741,489.

As cities annexations occur the District loses service territory and associated property taxes and special assessment revenues. The estimated financial loss in annual property taxes for territory annexing to Manteca and Stockton based on 2009 estimates is $313,529 (6 percent of the total budget) and $5,276 (.09 percent of the budget) respectively. The annual special assessment loss is unknown but will significantly impact the budget.

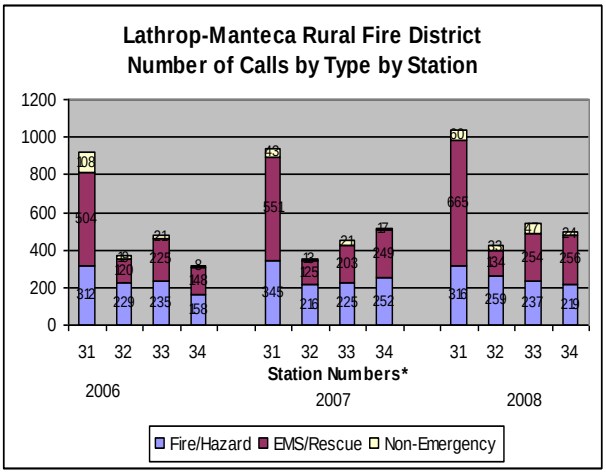
The District considered the possibility of a new sales tax initiative however, opted to not pursue that option. The District has already pared down overtime expenses and had not filled seven vacant positions in order to balance its budget in the coming fiscal year (FY 2010-11).

NATURE AND EXTENT

The Lathrop-Manteca FPD provides fire protection, prevention, suppression, fire inspection, hazardous material, emergency medical, and specializes in urban search and rescue and water rescue and dive. From the period 2006 to 2008 the number of calls for service had steadily increased from 2,087 calls in 2006 to 2,504 calls in 2008.

The District operates four fire stations; the newest station located at 460 River Islands is in proximity to where new development will occur (River Islands). Station #31 is located in the old portion of Lathrop which has the highest density of residential housing. The types of call received by each station during the last three years are shown

Table 8-1: Service Calls



** Station #31: 800 J St*
Station #32: 22701 Union Rd
Station #33: 9201 Lathrop Rd
Station #34: 460 River Is

in Table 8-1. Approximately 50 percent of the calls for service are for emergency medical and rescue.

The District states that more than 40 percent of the calls for service for Station #32 are for the City of Manteca and are the result of their Automatic Aid Agreement entered into in 1984 (closest resource is dispatched to an incident regardless of boundaries).

The District serves large areas of unincorporated farmland as well as high density areas such as within the City. There are various waterways within the service boundaries including the San Joaquin and Stanislaus Rivers that require the water rescue and dive services provided by the District. Major highways and freeways running through the District include Interstate 5, Highway 99 and 120, and the 120 Interchange as well as major railways. Large industrial operations such as the CoGen Facility, ER Carpenter and Libby Owens Ford increase the risks for hazardous materials incident calls.

The District indicated that its fire stations are appropriately located to provide services.

SERVICE ADEQUACY

There are two general indicators of service adequacy for municipal fire providers: ISO rating and response times. The Insurance Service Office (ISO), an advisory organization, classifies fire service in communities from 1 to 10, indicating the general adequacy of coverage. Communities with the best systems for water distribution, fire department facilities, equipment and personnel and fire alarms and communications receive a rating of 1. The Lathrop-Manteca FPD has an ISO rating of 4 in the City and 9 in the rural areas.

Response data provided by LifeCom Dispatch Center regarding the District's 90 percentile "turnout" and "response" times in 2009 were 2:21 minutes turnout and 7:21 minutes response time 90 percent of the time for emergencies. The average 90 percentile for other rural fire districts were 2:42 minutes for turnout time and 7:30 minutes for response.

GOVERNANCE ALTERNATIVES

The Lathrop-Manteca FPD had explored the possibility of forming a Joint Powers Authority with the City of Manteca and joining in the Tracy Rural FPD and City of Tracy Joint Powers Authority. The uncertainty of the impacts of property tax revenue losses halted further discussions.

Due to the significant loss in property tax revenues and the reduction in staffing and service levels to balance the budget, the District should consider coordinating the delivery of fire service with the City of Manteca. The District is in close proximity to the City of Manteca (the District completely surrounds the City) coordination of service would benefit the district by reducing costs as well as improve the delivery of service.

MSR DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

1) Considerable population growth is expected to occur within the City of Lathrop. The population is projected to increase from 25,197 in 2010 to 37,612 in 2020, a 49 percent increase, and to 76,453 by 2040, a 103 percent increase.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

1) The District operates four fire stations. The stations located in the rural areas are normally staffed with a minimum of two firefighters and the urban stations are staff with a minimum of three firefighters. Staffing levels will vary until budget issues are resolved.
2) Response data provided by LifeCom Dispatch Center regarding the District's 90 percentile "turnout" and "response" times in 2009 were 2:21 minutes turnout and 7:21 minutes response time 90 percent of the time for emergencies. The average 90 percentile for other rural fire districts were 2:42 minutes for turnout time and 7:30 minutes for response.

FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

1) Property taxes and special assessments are the main revenue sources for the District. The Lathrop Manteca FPD experienced one of the largest decreases in property tax revenues from previous fiscal year as compared to other rural fire districts. In fiscal year 2009 the District received 14 percent less than the previous fiscal year and in 2010 it received 21 percent less than the 2009 amount. The decrease in revenue has had a significant impact on the District's ability to provide service.
2) The District's operating and capital outlay reserve balance of $14,576 is insufficient to meet unforeseen costs considering that the District's operating budget is approximately $4.7 million.
3) The District continues to be impacted with the City of Manteca annexations. Fifteen percent of the District territory is within the Manteca sphere of influence and two percent is within Stockton's sphere of influence. The estimated financial loss in annual property taxes for territory annexing to Manteca and Stockton based on 2009 estimates is $313,529 (6 percent of the total budget) and $5,276 (.09 percent of the budget) respectively. The annual special assessment loss is unknown but the amount in addition to the annual property tax will significantly impact the budget.
4) Even though the District is currently experiencing a dire financial emergency now, the anticipated future growth within the City of Lathrop could make it fiscally sound since growth would generate revenues for the District. The District receives 9.9 percent of the property tax increment and has an established special assessment tax that would apply to the new growth.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

1) The District provides and receives mutual and automatic aid from adjacent rural fire districts.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONS EFFICIENCIES

1) Due to the significant loss in property tax revenues and the reduction in staffing and service levels to balance the budget, the District should consider coordinating the delivery of fire service with the City of Manteca. The District is in close proximity to the City of Manteca (the District completely surrounds the City) coordination of service would benefit the district by reducing costs as well as improve the delivery of service.

9. LIBERTY RURAL COUNTY FIRE PROTECTION DISTRICT

FORMATION AND BOUNDARY

The Liberty Rural County Fire Protection District was formed in 1946. The District currently provides fire protection and prevention, fire inspection, hazardous material awareness, and basic emergency medical services.

The District's service boundary is approximately 36 square miles and is located adjacent to the north county line, between Highway 99 and Jack Tone Road. The map of the existing boundary is shown in Map 9-1. The District is bounded by the Woodbridge FPD on the west, Mokelumne FPD on the south and Clements FPD to the east. A coterminous sphere of influence was adopted for the District in 1984.

LOCAL ACCOUNTABILITY AND GOVERNANCE

The Liberty FPD has a three-member governing body. Board members are elected at large and serve four year terms. Board meetings are held on the second Thursday of each month at the District's fire station.

	Name	Position	Term Expires
Members	Robert Erman	Chairman	2012
	William Ward	Clerk	2012
	Theodore Leventini Sr	Board Member	2014
Manner of Selection	Election – 4 year term		
Meeting Schedule	Day: 2nd Thursday every month Location: Liberty Fire Station, 24124 North Bruella Road, Acampo		
Agenda Distribution	Board Members, Fire Chief, table copy for public, posted on Station door and Oak View School		
Minutes Distribution	Board Members, Fire Chief, table copy for public District Minutes Binder		

STAFFING AND MANAGEMENT

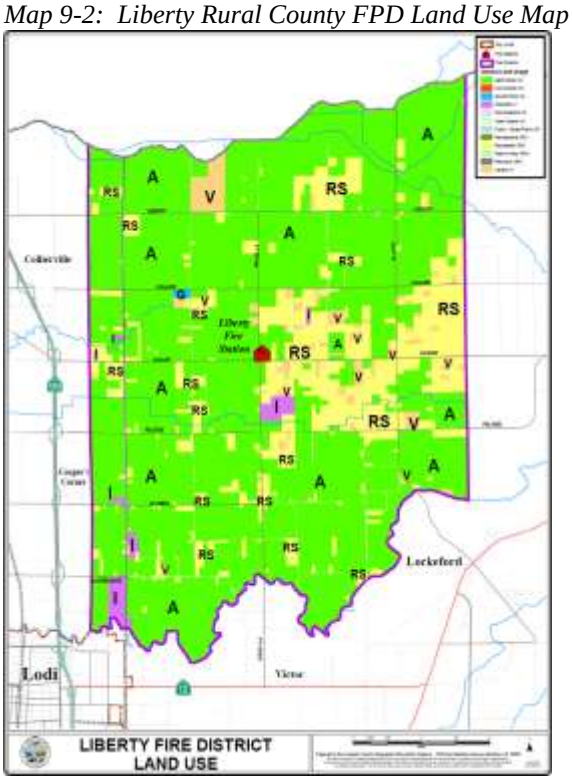
The District's staff consists of 19 sworn firefighters with seven being full-time and twelve on-call firefighters. The annual base salary for a fire fighter with five years experience is approximately $43,200 per year. In-house training is provided for all staff and classes are offered through the Consumnes FPD as well. The Fire Chief is responsible for all aspects of administrative, personnel, and financial management of the agency.

The District is a member of the Joint Powers Agreement for the San Joaquin Joint Radio Users Group and the Fire Agencies Self Insurance System and participates in the County Fire Chief's Association. Because of the proximity to the fire districts in Sacramento County the Fire Chief attends meetings of the South Sacramento rural fire districts.

An audit was approved by the Board of Directors on September 23, 2008. The District has a formal policy on maintaining an Emergency Contingency Fund account in the amount of $60,000. As of June 2009, its Capital and Reserve balance was $1,903,413.

Map 9-1: Liberty Rural County FPD

Map 9-2: Liberty Rural County FPD Land Use Map



SERVICE DEMAND AND GROWTH

Land uses within the District boundaries encompass rural residential and general agricultural uses (Map 9-2: Liberty FPD Land Use). The District provides fire services to a large winery and wine tasting room located on Woodbridge Road, a large dairies, Oak View School, South Boundary Mokelumne River and North Boundary Dry Creek. There are no major waterways running through the service boundary. The main thoroughfare running through the District is Liberty Road where traffic patterns have recently increased.

Population growth is projected to correspond with the annual population growth of the unincorporated areas of the County at 1.10 per cent per year. The 2010 population is 3,450 and will increase to 3,848 by 2020. Using the average annual growth rate of 1.10 percent the population is projected to grow to 4,790 people 2040. Demographic data provided by the County Community Development GIS Division indicated that in 2009 there were approximately 1,193 residential units, 12.3 million square feet industrial uses (283 acres) and about 49,600 square feet commercial uses (1.14 acres) within the service area.

The District does not desire or plan to serve areas that are not now within its boundaries and indicated that the fire station location is appropriate and no change is necessary due to growth or changes to traffic patterns.

FINANCING

The Board's Financial Policy includes a policy for maintaining a balance of $60,000 in an Emergency Contingency Fund. At the end of fiscal year 2009/2010 the District carried forth a capital outlay and reserve balance of $1,814,646.

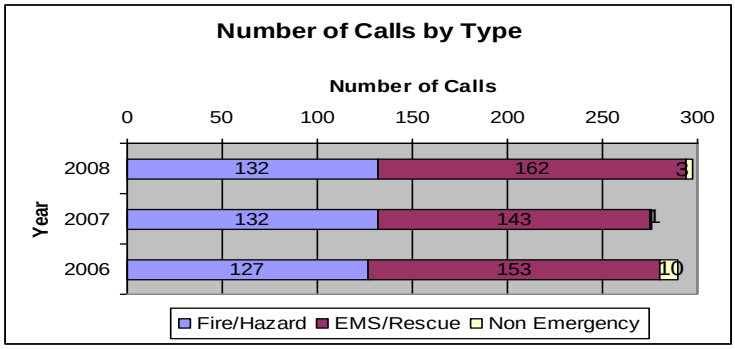
The District relies 99.5 percent on property tax revenues to operate and provide services. Property tax revenues for fiscal year 2009-2010 were $759,861. The District enjoys one of the highest tax increments (13.1 percent) in comparison to other rural fire districts. The average tax increment is 11.7 percent. However, it saw a 10.23 percent decrease in property tax revenues from 2008 to 2010 and it is projected that a decrease of 3 percent will occur for 2011. In the last two fiscal years the District's operating costs were much lower than revenues received and it was able to build up its reserve and capital outlay budgets. In 2008 the District transferred $206,533 to its Capital budget and in 2009, $313,973 was transferred. At the end of fiscal year 2009/2010 the District carried for a reserve and capital outlay balance of $1,814,646. A special tax or benefit assessment has so far not been necessary to augment the District's operating funds.

NATURE AND EXTENT

Liberty FPD provides fire protection, prevention, suppression, fire inspection (with the County Fire Warden), hazardous material awareness, and emergency medical services. The northeastern portion of the district is within the CalFire State Responsibility Area for wildland fires, however, the nearest CalFire station is located in Sutter Creek and operates only during fire season and the District must respond to all fires within the wildland areas.

Table 9.1 shows the types of calls received during the last three years. The District averages 288 calls annually. Five percent of the calls were for automatic and mutual aid requests for which the District provided automatic aid to Clements FPD for structures north of the Mokelumne River. The District has an Automatic Aid Agreement with Mokelumne Fire District to provide assistance in a designated zone north of Kettleman Lane and easterly to Bryant Road and with Cosumnes Fire Department. The District provides automatic aid when called. Because a portion of the service boundary is within the SRA the District maintains a Mutual Aid agreement with CalFire. The District also participates in the Countywide Mutual Aid Agreement for all county rural fire districts.

Table 9.1: Calls by Type



INFRASTRUCTURE

The District operates one fire station built in 1983 and is located at 24124 North Bruella Road. The station is centrally situated within the district boundaries. The station is in good condition, requiring only routine maintenance. Future plans include construction of two residences at the station site to allow firefighters to be housed at the station as a means to decrease response times in responding to calls for service. The District indicated that their apparatus was in good and excellent condition. Engines are normally replaced every 18-20 years. An engine was recently purchased in the last year.

SERVICE ADEQUACY

There are two general indicators of service adequacy for municipal fire providers: ISO rating and response times. The Insurance Service Office (ISO), an advisory organization, classifies fire service in communities from 1 to 10, indicating the general adequacy of coverage. Communities with the best systems for water distribution, fire department facilities, equipment and personnel and fire alarms and communications receive a rating of 1. The Liberty FPD has an ISO rating of 8b.

Two to three firefighters provide coverage for the station at all times. Seventy-one percent of the full-time staff and 17 percent of on-call staff are certified FF1 and 86 percent of all staff are EMT-1s. To initiate appropriate action on a call for service an officer must be present. Because the Liberty FPD is dependent on its on-call and volunteer fire fighters to staff the station, Fire Captains can also be volunteer staff.

The District established a response goal of 5 minutes and reported actual times for fire at 5:42 minutes, medical at 5:27 minutes, and other calls at 5:34 minutes.

Response data provided by LifeCom Dispatch Center regarding the District's 90 percentile "turnout time" and "response" times in 2009 were 2:26 minutes for Turnout and 7:00 minutes for engine performance. These response times are below the average for all rural fire districts. The average 90 percentile times for all fire districts were 2:42 minutes turnout and 7:38 minutes engine performance.

GOVERNANCE ALTERNATIVES

The District is not pursuing other governmental structures or opportunities for shared facilities and/or resources at this time. Due to the location of the District from other rural fire districts opportunities are limited.

MSR DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

1) Population growth is projected to correspond with the annual population growth of the unincorporated areas of the County at 1.10 per cent per year. Using the average annual growth rate of 1.10 percent the population is projected to grow from 3,450 in 2010 to 4,790 people by 2040.
2) The District receives an average of 288 calls for service each year of which 53 percent are for medical emergencies. The average number of calls received by the other county rural fire districts was 898 calls in 2008.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

1) The District owns one fire station located on North Bruella that is in good condition. The station is centrally located within the district boundaries.
2) The District has seven full-time and twelve on-call firefighters. The station is staffed by two to three firefighters.

3) The Lifecom Dispatch Center reported the District's 90 percentile on elapse times as 2:26 minutes for Turnout and 7:00 minutes for Response. The average 90 percentile times for all Districts was 2:42 minutes for Turnout and 7:38 minutes for Response.

FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

1) The District has the financial ability to provide an adequate level of service.
2) The District relies almost 100 percent on property tax revenues to operate. Property tax revenue from 2008 to 2010 decreased by 10.28 percent and the District was unable to transfer funds to its reserve and capital outlay account as it had the previous two years. However, the reserve account balance at the end of fiscal year 2010 was approximately $1,814,646.
3) The District enjoys a tax increment that is above the average tax increment for all rural fire districts at 13.1 percent.
4) The District is one of five fire districts that do not have a special tax. A special tax or benefit assessment has not been necessary to augment its budget.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

1) The District provides and receives mutual and automatic aid from adjacent rural fire districts.
2) The District is working on establishing an Automatic Aid agreement with Mokelumne FPD to provide assistance in a designated zone north of Kettleman Lane and easterly to Bryant Road.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

1) The feasibility of consolidation among the north county fire service providers to improve efficiency of services, improve staffing levels, and promote facility and apparatus sharing needs to be explored as well as a Functional Joint Powers Authority or Consolidation for administrative services or personnel-sharing for the District.

10. LINCOLN RURAL COUNTY FIRE PROTECTION DISTRICT

FORMATION AND BOUNDARY

The Lincoln Rural County Fire District (FPD) provides fire services to several unincorporated islands within the City of Stockton and to an area north of Eight Mile Road. A map of the District boundaries is shown on Map 10-1. The total service area of the District is approximately 8,083 acres. The District contracts with the City of Stockton to provide fire protection.

A "zero sphere of influence" was adopted for the District in 1973. The Commission adopted zero spheres of influence for urban service districts located wholly within and adjacent to the City of Stockton boundaries and recommended the formation of a "reorganization committee" to investigate a planned approach to orderly agency development for districts that provided competing municipal services in the unincorporated areas of the City. In 1983 the Nyman Report was completed which recommended that the three contract fire districts, Tuxedo-Country Club, Lincoln and Eastside FPDs, enter into a "joint exercise of powers agreement" to create a joint fire agency for purposes of contracting with the City or otherwise provide fire protection services to the residents of the joint fire agency. The joint powers agreement was never formed and each of the contract fire districts operates as a separate agency with its own board of directors.

LOCAL ACCOUNTABILITY AND GOVERNANCE

The District has a five-member governing body. Board members are elected at large and serve four year terms. Board meetings are held on the first Monday of each month at 4330 North Pershing Avenue, Suite B-1.

Table 10-1: Governing Body

	Name	Position	Began Serving	Term Expires
Members	Fred Hanker	President	1978	12/2012
	Brent Lesovsky	Vice President	2002	12/2010
	Ann Bauermeister	Director	2003	12/2010
	Paul Plinski	Director	2002	12/2010
	Dale Williams	Director	2003	12/2010
Manner of Selection	Election			
Meeting Schedule	Day: First Monday	Location: 4330 North Pershing Avenue		
Agenda Distribution	Mailed			
Minutes Distribution	Mailed with Agenda			

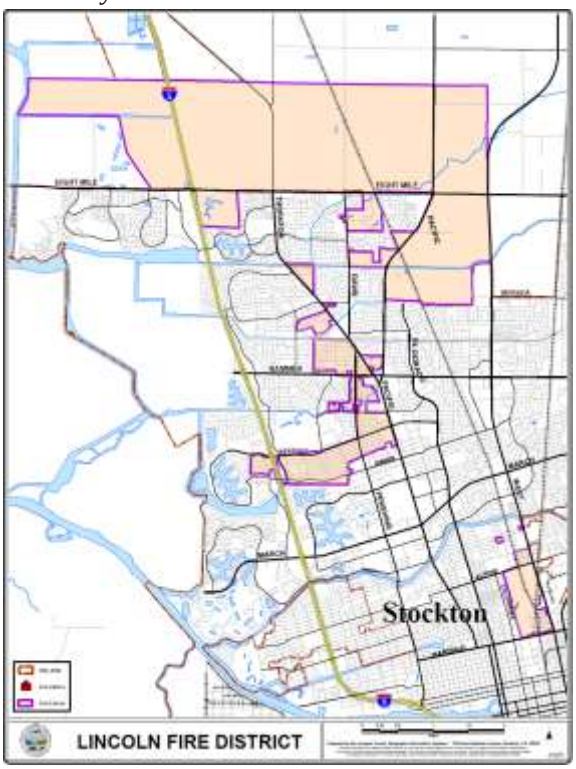
MANAGEMENT

The District does not employ firefighters or other personnel. The District contracts with a Clerk of the Board who prepares agendas and minutes, budgets, provides accounting and management services and represents the District at the County Fire Chiefs Association and other meetings.

The District does not have policies in maintaining financial reserves and reports that generating additional revenues are not necessary at this time.

SERVICE DEMAND AND GROWTH

Map 10-1: Lincoln County Rural FPD

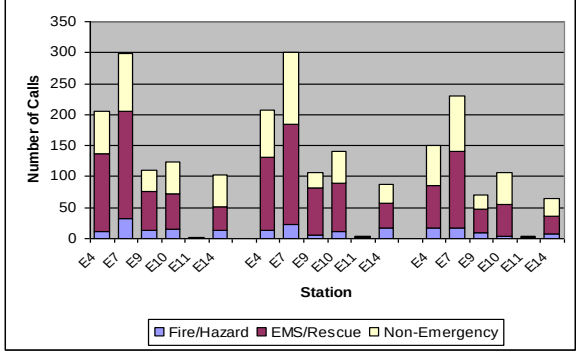


The estimated population of the district in 2010 was 8,650. Minimal growth will occur for those areas in the District that are unincorporated islands within the City of Stockton as this area is mostly built out. New development and population growth would most likely occur in the undeveloped areas adjacent to the City of Stockton and north of Eight Mile Road. The area is within the City of Stockton 30 year sphere of influence boundary. It is expected that as these areas develop, the City will provide all city services including fire protection. The area would annex to the City and detach from the Lincoln Rural FPD. Approximately 68.04 percent of the Lincoln FPD is within the City's sphere of influence. If the City annexes all of the fire district territory within the City's SOI the District's population would decrease to 960 people by the year 2040.

Demographic data provided by the County Community Development GIS Division show that in 2009 there were approximately 3,767 residential units, 1.6 million square feet industrial uses (37 acres) and about 3.6 million square feet commercial uses (83.52 acres) within the District's service area.

In 2008, the City of Stockton responded to 624 calls for fire services, however in the previous two years over 840 calls were received, about 54 percent being for emergency medical services. Table 10-2 shows the number of calls dispatched by station. Station E9 located at Hammer Lane and Alexandria receives the largest number of calls followed by station E4 located at March and Swain.

Table 10-2: Number of Calls by Type/Station



FINANCING

The sole source of revenue for the District is property tax revenues. In fiscal year 2009/2010 the District received $1,395,661 from property taxes and the City contract cost was $1,339,000. The tax increment for District is one of the highest of all fire districts at 21.7 percent. The average tax increment for all fire districts is 11.7 percent. Over the past three years the District's property tax revenues continue to decrease and from 2008 to 2010 it had decreased by 22.56 percent. It is projected that property tax revenues will decrease next year by another 3 percent. A special assessment to augment the District's revenues was approved by the voters but the Board had not implemented because sufficient revenues were available. At the end of fiscal year 2009/2010, the District carried forth a reserve balance of $1,868,666.

INFRASTRUCTURE

The District does not own or operate any fire stations. Services to the district are provided by the City of Stockton from nearby City fire stations. Fire hydrants are replaced by the District as needed.

SERVICE ADEQUACY

There are two general indicators of service adequacy for municipal fire providers: ISO rating and response times. The Insurance Service Office (ISO), an advisory organization, classifies fire service in communities from 1 to 10, indicating the general adequacy of coverage. Communities with the best systems for water distribution, fire department facilities, equipment and personnel and fire alarms and communications receive a rating of 1. The City of Stockton has an ISO rating of 1.
The District reported that the median response time was 4:30 minutes and a 90 percentile response time of 6:15 minutes. Since fire services are provided by the City of Stockton, the District indicated that they were satisfied with the response times to the District.

GOVERNANCE ALTERNATIVES

The District has not considered other governmental structures or other structural reorganizations.

MSR DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

1) Population growth would most likely occur in the undeveloped areas adjacent to the City of Stockton and north of Eight Mile Road. These areas are within the City of Stockton's sphere of influence.
2) Sixty-eight percent represents the area that the District would lose if the City of Stockton annexes all of the territory within its sphere of influence by 2040.
3) The District population would decrease from 8,650 to 960 by 2040 if the City annexes the territory within its sphere of influence.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

1) The District received 624 calls for service of which 50 percent were for medical emergencies. The average number of calls received by the other county rural fire districts was 898 calls in 2008.
2) The District does not own a fire station or apparatus. Fire services are provided through a contract with the City of Stockton.
3) The District receives the same level of service provided to City residents.

FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

1) The revenue source for the District is property taxes. In the previous fiscal years the District received sufficient property tax revenues to cover the City's contract costs and other related costs for fire protection. It had not invoked the special assessment approved by the voters because the Board determined adequate revenues where available. The reserve account held $1,868,666 at the end of fiscal year 2010.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

1) The District contracts for services and does not own facilities.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

1) Voters within the District approved a special tax override measure demonstrating the District's accountability to its constituents to provide adequate level of services.

11. LINDEN-PETERS RURAL COUNTY FIRE PROTECTION DISTRICT

FORMATION AND BOUNDARY

The Linden-Peters Rural County Fire Protection District was formed in 1937 under the California Health and Safety Code, Section 13800. The District currently provides fire protection, suppression and prevention, inspection and plan review, hazardous material, water rescue, and emergency medical services.

The District's service boundary is approximately 127 square miles and is located in the eastern portion of the County easterly from Beecher Road between Harney Lane and Copperopolis to the eastern County line. The District serves the communities of Linden and the northern portion of Peters with the majority of the District service territory designated for agriculture. The District is bordered by Clements and Mokelumne FPDs to the north, Waterloo-Morada and Eastside FPDs to the west; Collegeville and Farmington FPDs to the south and on its eastern boundary by fire districts located in Calaveras and Stanislaus Counties. The map of the District boundary is shown in Map 11-1.

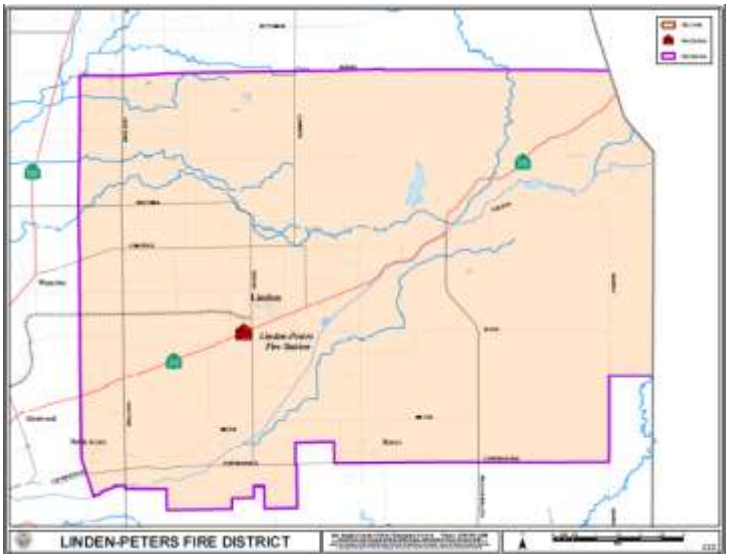
A coterminous sphere of influence was adopted for the District in 1984. In establishing the sphere of influence for the District, the Commission considered the addition of a 640-acre parcel located southeast of the District that does not receive fire services from any rural fire district but is covered by CalFire. Consideration was also given to the realignment of the District's southern boundary that divides the rural residential community of Peters; the realignment being based on an equitable exchange of territory and revenues with the Farmington FPD which serves the southern portion of Peters. The 640-acre remains outside the district and protection to the Peters community is provided by an automatic aid agreement with Farmington FPD.

LOCAL ACCOUNTABILITY AND GOVERNANCE

The Linden-Peters FPD has a five-member governing body. Board members are elected at large and serve four year terms. Board meetings are held on the first Thursday after the first Wednesday of each month at the District's fire station.

	Name	Position	Began Serving	Term Expires
Members	John E. Plotz	President	1973	2011
	Thomas G. Watkins	Vice President	1977	2011
	Joseph S. DiCarlo	Member	1999	2013
	Duane R. Brown	Secretary	2005	2013
	David J. Frison	Member	2008	2013
Manner of Selection	Election at large			
Meeting Schedule	Day: 1st Thursday after the 1st Wednesday of every month at 17725 East Hwy 26			
Agenda Distribution	Posted at the fire station (17725 E Hwy 26) at least 72 hours prior to meeting			
Minutes Distribution	Available at the fire station and provided to Linden Herald			

Map 11-1: Linden-Peters Rural County Fire Protection District



To address the need to improve overall performance, productivity, and the ability to respond to community needs, the District implemented an Operational Reorganization Plan dated 2005. The Plan called for leadership training of existing personnel in order to prepare existing personnel for future advancement, a strengthening of recruitment efforts and retaining volunteer personnel, and fiscal management improvements.

MANAGEMENT

The District is a combination fire district with 25 paid and volunteer staff. Thirteen are sworn full-time firefighters and twelve are on-call firefighters. Five personnel are California State Fire Marshal's Office (CSFMO) Certified Fire officers, 12 personnel are CSFMO-Fire Fighter I certified, 12 personnel are Emergency Medical Technicians, and 1 Captain is a CSFMO-Certified Master Instructor. The District maintains 2.33 sworn staff per 1,000 population. The Fire Chief and the Assistant Fire Chief are responsible for all aspects of administrative, personnel, and financial management of the agency. They are also responsible for the three functional divisions of the District that include Training, Fire Prevention, and Apparatus/Equipment/Building and Grounds Maintenance.

The District reports that an independent audit is conducted annually. The last audit was approved by the Board of Directors for Fiscal Year 2007-2008 on November 6, 2008. The Board adopted Fiscal Policies and Procedures that was last updated in 2007. According to the policy, the Fire Chief acts as the District's Treasurer and is responsible for day-to-day operations of the finances of the District. The Treasurer provides a financial report to the Board on a monthly, quarterly and annual basis.

The District maintains a policy on Capital Outlay Reserves intended to accumulate funds for future purchases of emergency apparatus, emergency equipment, buildings, property, building/property improvements, the District's Housing for Employees Loan Program, and any other unforeseen expenditures. The policy does not state a minimum reserve amount. Expenditures from the Capital Outlay Reserve require approval by the Board. Replacements of apparatus and staff vehicles are planned according to a schedule prepared by the Fire Chief.

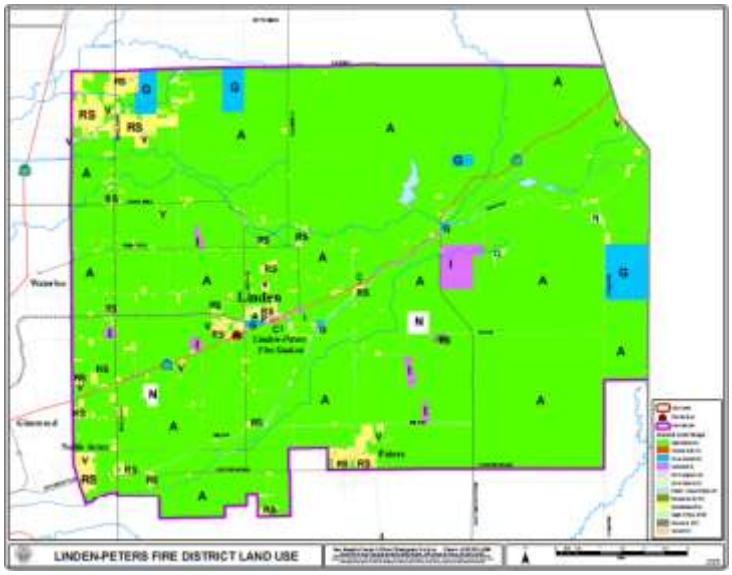
Health and Safety Code Section 13916 authorizes the District to charge fees to cover the cost of any services provided by the District or the cost of enforcing any regulation. In 1990 the District Board adopted the Fee for Service Ordinance in which fees are charged to non-resident customers for certain

types of services such as vehicle accidents and extrication, rescue, false alarm and emergency medical services.

The District belongs to and participates in joint decision-making efforts including: San Joaquin Joint Radios Users group, County Fire Investigation Unit, County Urban Search and Rescue Unit, County Hazardous Materials Unit, County Fire Chief's Association, and the Shared Employees Agreement with Waterloo-Morada FPD.

SERVICE DEMAND AND GROWTH

Map 11-2: Linden-Peters Fire District Land Use Map

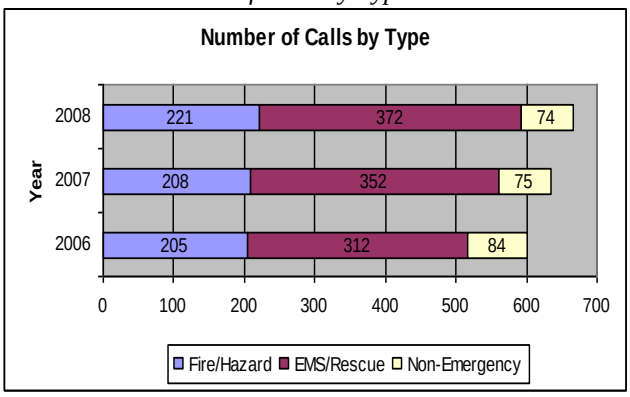


Land uses within the District bounds encompass various density residential, industrial, commercial and general agricultural uses (Linden-Peters FPD Land Use Map 11-2). In 2010 the population size within the District was 5,650 people. It is projected that population growth would occur at the same rate as the County at 1.10 percent. Therefore the projected population in 2020 is 6,303 and by 2040 the population will increase to 7,844. Demographic data provided by the County Community Development GIS Division indicates that there are approximately 1,897 residential units, 35.7 million square feet industrial uses (819 acres) and about 524,269 square feet commercial uses (12 acres) within the District's service area.

The District maintains one fire station located on Highway 26 near Linden. The number of calls by type for the last three years is shown below in Table 11-1. The District reported that 50 percent of the types of calls it receives are for emergency medical services and that 68 percent of its staff are certified EMT-1s.

The District does not desire or plan to serve areas that are not now within its boundaries. The District indicates that the fire station location is appropriate and no change is necessary due to growth or changes to traffic patterns.

Table 11-1: Number of Calls by Type



Approximately 35 square miles within the District boundaries are also in the State Responsibility Area (SRA). The SRA includes lands classified by the State Board of Forestry as areas in which the primary financial responsibility for preventing and suppressing fires is that of the State. These lands are covered wholly or in part by grass and lands used principally for range or forage purposes. The SRA is located in the eastern portion of the District and includes range land/foothill land.

FINANCING

The Board adopted financial policies in 2000 to serve as a guideline for the operation of the finances of the District. The Board's Financial Policy includes a policy for maintaining financial reserves.

The District's main source of revenue comes from property taxes. The District receives a tax increment of 17.5 percent which is much higher than the average of 11.7 percent for all rural fire districts. In 2010 the District received $1,436,055 in property tax revenues and $13,721 from fire permits and licenses. Operating costs for the district for the same fiscal year was $1,433,325. The District is one of five fire districts that do not have a special tax or assessment. In 1993 voters failed to pass a special tax measure. Over the last three years the District's property tax revenues decreased by 5.01 percent from $1,511,735 to $1,436,054. It is projected that property taxes will decrease another 3 percent in fiscal year 2010/2011. The District's reserve account balance at the end of fiscal year 2009 was $1,276,960.

The District reported a long-term debt in the amount of $24,878. The loan is from the State of California for the shortfall in funding received through supplemental roll tax revenue during the fiscal year 1984-85. The loan is interest free and was to be repaid from the 1984-85 fiscal year supplemental roll tax revenue received by the district after January 1986. No due date has been assigned to the loan.

NATURE AND EXTENT

Linden-Peters FPD provides fire protection, prevention, suppression, fire inspection and plan review, hazardous material, water rescue, basic EMS, emergency medical, public education services, and hosts the Linden High School Fire Science Regional Occupational Program.

Highway 26 runs through the District boundaries. Increased traffic using the highway causes an increase in services due to vehicle accidents. Within the District is a large agricultural packing and processing facilities which increase the demands for emergency responses, fire and safety inspections, building plan review, and specialized training for firefighters.

In 2008, the District reported receiving 675 calls for assistance. Of these, 50.22 percent were medical emergency and all were Priority "Code 3" calls and 24 percent were fire and Haz/Mat calls, also all Priority "Code 3" calls.

LOCATION

The District provides service primarily within its boundary area. Under a Mutual Aid Agreement (fire district provides or receives aid upon request by the first-response agency) the District provides service outside its bounds to the Jenny Lind FPD located to the east in Calaveras County. It also participates in the Countywide Fire Mutual Aid Agreement in which services are provided upon request. The District has non-written agreements with all surrounding fire agencies for automatic aid emergency response (closest available resource, regardless of boundaries) in designated areas for specific incident types. The District reported that 2.81 percent (19 calls) were in response to calls for Automatic Aid.

INFRASTRUCTURE

The District operates one fire station located at 17725 East Highway 26 and responds to calls for service for a 127 square mile area. The District has been at the current location since 1984 and indicated that the fire station is in good condition, requiring only routine maintenance. The fire station is staffed by a Captain, 2 Engineers, 1 Fire Fighter, and a Chief Officer is always on-call per shift. Equipment at the station include: 4 engines, 1 water tender, 1 breathing support trailer, 1 utility and 2 command trucks.

Two fire hydrants are purchased annually to improve the fire hydrant system within Zone 1. The hydrants are financed through property tax revenue generated within Zone 1 and are owned and operated by the Linden County Water District.

SERVICE ADEQUACY

There are two general indicators of service adequacy for municipal fire providers: ISO rating and response times. The Insurance Service Office (ISO), an advisory organization, classifies fire service in communities from 1 to 10, indicating the general adequacy of coverage. Communities with the best systems for water distribution, fire department facilities, equipment and personnel and fire alarms and communications receive a rating of 1. The Linden-Peters FPD has an ISO rating of 4 in Zone 1 (generally the Linden community area), and a rating of 8 for the remainder of the District.

The District does not establish service response goals but reports a median response time of 6:08 minutes from dispatch to arrival for all incidents. In order to evaluate service adequacy the Board of Directors monitors on a regular basis statistical data generated through the fire incident reporting system.

Response data provided by Lifecom Dispatch Center regarding the District's "turnout time" and "response" times in 2009 were 2:13 minutes turnout and 8:51 minutes response time 90 percent of the time for emergencies. The average 90 percentile for other rural fire district was 2:42 minutes for turnout time and 7:30 minutes response time.

The District reported that its main service challenge was the lack of community members willing and/or available to participate in the Fire Reserve program. This has required the District to increase the size of its paid staff which may eventually cause a financial strain on the District.

GOVERNANCE ALTERNATIVES

The Linden-Peters and Waterloo-Morada FPDs have entered into preliminary talks for a Joint Venture in the future due to their similarity in operations and funding. The Districts are geographically connected and are politically joined by a common school, supervisorial district and a large water district. They have had several staff level meetings regarding potential partnership and there has been a Board of Directors Committee level meeting. Continuing discussions over the joint venture were stalled when the Districts became concerned about the uncertainty of the economy. The Waterloo-Morada FPD's tax base would be impacted significantly by the City of Stockton's growth.

MSR DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

1) Population growth is projected to correspond with the annual population growth of the unincorporated areas of the County at 1.10 per cent per year. At this rate of growth the population is projected to grow from 5,650 in 2010 to 7,844 people by 2040.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

1) The District owns one fire station located at 17725 East Highway 26 that is in good condition. The station is located is the highest density area within the district boundaries.
2) The District receives an average of 640 calls for service each year of which 54 percent are for medical emergencies. The average number of calls received by the other county rural fire districts was 898 calls in 2008.
3) The Lifecom Dispatch Center reported the District's 90 percentile on elapse times as 2:13 minutes for Turnout and 8:51 minutes for Response. The average 90 percentile times for all Districts was 2:42 minutes for Turnout and 7:38 minutes for Response.

FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

1) The District has the financial ability to provide an adequate level of service.
2) The District relies almost 100 percent on property tax revenues to operate. Property tax revenue from 2008 to 2010 decreased by 5.01 percent and the District. The District maintains a reserve account in the amount of $1,020,311.
3) The District enjoys a tax increment that is above the average tax increment for all rural fire districts at 17.5 percent.
4) The District is one of five fire districts that do not have a special tax.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

1) The District provides and receives mutual and automatic aid from adjacent San Joaquin County rural fire districts as well as Jenny Lind in Calaveras County.
2) The District considered possible joint efforts in operations with Waterloo-Morada FPD.
3) The District is involved with the community and other local agencies serving Linden. It shares classroom and storage space with the school district and Chamber of Commerce and shares fuel costs with the local water district.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

1) Although the voters did not approve a special tax override, the District demonstrated accountability to its constituents to provide an adequate level of services.
2) The feasibility of consolidation among the north county fire service providers to improve efficiency of services, improve staffing levels, and promote facility and apparatus sharing needs to be explored as well as a Functional Joint Powers Authority or Consolidation for administrative services or personnel-sharing for the District.

12. MOKELUMNE RURAL COUNTY FIRE DISTRICT

FORMATION AND BOUNDARY

The Mokelumne Rural County Fire District (FPD) was formed in 1947. The District currently provides fire protection, suppression and prevention, inspection, plan check, water rescue, urban search and rescue, and emergency medical services.

The District's service boundary is approximately 64 square miles and is located in the northern area of the County between the Mokelumne River and Live Oak Road. The District serves the communities of Lockeford and Victor. The majority of the District is designated for agriculture. The Mokelumne FPD is bounded by five other County rural fire districts including Liberty, Clements, Linden-Peters, Eastside, Woodbridge, and the City of Lodi Fire Department. The map of the existing boundary is shown in Map 12-1.

In 1984 the Commission adopted a sphere of influence (SOI) for the District as follows: a coterminous SOI for the portion of the District which was beyond the City of Lodi's SOI and a zero sphere for that portion of the District that was within the City's SOI. Since 1984 the City of Lodi has annexed more than 373 acres and removed this same territory from the Mokelumne FPD. Currently, the City's SOI boundary encompasses about 151 acres or 0.70 percent of the District's total territory.

LOCAL ACCOUNTABILITY AND GOVERNANCE

The Mokelumne FPD has a five-member governing body. Board members are elected at large and serve four year terms. Board meetings are held on the first Wednesday of each month at the District's fire station.

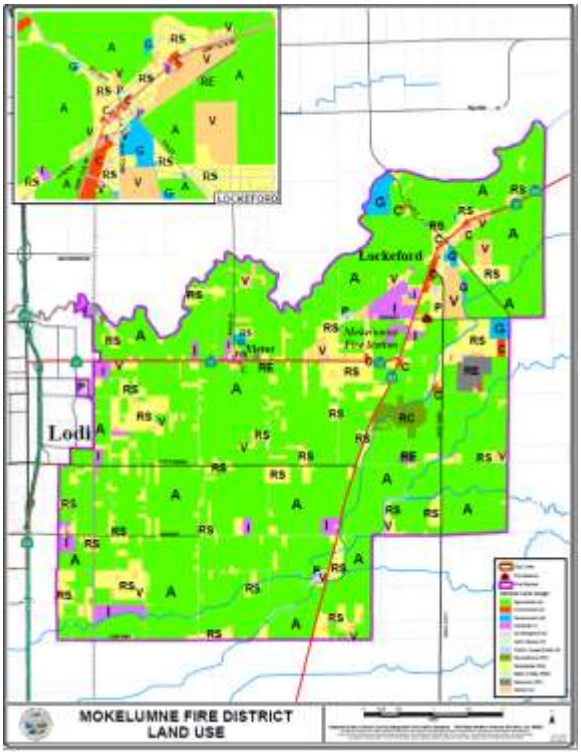
	Name	Position	Began Serving	Term Expires
Members	Mike Young	Chairman	2008	2012
	Sharon Godat	Vice-Chair	2006	2010
	Bernie Mettler	Director	2008	2012
	Jim Tamura	Director	2006	2010
	Mark Sperling	Director	2006	2010
Manner of Selection	Election at large			
Meeting Schedule	Day: 1st Wednesday of every month Location: 13157 East Brandt Road, Lockeford			
Agenda Distribution	Monthly			
Minutes Distribution	Monthly			

STAFF AND MANAGEMENT

The District's staff consists of 27 employees. Nine are sworn full-time firefighters and 16 are on-call firefighters. The base salary for a paid firefighter is $35,709 per year and an additional $3,032 for overtime pay. On-call firefighters are paid $8.00 per hour. The District operates one fire station that is staffed with a minimum of 1 Captain and 2 Engineers.

Map 12-1: Mokelumne Fire District

Map 12-2 Mokelumne Fire District Land Use



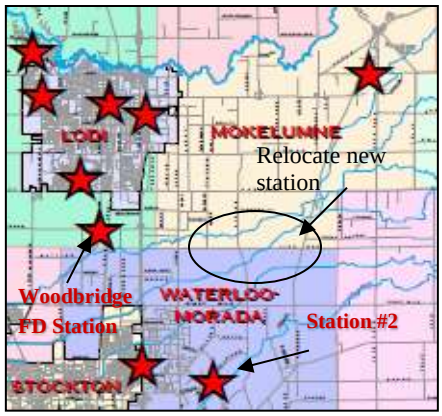
SERVICE DEMAND AND GROWTH

Land uses within the District boundary encompass various densities for residential, industrial, commercial, general agricultural and open space uses (Map 12-2: Mokelumne Fire District Land Use). In 2010 the population within the District was 6,410. It is projected that the population would increase at the same rate for the County at 1.10 percent. Using the average annual growth rate the projected population in 2020 is 7,151 persons and by the year 2040 the population would increase to 8,900. Demographic data provided by the Community Development GIS Division indicated that in 2009 there were approximately 2,539 residential units, 30.4 million square feet industrial uses (700 acres) and about 3.7 million square feet commercial uses (86 acres) within the District's service area.

The Mokelumne River borders the District to the north and the Pixley Slough and Bear Creek flow through the District. All firefighters receive water rescue training. The District service area also contains various wineries that also present additional demands on the District.

The District stated that there was a need to relocate the existing fire station located in Lockeford. A second station located in Victor was closed five years ago. The District indicated that Woodbridge FPD could perhaps serve the southwest area more efficiently. Map 12-3 to the right provides station locations for Mokelumne, Waterloo-Morada, Lodi, and Woodbridge. The Woodbridge FPD station is closer and can provide a better response time to the southwest portion of the District. However, in interviews with the Waterloo-Morada FPD concerns were expressed about the location of their Station #2 which is now located within the City of Stockton city limits due to annexations.

Map 12-3: Relocation Area



FINANCING

Property taxes and special assessments are the main revenue sources for the fire district although it also receives additional revenues for plan checks, fire facility fees, and development impact fees. For the fiscal year ending 2009/2010 the District received $477,969 in property taxes, $437,576 in special assessments. It receives one of the lowest property tax increments (6.2 percent) of all rural fire districts, 11.7 percent being the average increment received. As with other fire districts, property tax revenues continue to decrease. Over the past three years 2008 to 2010 property tax revenues decreased by 9.11 percent. At the end of fiscal year 2009/2010 the District carried forth a reserve and capital outlay budget in the amount of $446,926.

The special assessment was passed by the voters in 1987 and the current rates are the highest amount allowable under the Ordinance. In 2001 and in 2002 the District attempted to pass new Measures to increase the special tax but both Measures failed.

The District also adopted a schedule of fees pursuant to the Health and Safety Code to recover the costs of providing certain services such as vehicle accidents and fires, rescue services, and false alarms. Certain services are applicable for non-district residents. In fiscal 2008-2009, the Districts collected $12,760 through billing for services.

The sphere of influence for the City of Lodi overlaps the Mokelumne FPD service boundary. The Commission approved an 18 year sphere of influence for City. Approximately 151 acres (.70 percent) are in the City's sphere of influence. Using 2008-2009 property-related information provided by the County Community Development GIS Division, the County Auditor-Controller's Office provided estimate of $15,992 in annual property tax loss if all territory within Lodi's 10-year sphere horizon was annexed.

In July 2009 the Governor signed AB 15 approving the suspension of Proposition 1A (2004) allowing the State to borrow approximately $1.9 billion from special districts, cities and counties. Under this bill the State would borrow 8 percent of the 2008-2009 property tax revenues that would have been distributed to a special district. The bill requires that the revenues be repaid to the District within three years with interest but the State may borrow again upon repayment but no more than twice in 10 years. Information from the County Auditor-Controller's Office estimates that $41,009 in the District's property tax revenues will be shifted to the Supplemental Revenue Augmentation Fund (SRAF) created under AB15 to reimburse the state for health care, trial court, correctional, and other state-funded services and costs. The District chose not to participate in the Proposition 1A Securitization Program which would have secured the property taxes for the District.

NATURE AND EXTENT

The Mokelumne FPD responds to an average of 580 calls each year. In 2008, there were 586 calls for service as follows:

Fire	62	11%
EMS/Rescue	310	53%
Hazardous	20	4%
Other	194	33%

"Other" calls include dispatched and cancelled en route, assistance to police, and other services.

The District provides mutual aid and automatic aid to Clements, Linden-Peters, Montezuma, Waterloo-Morada, and Woodbridge FPD, Lodi City Fire and Office of Emergency Services.

INFRASTRUCTURE

The District operates one fire station located at 13157 East Brandt Road in Lockeford. The station is located in the most populated area of the District; however, Lockeford is situated in the north eastern part of the service area affecting response times to the southwestern areas of the District.

SERVICE ADEQUACY

There are two general indicators of service adequacy for municipal fire providers: ISO rating and response times. The Insurance Service Office (ISO), an advisory organization, classifies fire service in communities from 1 to 10, indicating the general adequacy of coverage. Communities with the best systems for water distribution, fire department facilities, equipment and personnel and fire alarms and communications receive a rating of 1. The Mokelumne FPD has an ISO rating of 5 and a rating of 8b for the remainder of the District. The District does not establish service response goals but uses the ISO Standards to evaluate its service performance. The District reports a median response time of 5:49 minutes from dispatch to arrival for all incidents.

The District provides service primarily within its boundary area. Under a Mutual Aid Agreement (fire district provides or receives aid upon request by the first-response agency) the District responded to 30 requests for service outside its bounds to the Clements, Linden-Peters, Lodi City, Montezuma, Office of Emergency Services, Waterloo-Morada, and Woodbridge FPDs. The District also responded to 60 automatic aid emergency response requests (closest available resource, regardless of boundaries) for Clements, Linden-Peters, and Woodbridge and the City of Lodi Fire Department. It also participates in the Countywide Fire Mutual Aid Agreement in which services are provided upon request. The fire station is typically staffed by a Captain and 2 Engineers but at a minimum at least 2 firefighters are on duty.

Response data provided by Lifecom Dispatch Center regarding the District's 90 percentile "turnout time" and "engine performance" times in 2009 were 2:31 minutes for Turnout and 7:27 minutes for engine performance. The 90 percentile times for all fire districts were 2:42 minutes (turnout) and 7:38 minutes (engine performance).

GOVERNANCE ALTERNATIVES

The Mokelumne FPD has explored the feasibility of contracting for service with the Lodi Fire Department and Woodbridge FPD. It would consider other structural reorganizations or boundary adjustments in order to increase the provision of service.

MSR DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

1) Population growth is projected to correspond with the annual population growth of the unincorporated areas of the County at 1.10 per cent per year. Using the average annual growth rate of 1.10 percent the population is projected to grow to 8,900 people within the District by 2040.
2) The District receives an average of 580 calls for service each year of which 53 percent are for medical emergencies. The average number of calls received by the other county rural fire districts was 898 calls in 2008.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

1) The District owns one fire station located in Lockeford that is in good condition. The station is located in the highest density area of the district.
2) The station is staffed by a Captain and 2 firefighters. The District maintains an on-call list of sixteen volunteers.
3) The Lifecom Dispatch Center reported the District's 90 percentile on elapse times as 2:31 minutes for Turnout and 7:27 minutes for Response. The average 90 percentile times for all Districts was 2:42 minutes for Turnout and 7:38 minutes for Response.

FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

1) The two revenue sources for the District include property tax revenue (55 percent) and special assessments (45 percent). The reserve account holds approximately 55 percent of the total operating budget.
2) One percent of the District territory (approximately 153 acres) is within the City of Lodi's SOI. The current annual property tax revenue loss to the District would be about $15,992 plus the special assessments.
3) The District attempted to pass new Measures to increase the special tax but both measures failed.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

1) The District provides and receives mutual and automatic aid from adjacent rural fire districts.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

1) Voters within the District approved a special tax override measure (1987) demonstrating the District's accountability to its constituents to provide adequate level of services.
2) The feasibility of consolidation among the north county fire service providers to improve efficiency of services, improve staffing levels, and to promote facility and apparatus sharing needs to be explored as well as a Functional Joint Powers Authority or Consolidation for administrative services for the District.

13. MONTEZUMA FIRE PROTECTION DISTRICT

FORMATION AND BOUNDARY

The Montezuma Rural Fire Protection District was formed in 1958 under the Health and Safety Code 13800-13970. The District currently provides fire protection, suppression and prevention, inspection, hazardous material, water rescue, basic and emergency medical, and aircraft rescue fire fighting (ARFF) services for the Stockton Metropolitan Airport.

The District's service area is divided into two areas, both of which are located southeast of the City of Stockton. The total service area is approximately 5,795 acres and service is provided to various density residential, commercial and industrial uses, the Stockton Metropolitan Airport, and a portion of the Northern California Youth Correctional Center. The District is adjacent to the City of Stockton Fire Department, Eastside FPD to the north, Collegeville FPD to the east, and the Lathrop-Manteca FPD to the south. The map of the existing boundary is shown in Map 13-1.

In 1983 the Commission approved a sphere of influence (SOI) for the District as follows: a coterminous SOI for the portion of the district which was beyond the City of Stockton SOI and a zero sphere for that portion of the district that is within the City's SOI boundary. In 2008, the Commission updated the City's sphere boundary which now extends beyond the fire district boundary encompassing 100 percent of the District. The City's SOI Update includes a plan to annex all territory within its sphere by the year 2020.

Since 1991 the City has annexed 775 acres (Table 13-1) reducing the size of the Montezuma FPD. The District has lost the annual property tax revenue and special assessments from the lost territory.

Table 13-1: Detachments from Montezuma 1991 to Present

Detachments from Montezuma	Acres	Year
North Little John's Creek	181.67	1991
Arch-99	13.50	1991
Steadfast	23.91	1991
Southeast Branch Library	10.69	1994
Rancho Mariposa	64.97	1996
Austin Road Landfill	114.00	1997
Massie	225.00	2001
Pock Lane Community School	6.04	2003
Michael Estates Residential	3.11	2004
Mariposa Business Center	15.00	2004
Seabreeze II	39.35	2004
Old Oak Estates	14.10	2005
Michael Estates II	1.70	2006
Arch/Newcastle	61.53	2009
Total Acres	**774.57**	

LOCAL ACCOUNTABILITY AND GOVERNANCE

The Montezuma FPD has a three-member governing body (Table 13-2). Board members are elected at large and serve four year terms. Board meetings are held on the first Wednesday of each month except in January, May, and July which are held the second Wednesday of the month.

The District maintains a website at www.montezumafire.com which provides information about the District, its personnel, programs and events.

Map 13-1: Montezuma Fire Protection District

Table 13-2: Governing Body

	Name	Position	Began Serving	Term Expires
Members	Linda A. Todd	Chair Person	1984	2012
	Sue Heaton	Director	2004	2012
	Jeff Hachman	Director	2006	2010
Manner of Selection	District wide Election			
Meeting Schedule	Day: 1st Wednesday of every month, except Jan., May, July 2nd Wednesday of month Location: 2405 South "B" Street, Stockton			
Agenda Distribution	Posted at fire station (181) 72 hours prior to meeting			
Minutes Distribution	Posted at fire station (181) and distributed to Board members 72 hours prior to meeting			

MANAGEMENT

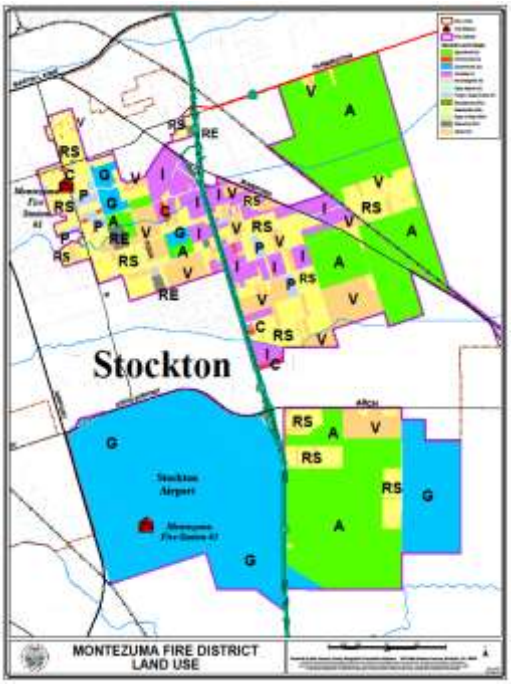
The District's staff consists of 24 employees. Eleven are sworn full-time firefighters and 15 are on-call firefighters. The District operates two fire stations that are located at 2405 South "B" Street (Station #181) and at 7422 South Lindbergh Street (Station #182) in south Stockton. The District indicated that the locations of the fire stations are appropriately located and they are in good condition, requiring only routine maintenance. The fire stations are staffed 24 hours a day as follows: 1 Captain, 1 Fire Fighter, and 1 Chief Officer at Station #181; and 1 Fire Fighter/Engineer, 1 Fire Fighter, and 1 Chief Officer at Station #182. Station #181 is equipped with five apparatus and Station #182 is equipped with four.

Health and Safety Code Section 13916 authorizes the District to charge fees to cover the cost of any services provided by the District or the cost of enforcing any regulation. In 2001 the District Board adopted a fee schedule in which fees for services are charged based on hourly rates for personnel and use of engines and equipment. In 1984 the District voters approved a special tax providing additional revenues for the District. There is no sunset clause on the special tax.

The District belongs to and participates in Joint Power Authorities or joint decision-making efforts including: Chief Officer JPA and training agreement with the French Camp-McKinley FPD, County Search and Rescue, County Fire Investigative Unit, and the County Joint Radio Users Group.

SERVICE DEMAND AND GROWTH

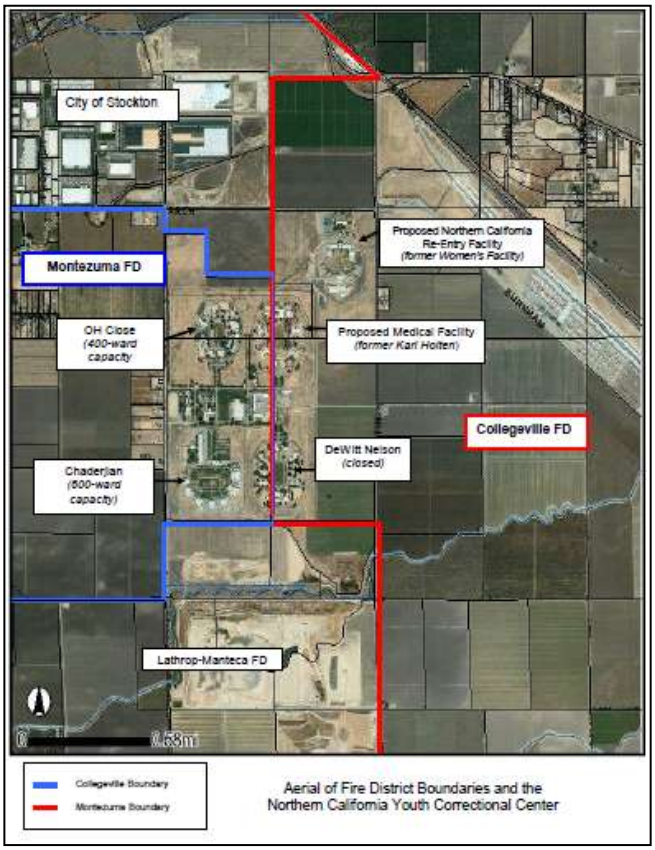
Map 13-2: Montezuma FPD Land Use Map



According to the 2010 population count there were 8,150 people residing in the District. Future population growth is projected to correspond with the annual population growth of the unincorporated areas of the county at 1.10 percent per year. By 2020 the population within the District is projected to increase to 9,092, however, based on the City of Stockton's 2040 sphere of influence growth plan, the City will expand into and annex the entire District's service territory. It should be noted however, that territory included within the City's Sphere of Influence does not indicate that annexation will automatically occur. In 2009 there were approximately 1,582 residential units, 37.4 million square feet industrial uses (859 acres) and 971,649 square feet commercial uses (22 acres) within the service area (Montezuma District Land Use Map 13-2).

The Stockton Metropolitan Airport is within the District boundary. Fire protection for the airport requires the use of special equipment and training of firefighters for Aircraft Rescue and Fire Fighter (ARFF). The District provides this service by contract which funds the operation and maintenance of the special vehicles and pays for the required staffing levels.

Map 13-3: Aerial of Fire District Boundaries and NCYCC



The District indicated that it does not plan to expand services outside its existing boundary and that there are no areas in the District that might be served more efficiently by another agency. However, the District's eastern boundary runs through the Northern California Youth Correctional Center (NCYCC) so that the facility receives fire services from two fire districts (see Map 13-3). The boundary line divides up two of the facilities where the east side of the complex receives fire service from Collegeville FPD and the west side of the same building receives service from Montezuma FPD. Karl Holton was closed in 2003 and there are proposed plans to develop a new facility on the site for a 1,800 bed medical care facility with a proposed staff of 3,030. The DeWitt facility was closed in 2008. The former Northern California Women's Facility located to the north of NCYCC is currently vacant but plans are to convert the facility to an adult male re-entry facility that would house 500 inmates plus staff. These proposed uses for the NCYCC land will potentially increase the demand for fire and emergency services. The State Department of Corrections recently negotiated a contract with

Collegeville to provide fire services for the adult male re-entry facility which is entirely located within Collegeville's service territory and will contract with Montezuma to provide fire services to the medical facility. Unless the Collegeville or Montezuma or the State of California request a boundary modification, LAFCo does not have the authority to adjust the boundaries.

FINANCING

Property taxes and special assessments are the main revenue sources for the fire district. The District received property tax revenues in the amount of $508,816 in fiscal year 2009/2010. The District's tax increment is 10.3 percent (percentage of tax dollars received). The average tax increment for the fire districts is 11.7 percent. Between 2008 and 2009 the District received an increase in its property tax dollars from $616,817 to $640,572. However from 2009 to 2010 the District received $131,756 or 21 percent decrease than the previous year. The average decrease for all fire districts was 14.09 percent and it is anticipated that at least another decrease of 3 percent for fiscal year 2010/2011 will occur. Because 50 percent of the total budget does come from property tax revenues the decrease has had a significant impact to the budget. In 2008, staff salaries and benefits totaled $587,438 and in 2010 staff costs increased by 32 percent to $777,820. The costs for services and supplies average about $150,000 per year. At the end of fiscal year 2009/2010 the District's reserve and capital outlay balance was $1,637,727, about 175 percent of its operating budget.

Special taxes generate about 32 percent of the budget revenues and a contract to provide ARFF services to the Stockton Airport provides 11 percent of the budget. Although Development Impact Fees are not a significant source of revenue for many fire districts it does provide an opportunity for additional revenues. The Montezuma FPD is currently working with the County on implementing a Development Impact Fee program.

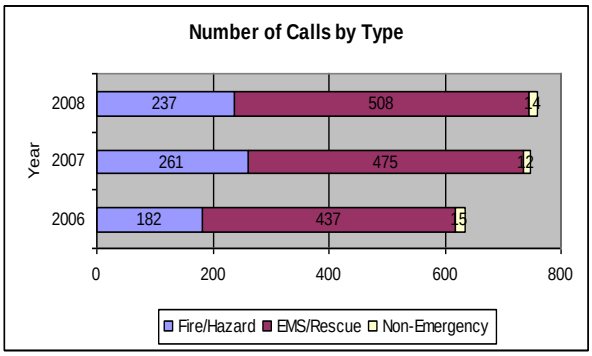
The entire fire district is within Stockton's SOI. According to the City's sphere plan, the City plans to annex all territory within its SOI by the year 2040. As the City continues to grow outward and as annexations occur the District loses the property tax and special assessment revenues. The District will eventually be impacted to a point where it could no longer operate or provide an adequate level of fire services to its remaining territory.

Between June 2005 and June 2010, territory that was detached from the fire district because it annexed to the City of Stockton was subject to the City and County rural fire district agreement whereby the City and County agreed to continue payment of property tax revenues during the agreement period. The purpose of the agreement was to help the District ease into the transition of the revenue loss and to seek alternate funding. The contract period ended in June 2010. During the Agreement period, three detachments consisting of 78 acres occurred.

NATURE AND EXTENT

In 2008, the District reported that 759 calls for service were received. Of these, 67 percent were for emergency medical services (100 percent of the fire fighter's are certified EMT-1s) and 31 percent were for fire and hazardous/material services. Sixteen percent (120) of the District's calls were responses to automatic aid requests. The number of calls by type is shown in Table 13-3.

Table 13-3: Calls by Type



SERVICE ADEQUACY

There are two general indicators of service adequacy for municipal fire providers: ISO rating and response times. The Insurance Service Office (ISO), an advisory organization, classifies fire service in communities from 1 to 10, indicating the general adequacy of coverage. Communities with the best systems for water distribution, fire department facilities, equipment and personnel and fire alarms and communications receive a rating of 1. The Montezuma FPD has an ISO rating of 5-9.

Response data provided by LifeCom Dispatch Center regarding the District's 90 percentile "turnout" and "response" times in 2009 were 2:21 minutes turnout and 7:21 minutes response time 90 percent of the time for emergencies. The average 90 percentile for other rural fire districts were 2:42 minutes for turnout time and 7:30 minutes for response.

GOVERNANCE ALTERNATIVES

The District participates in on-going discussions with the French Camp-McKinley FPD and the City of Stockton regarding the financial affects to the District upon annexation of territory to the City. The District has considered other reorganizational structures such as consolidation, with the French Camp-McKinley FPD but has not come to a resolution.

Two alternative governmental structures that the District may want to consider is 1) contract with the City of Stockton, similar to the contract districts of Eastside, Boggs Tract, Lincoln, and Country Club-Tuxedo FPDs. As a contract district the district pays for services base on the proportion of costs for fire service (e.g., General Fund) as calculated by the ratio of assessed property value in the district as compared to the total assessed property value in the City; and 2) consolidate with the centrally located fire districts (i.e., Waterloo-Morada, Linden-Peters, Farmington, Collegeville, and French Camp-McKinley FPDs) into one agency.

MSR DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

1) Population growth is project to correspond with the annual population growth of the unincorporated areas of the County at 1.10 percent per year. At this rate of growth, the population is projected to grow from 8,150 to 9,092 by 2020. However, by 2040 it is projected that City of Stockton growth would require the annexation of the entire District's territory and the District would cease to exist.
2) The State Department of Corrections and Rehabilitation is proposing a 1,800 bed medical care facility with a proposed staff of 3,030 and to establish a 500-adult male re-entry facility on the Northern California Youth Correctional Center property and Northern California Women's Facility. These proposed uses will greatly increase the District's service volume.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

1) The District owns two fire stations that are in good condition and are staffed by 11 full-time sworn fire fighters and 15 on-call firefighters.

2) The District provides Aircraft Rescue and Fire Fighter service to the Stockton Metropolitan Airport. Special training and equipment is needed to provide ARFF. The equipment and required staffing levels are provided for under contract with the airport.
3) The LifeCom Dispatch Center reported the District's 90 percentile for response times as 2:21 minutes for Turnout and 7:21 minutes for Response. These response times are below the average 90 percentile response times for all rural fire districts.

FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

1) Revenue sources for the District include property tax revenue (50 percent), special assessments (32 percent) and contract fees (11 percent) to provide Aircraft Rescue and Fire Fighter service for the Stockton Metropolitan Airport.
2) The District is currently working with the County on implementing a Development Impact Fee Program.
3) The District received a significant amount less (21 percent from previous fiscal year) in property tax revenues in fiscal year 2009-2010 greatly impacting the budget. The District maintains a reserve and capital outlay balance that is 175 percent of its operating budget.
4) One hundred percent of the District's territory is within the City of Stockton's sphere of influence. The District will eventually be impacted to a point where it could no longer operate or provide an adequate level of fire services to the remaining territory.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

1) The District belongs to and participates in Joint Power Authorities including the Chief Officer JPA and training with French Camp-McKinley RFP, County Search and Rescue Team, County Fire Investigative Unit, and the County Joint Radio Users Group.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

1) In order to provide an adequate level of service for the Department of Corrections proposed facilities, the entire facility should be in the Montezuma FPD or an automatic aid agreement should be established to provide improved service coverage.
2) Two alternative governmental structures have been identified for the District and should be explored by the District:
    a. Contracting with the City of Stockton
    b. Consolidation with the other centrally located rural fire districts

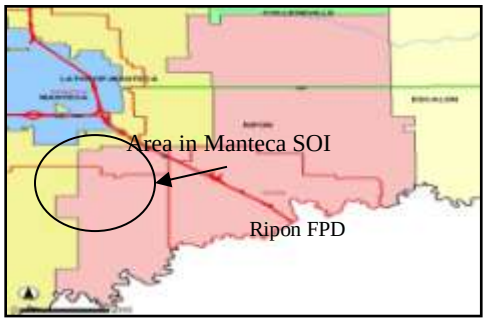
14. RIPON CONSOLIDATED FIRE PROTECTION DISTRICT

FORMATION AND BOUNDARY

The Ripon Consolidated Fire Protection District was formed in 1963 by the consolidation of the Ripon Fire District and the Ripon Rural Fire District. The original Ripon Fire District was created in 1921 and served an area of one square mile. The Ripon Rural Fire Protection District was formed in 1940 and provided emergency services to the surrounding rural area. The two fire districts shared a station, equipment, and personnel but operated as separate entities prior to consolidation.

The Consolidated District's service boundary is approximately 55 square miles and covers the southern portion of the County. The District serves the City of Ripon and the surrounding unincorporated land which is mostly designated for agriculture. The District is bounded by the Escalon Consolidated FPD to the east, the Lathrop-Manteca FPD to the west, Collegeville FPD to the north, and the San Joaquin county line on the south. The map of the existing boundary is shown on Map 14-1, next page.

Map 14-2: Area in Manteca SOI



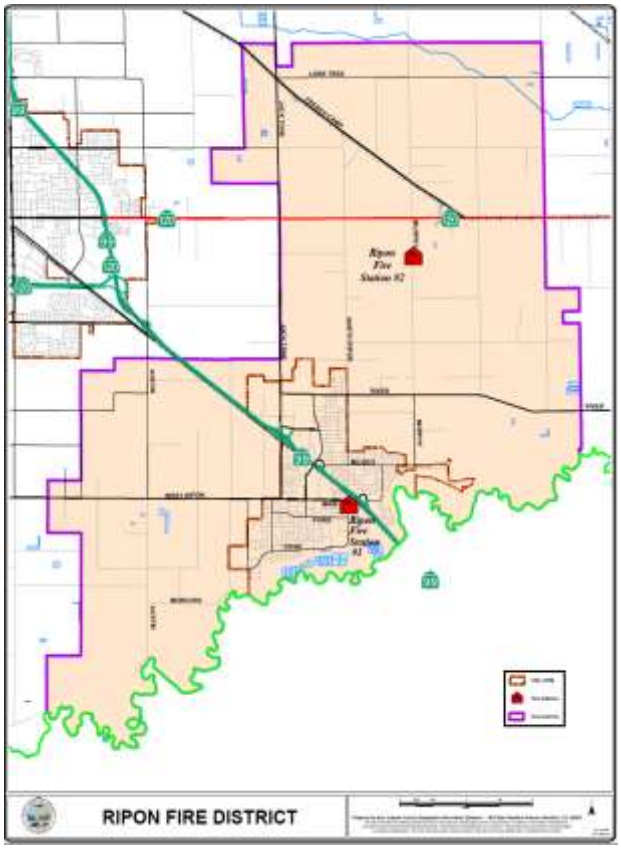
In 1983 LAFCo adopted a sphere of influence for the fire district that was coterminous with the existing boundary. In 2008 and 2009 the Commission updated the sphere of influence boundaries for the cities of Manteca and Ripon. As a result, about four percent of the fire district's service boundary is now within Manteca's 10-year SOI planning horizon. (Map 14-2)

LOCAL ACCOUNTABILITY AND GOVERNANCE

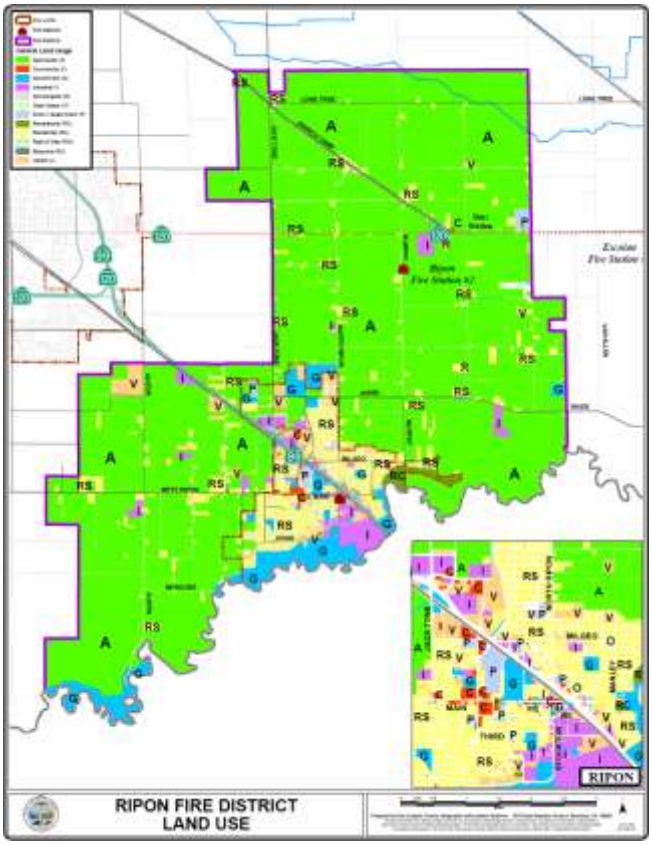
The Ripon Consolidated FPD has a five-member governing body. Board members are elected at large and serve four year terms. Board meetings are held the first Thursday of each month at the fire station located at 142 South Stockton Avenue.

	Name	Position	Began Serving	Term Expires
Members	Dennis VanDerMaaten	Chair	2003	2010
	Don Moyer	Vice-Chair	2004	2012
	Bryer Perkins	Secretary	2006	2010
	Jeff Rankin	Member	2009	2010
	Don Wever	Member	2008	2012
Manner of Selection	Elected			
Meeting Schedule	Day: 1st Thursday after the 1st Tuesday of each month Location: 142 South Stockton Avenue, Ripon			
Agenda Distribution	Mailed, posted, newspaper			
Minutes Distribution	Mailed, posted, newspaper			

Map 14-1: Ripon Consolidated FPD



Map 14-2: Ripon Consolidated FPD Land Use



The District maintains a website at www.riponfire.com that contains a wide variety of information about the District, its history and operations, equipment and fire safety information.

STAFFING AND MANAGEMENT

Staff consists of 15 full-time Firefighters (7 are certified as Paramedics), approximately 15 Reserve Firefighters, and approximately 30 volunteers with an extensive waiting list. The base salary for a firefighter at top step with five years experience is $51,068 per year and on-call firefighters are paid $50.00 per 24-hour shift. Benefits including retirement, medical, dental, and vision are provided for all full-time personnel. Paramedics are provided with a 10 percent incentive pay. The Training Officer is a master instructor and provides in-house training for staff as well as other agencies.

A formal policy on maintaining financial reserves was adopted by the Board. It is the Board's policy to "pay as you go" requiring a balanced budget at year end. Operating surpluses are evaluated and transferred to the General Fund Reserve or Capital Outlay as deemed prudent. It is the District policy that an unreserved, undesignated fund balance be maintained that is equal to or in excess of 24 months of projected income derived from the provision of ambulance transport services.

SERVICE DEMAND AND GROWTH

Land uses within the District boundary encompass various residential densities, schools, commercial and industrial and general agricultural uses (Map 14-2 Ripon Fire District Land Use). According to the 2010

population count there were 18,681 people residing in the District. Population growth would likely occur in the City of Ripon and is projected to grow at an annual average growth rate of 2.20 percent. By 2020 the population is projected to increase to 23,192 and by 2040 it is projected to increase to 35,969 residents. Demographic data provided by the County Community Development Department indicated there were 5,227 residential units, 22,785,513 square feet industrial uses (523 acres) and 2,762,193 (63.41 acres) commercial within the District boundaries.

FINANCING

Property taxes and special assessments are the main revenue sources for the fire district. The District received property tax revenues in the amount of $914,909 in fiscal year 2009/2010. It has one of the lowest tax increments of 5.6 percent (percentage of tax dollars received) of the rural fire districts, the average tax increment being 11.7 percent. In the last three years (2008 to 2010) most rural fire districts experienced decreases in property tax revenues due to a decrease in property values and in some cases up to 30 percent. The average decrease for all fire districts was 14.09 percent and it is anticipated that another decrease of 3 percent for 2010/2011 would occur. The District experienced a 6.02 percent reduction in its property tax revenue. Property tax revenues contribute about 61.35 percent of the budget and special taxes provide 45 percent. The Board has reached the maximum level that can be assessed under the special tax ordinance and attempted to obtain voter approval for further increases. In 2007 the voters did not approve an increase to the special taxes in place since 1985. Another source of revenue for the District had been Redevelopment Pass-Thru funds which vary each year. In fiscal year 2008/2009 the District received $16,753 and in fiscal year 2009/2010 it received only $445.

Ambulance service provides approximately $500,000 annually in income. Revenues and expenses for this service are maintained as a separate account. Due to decreases in revenues the District reduced service levels in nonemergency areas and raised ambulance and other fees. Capital improvements and equipment are purchased through funds donated by the community. In 2006, through a substantial donation the District was able to construct a 4-story training tower.

NATURE AND EXTENT

The District provides fire protection, prevention, suppression, inspection, hazardous material, water rescue, basic and advanced medical, ambulance, urban search and rescue, fire investigation and Incident Management Team services. The District added emergency ambulance service in 1974. It was the first and currently the only fire district in the County to provide an ambulance service. Because the District has certified paramedics on staff it provides Advanced Life Support as well as Basic Life Support for medical incidents. The ambulance service is staffed 24/7 with at least one paramedic on duty.

Ripon firefighters participate in the Urban Search and Rescue Team for the County. Urban search and rescue involves the location, rescue (extrication), and initial stabilization of victims trapped in confined spaces as a result of structural collapse, transportation accidents, machinery, or collapsed trenches.

The Ripon Consolidated FPD responded to 1,733 calls in 2008. The types of calls for service in 2008 were as follows:

Emergency Medical	1,073	62%
Fire/Hazard-Material	294	17%
Alarm	82	5%
Other	209	12%
Wildland Fires	75	4%
Total Calls	1,733	100%

The District provides mutual aid to the California Mutual Aid System and provides automatic aid to Lathrop-Manteca, Manteca City Fire Department, Escalon Consolidated FPD and the Salida FPD (Stanislaus County).

INFRASTRUCTURE

The District operates two fire stations. The main station, 2-1, is located in Ripon on 142 South Stockton Avenue and was renovated in 2003 adding approximately 24,000 square feet of usable space. Station 2-1 houses the following apparatus: 3 engines, 1 quint (truck), 1 rescue, 1 utility, and 1 ALS ambulance as well as a "back-up ambulance. Station 2-1 is staffed by a Battalion Chief, Captain, Driver Operator and a firefighter for each shift. Each of which is certified at a minimum as an EMT and each shift is staffed with a minimum of 1 paramedic. The District attempts to staff Station 2-2 two to four nights per week with at least 1 volunteer driver operator and 1 volunteer firefighter. The station is staffed 3-4 nights a week by a volunteer engineer and firefighter. The District foresees the need to add a third station in the River Road area, north of the City of Ripon.

SERVICE ADEQUACY

An indicator of service adequacy can be its Insurance Service Office (ISO) rating. Fire districts with the best systems for water distribution, fire department facilities, equipment and personnel, fire alarms, and communications receive a rating of 1. The Ripon Consolidate FPD has an ISO rating of 4 in the City and 8 in the outlying rural areas. In addition the District has set response time goals of 5 minute travel time within the City and 10 minutes travel time for rural areas and monitors the actual times to determine if it has achieved its goals. The District cites that its ability to maintain adequate staffing levels due to budget reductions affects its ability to provide better response times to concurrent calls for service.

Response data provided by Lifecom Dispatch Center regarding the District's 90 percentile "turnout time" and "engine performance" times in 2009 were 2:10 minutes for Turnout and 6:59 minutes for engine performance. These times were below the 90 percentile times for all fire districts which were 2:42 minutes (turnout) and 7:38 minutes (engine performance).

GOVERNANCE ALTERNATIVES

The District maintains mutual and automatic aid agreements with the Lathrop-Manteca, Escalon, and City of Manteca fire departments and with the Salida FPD in Stanislaus County. The District is considering a shared joint facility with the Ripon Police Department to reduce facility costs.

MSR DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

1) The population for the District is projected to grow at an annual growth rate of 2.20 percent from 2010 to 2040. The population in 2010 was 18,681 and would grow to 23,192 during the first 10-year planning horizon (2020) and to 35,969 by 2040.
2) The District received 1,733 calls for service each year of which 62 percent are for medical emergencies. The average number of calls received by the other county rural fire districts was 898 calls in 2008.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

1) The District is the only fire district to provide ambulance service.
2) The District owns two fire stations that are in good condition. The main station is located in the City of Ripon where the District has the highest density of population. A second station is located in the rural area in the northern portion of the District.
3) The main station is staffed by a battalion chief, captain, engineer and firefighter per shift. The District maintains a volunteer list of 45 people and 80 more are on the waiting list.
4) The Lifecom Dispatch Center reported the District's 90 percentile on elapse times as 2:10 minutes for Turnout and 6:59 minutes for Response.

FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

1) Property taxes and special taxes are the main revenue sources for the District. Approximately 61.35 percent of the budget comes from property taxes and 45.05 percent from special taxes.
2) The District implemented cost saving measures and have not decreased service levels for non-emergencies. The District has actually expanded service through additional training and an enhanced Reserve program that facilitates staffing of Station 2-2 on the average of two to four days per week.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

1) The District maintains mutual and automatic aid agreements with Lathrop-Manteca, Escalon, and the City of Manteca.
2) The District is exploring the feasibility of sharing facilities with the Ripon Police Department.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

1) The District demonstrated accountability to provide a level of service to the community by making an effort to increase the special assessments to pay for the costs. The voters rejected the ballot measure, however, and the District reduced levels of service in non-emergency areas and increased ambulance and other fees.
2) There were no alternative governmental structures identified for the District.

15. THORNTON RURAL FIRE PROTECTION DISTRICT

FORMATION AND BOUNDARY

The Thornton Rural Fire Protection District was formed in 1951 under the California Health and Safety Code, Section 13800. The Thornton Rural Fire Protection District currently provides fire protection, suppression and prevention, inspection, hazardous material, and emergency medical services to a service area that is approximately 43.8 square miles. The District is located in the northwest portion of the County. The District serves the community of Thornton and adjacent agricultural areas.

In 1984, the Commission adopted a coterminous sphere of influence for the District and an "interim sphere" pending the completion of a County study for the unprotected Delta area north of the Deep Water Channel to Highway 12. In 1985, the Board of Supervisors formed the Delta Rural Fire Protection District, an all volunteer fire district, to provide fire protection for the unprotected area. In 2003 the Delta Fire Protection District consolidated with the Woodbridge FPD.

The Thornton FPD is surrounded on the west, south and east by the Woodbridge FPD and the District's northern boundary is the north County line. A map of the District's existing service boundary and fire station location is shown in Map 15-1.

LOCAL ACCOUNTABILITY AND GOVERNANCE

The District has a five-member governing body. Board members are elected at large and serve four year terms. Board meetings are held on the second Thursday of each month at the District's fire station located at 25999 North Thornton Road, Thornton. The District does not maintain a website.

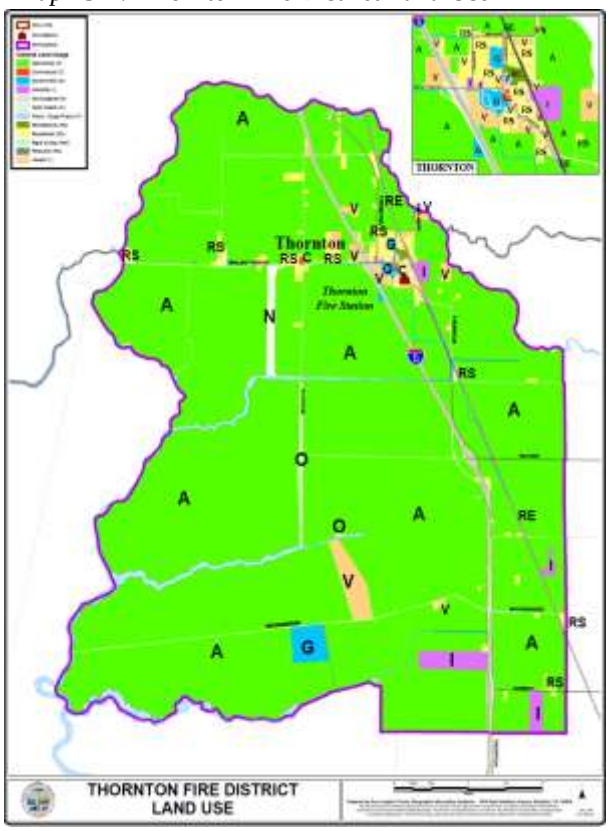
	Name	Position	Began Serving	Term Expires
Members	Jim Allan	Chairperson	07/07	12/13
	Bill Stokes	Vice-Chair	09/97	12/11
	Leonard Clark	Director		12/13
	Frank Yoka	Director	06/04	12/13
	Everin Watkins	Director		12/11
Manner of Selection	Elected			
Meeting Schedule	Day: 2nd Thursday of each month Location: 25999 North Thornton Road			
Agenda Distribution	Posted at post office, fire station, Lodi News Sentinel			
Minutes Distribution	At meeting			

STAFF AND MANAGEMENT

The District's staff consists of 20 sworn firefighters: four are full-time firefighters and 16 are on-call firefighters. There is one full-time paid Chief and 1 part-time Battalion Chief. Station staffing includes:

Map 15-1: Thornton Rural Fire District

Map 15-2: Thornton Fire District Land Use



Weekdays: 1 paid, 1 Volunteer intern and 1-2 volunteers and on Weekends: 1 paid and 1-3 volunteer firefighters. Base salary for a full-time firefighter with 5 years experience is $27,360 annually. Qualifications include Firefighter I, EMT, Wildland firefighting, Haz-Mat Operations, California Class B Drivers License and other certifications. Intern firefighters receive a stipend reimbursement, training and experience. Volunteer firefighters are straight volunteers. Minimal qualifications for on-call firefighters include certifications for Fire Fighter I and emergency medical. The District provides various in-house classes and training and participates in the County Training Officer's Association.

Health and Safety Code Section 13916 authorizes the District to charge fees to cover the costs for providing services or the costs to enforce any regulation. The District charges fees for responses for non-residents. In 1987 the District obtained voter approval (75 percent of the voters approved the Measure) for a special tax providing additional revenues to operate. The revenue from this source augments the District budget by 30 percent.

The District does not have a formal policy for retaining a reserve balance. At the close of fiscal year 2009/2010, $31,070 remained in its reserve and capital outlay account.

SERVICE DEMAND AND GROWTH

Land uses within the District boundary encompass various density residential, industrial, commercial and general agricultural uses (Thornton FPD Land Use Map 15-2). According to the 2010 population count there were 2,020 people residing in the District. New development is not planned for the area and

minimal growth is anticipated. Future population growth is projected to correspond with the annual population growth of the unincorporated areas of the county at 1.10 percent per year. By 2020 the population is projected to increase to 2,253 and by 2040 it is projected to increase to 2,804 residents. In 2009 there were approximately 790 residential units, 13 million square feet industrial uses (298 acres) and 289,586 square feet commercial uses (6.65 acres) within the service area.

FINANCING

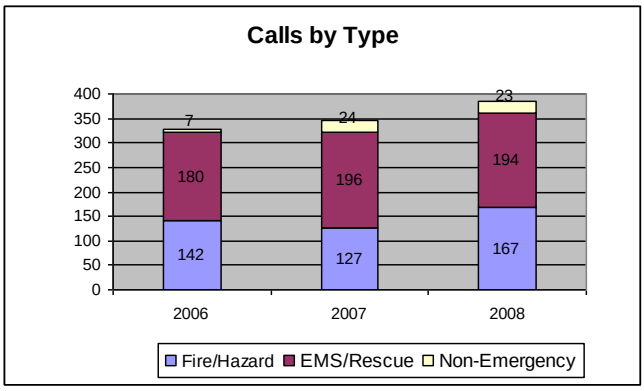
Property taxes and special assessments are the main revenue sources for the fire district. The District received property tax revenues in the amount of $139,549 in fiscal year 2009/2010. It has one of the lowest tax increments of 4.8 percent (percentage of tax dollars received) of the rural fire districts, the average tax increment being 11.7 percent. In the last three years (2008 to 2010) most rural fire districts experienced decreases in property tax revenues due to a decrease in property values in some cases up to 30 percent. The average decrease for all fire districts was 14.09 percent and it is anticipated that another decrease of 3 percent for 2010/2011 would occur. The District saw a 1.10 percent reduction in its property tax revenue. Property tax revenues contribute about 64 percent of the budget and special taxes provide 36 percent. The Board has reached the maximum level that can be assessed under the special tax ordinance and would need to obtain voter approval for further increases. The remaining revenue comes from charges for services, approximately $18,118. The District augments its budget when available with federal and state grants to purchase equipment and capital improvements. The District was recently awarded a grant in the amount of $45,000 to help purchase a new Command Vehicle. At the end of fiscal year 2009 the balance of the capital and reserve account was $31,070.

In July 2009 the Governor signed AB 15 approving the suspension of Proposition 1A (2004) allowing the State to borrow approximately $1.9 billion from special districts, cities and counties. Under this bill the State would borrow 8 percent of the 2008-2009 property tax revenues from special districts to be repaid within three years with interest. The County Auditor-Controller's Office estimates that Thornton's 8 percent share of property tax revenues was $10,861 and will be shifted to the Supplemental Revenue Augmentation Fund (SRAF). The District will temporarily see a reduction of this amount in its available resources as it did not participate in the Prop 1A Securitization program that secured payments to the state.

NATURE AND EXTENT

In 2009 the District received 370 calls for service. Table 15-1 shows the number of calls received by type for the last three years. In 2008 about 83 percent of the calls for service were for emergency medical situations, 12 percent for fires, and 5 percent for other types of calls. The District reported that 8 percent of its calls were for automatic aid. The District maintains an automatic aid agreement with Consumnes FPD located to the north of the District in Sacramento County.

Table 15-1: Calls by Type



The District states that the Woodbridge Ecological Reserve/Isenberg Sandhill Crane refuge areas and a winery provide additional challenges in providing service. Major waterways located within the service boundary include the Mokelumne River and the South Fork Mokelumne Rivers. The rivers are mostly insufficient for recreational activities so water rescue service has not been provided.

The District provides basic life support as a first-responder district. Advanced life support and transport is provided by the American Medical Response stationed at Eight Mile Road and Interstate 5 and the Consumnes FPD.

INFRASTRUCTURE

The District operates one fire station located at 25999 North Thornton Road which is in good condition (reliable and requires only routine maintenance). The station is located in the town of Thornton in which the highest density of population is located. The District is exploring options to relocate the fire station in Thornton but on a larger lot closer to Interstate 5.

Apparatus owned by the District include three engines, one water tender, and 1 command vehicle.

SERVICE ADEQUACY

The station is staffed by at least two to three firefighters and on some days staffing is four. Fifty-five percent of the staff is certified as Firefighter I's, fifteen percent are FF II's and fifty-five percent are Emergency Medical Technician certified. The Chief is an active participant in the San Joaquin County Fire Investigation Unit.

There are two general indicators of service adequacy for municipal fire providers: ISO rating and response times. The Insurance Service Office (ISO), an advisory organization, classifies fire service in communities from 1 to 10, indicating the general adequacy of coverage. Communities with the best systems for water distribution, fire department facilities, equipment and personnel and fire alarms and communications receive a rating of 1. The District has an ISO rating of 6 (town) and 9 (rural).

It is the District's goal to always reduce response times safely. Response data provided by Lifecom Dispatch Center regarding the District's "turnout time" and "engine performance" in 2009 were 2:58 minutes and 6:46 minutes 90 percent of the time for emergencies. The response time was within the average 90 percentile for all rural fire districts at 2:42 minutes for "turnout" and 7:38 minutes for engine performance times.

GOVERNANCE ALTERNATIVES

The District provides mutual and automatic aid to other rural fire districts including across the county border to Sacramento County. It is a member of the Joint Powers Agreement for the Joint Radio Users Group. The District is also active in the San Joaquin County Training Officer's Association which coordinates training classes for fire fighters and shares instructors.

Map 15-2 Route to Staten Island

A need to realign the District's eastern boundary or to establish an automatic aid agreement with Woodbridge FPD to serve the Staten Island area has been identified. Map 15-2 shows the current route that Station #4 of the Woodbridge FPD uses to respond to fires on Staten Island. The engines must travel through the Thornton FPD service area before it can reach Staten Island. The route shown is the only access to Staten Island. Detachment of Staten Island from the Woodbridge FPD and annexation to the Thornton FPD would improve response times to the area.

MSR DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

1) The residential population growth is projected to correspond with the population growth of the unincorporated county at 1.1 percent per year. In 2010 the population was 2,020 and the projected population for 2040 is 2,804 people.
2) The District receives an average of 350 calls for service each year of which 54 percent are for medical emergencies. The average number of calls received by the other county rural fire districts was 898 calls in 2008.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

1) The District owns one fire station that is located in the town of Thornton where the District has the highest density of population.
2) The station is staffed by a minimum of three firefighters. The District maintains an on-call list of sixteen volunteers.
3) The District owns five apparatus: 3 engines, 1 water tender, and 1 command vehicle.
4) The Lifecom Dispatch Center reported the District's 90 percentile on elapse times as 2:58 minutes for Turnout and 6:46 minutes for Response.

FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

1) Property tax revenues and special taxes are the main revenue sources for the District. Property tax revenues make up 64 percent and special taxes 36 percent, fees for services further augments the budget.
2) The District makes a concerted effort to seek state and federal grants for equipment and received $45,000 to help purchase a new Command Vehicle.
3) Although the District did not see a large decrease in property tax revenues as did other fire districts further decreases will have a significant effect on its ability to finance its operations. The District's reserve and capital outlay account has a balance of $31,070.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

1) The District maintains an automatic aid agreement with Consumnes FPD of Sacramento County which is adjacent to Thornton on the north.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

1) An automatic aid agreement or a boundary exchange with Woodbridge FPD may improve service to Staten Island.
2) The feasibility of consolidation among the northern county fire service providers in order to improve efficiency of services, to improve staffing levels, and to promote facility and apparatus sharing should be explored.

16. TRACY RURAL FIRE PROTECTION DISTRICT

FORMATION AND BOUNDARY

The Tracy Rural Fire Protection District (FPD) was formed in 1942 under the Health and Safety Code 13800-18970. The District currently provides fire protection, suppression and prevention, inspection, hazardous material, water rescue, and basic and emergency medical services, paramedic, and other services. The Tracy Rural FPD is adjacent to the Lathrop-Manteca Fire District to the west, the unprotected Delta area to the north and the CalFire area of responsibility to the south. The map of the existing boundary is shown in Map 16-1.

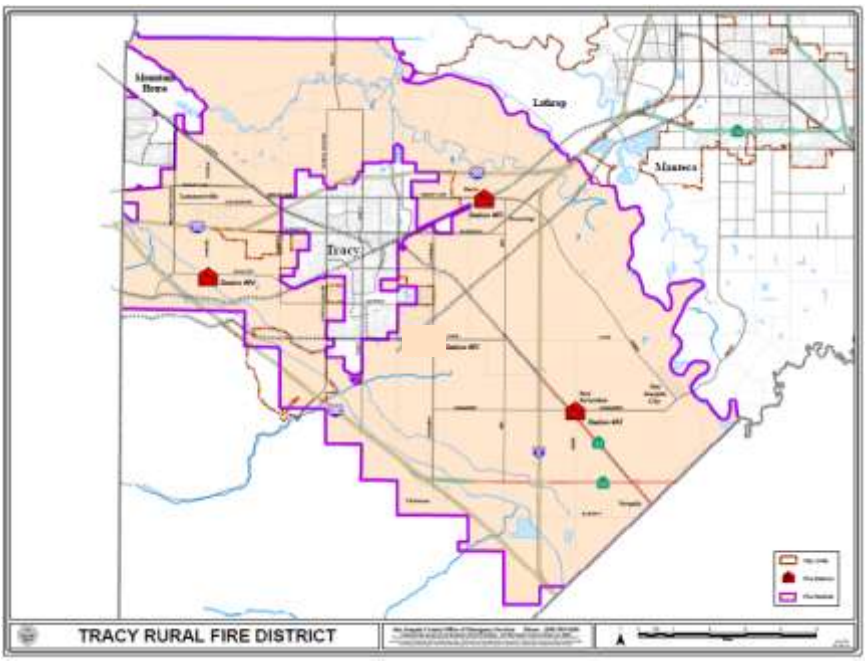
In the early 1990's the City Fire Department and the Tracy Rural FPD contemplated the consolidation of the two agencies. However, in 1999 the City Fire Department and the Tracy Rural FPD formed a joint powers agreement (JPA) instead and created the South County Fire Authority, consolidating the delivery of fire and emergency services for the south county area. In 2002 the Tracy City Council and the Tracy Rural Fire District Board of Directors adopted Resolutions agreeing that territories annexing into the City would not detach from the Tracy Rural FPD. The agreement was made to ensure that the Tracy Rural FPD continue to collect the property tax and special assessment revenues for the District. The Tracy Rural FPD service boundary is approximately 200 square miles and includes the unincorporated territory surrounding the City of Tracy and territory that annexed to the City after 2002.

LOCAL ACCOUNTABILITY AND GOVERNANCE

The Tracy Rural Fire District has a five-member governing body. Board members are elected at large and serve four year terms. Board meetings are held on the second Tuesday of each month at 835 Central Avenue.

	Name	Position	Began Serving	Term Expires
Members	James Thoming	Chairman*	2005	2010
	Pete Reece	Vice-Chairman*	1991	2012
	John Muniz	Director	2006	2010
	Bob Pombo	Director	2010	2012
	John Vieira	Director	1993	2010
Manner of Selection	General Election – 4 year term *The Board appointed the current Chairman and Vice Chairman 1/13/09.			
Meeting Schedule	Day: 2nd Tuesday of every month Location: 835 Central Avenue, Tracy, CA 95336			
Agenda Distribution	Mailed to board members by Clerk, posted at Rural Stations 92, 93, & 94 and posted on front window at 835 Central Avenue, Tracy			
Minutes Distribution	Attached to Agendas and posted at Rural Stations 92, 93, & 94. Agendas and minutes ar also available upon request.			

Map 16-1: Tracy Rural Fire Protection District



STAFFING AND MANAGEMENT

The City of Tracy and the Tracy Rural FPD formed the South County Fire Authority through a joint powers authority (JPA). Under a JPA, both entities operate collectively under a board of directors distinct from the member districts with board members representing the participating agencies. The JPA procures personnel and other services from the City of Tracy in order to supply services to the fire district and City. Under a JPA, the agreement may continue for a definite term or until rescinded or terminated and may contain provisions by which it may be rescinded or terminated. Since forming the JPA, the two agencies determined that territory annexing to the City would not detach from the Tracy Rural FPD resulting in continued collection of the District's special assessments and its share of property taxes.

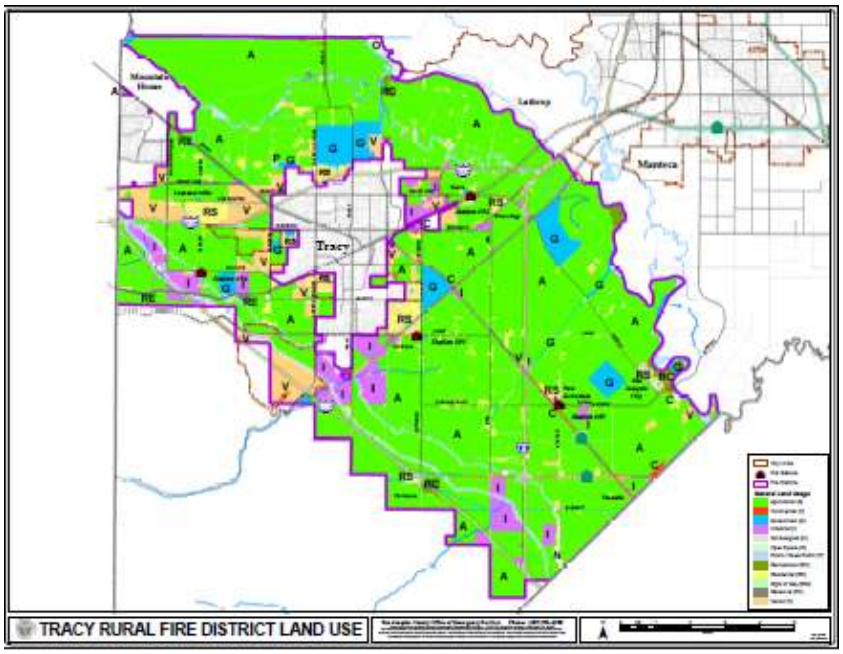
The South County Fire Authority has four board members, two from the fire district and two from the City. The District indicated that most decisions are deferred to the respective jurisdictions rather than made by the Authority.

A comparison of salaries for a full time Fire Fighter at top step with five years experience indicated that Tracy Rural FPD firefighters are the highest paid firefighters in the County at $81,808 per year plus benefits. The medium salary for of a rural district firefighter with five years experience was $51,068 per year (FY 2009/2010). Tracy Rural procures services from the City of Tracy and the salaries paid to the District firefighters are based on the City rate resulting in a disparity in salary levels from other fire districts. The City of Tracy hires firefighters licensed as Paramedics, which includes monetary incentives for this specialized skill set. The fact that Tracy Rural firefighters receive a higher level of compensation may influence the feasibility of consolidation with other districts.

SERVICE DEMAND AND GROWTH

Land uses within the District bounds encompass various density residential, industrial, commercial and general agricultural uses (Map 16-2: Tracy RFP District Land Use). In 2010 the total population for the District was 15,469. Considerable population growth is expected to occur in the future within the City of

Map 16-2: Tracy Rural Fire Protection District Land Use Map



Tracy and the Tracy Rural FPD service area over next 10 and 30 years. Because detachment from the rural fire district does not occur when the City expands its city boundary the City growth impacts the rural fire district. It is projected that by 2020 the population will increase 216 percent (from 15,469 in 2010 to 48,801 in 2020) and another 237 percent from 48,801 in 2020 to 164,614 by 2040. The District would be the second most populous fire district in the county behind the City of Stockton. Demographic data provided by the County Community Development GIS Division indicates that in 2009 there were approximately 3,874 residential units, 166.6 million square feet industrial uses (3,825 acres) and about 7.07 million square feet commercial uses (162 acres) within the District's service area.

FINANCING

Property taxes, special taxes, and fees for services are the main revenue sources for the District and provide 78 percent, 20 percent, and 2 percent of the budget respectively. Within the last three years (2008 to 2010) rural fire districts experienced decreases in property tax revenues as property values decreased. Fire districts in general received an average decrease of property tax revenues of about 14 percent. Tracy Rural FPD received 12 percent less property taxes in fiscal year 2009-2010. The District's tax increment is 11.6 percent (percentage of tax dollars received) which is approximately the average increment (11.7 percent) received by the other rural fire districts.

The District collects development impact fees from the County for new fire facilities when development occurs in the unincorporated areas of the District. For areas of the District that were not detached from the district upon annexation to the City of Tracy, the City also collects development impact fees for the District. In fiscal year 2009-2010 the District collected $19,959 in impact fees.
The District owes the City of Tracy $5.6 million. This debt is the result of the District operating at a budget deficit during six of the ten years since the Joint Powers Agreement was established and the City advanced payment to the District for operations nine of the last ten years. Since April 2011, the District and the City have entered into a pre-paid services agreement for a joint use station (Station 92) to resolve the outstanding debt. The intent of this agreement is to consider the District debt a pre-payment on future services from a joint use fire station.

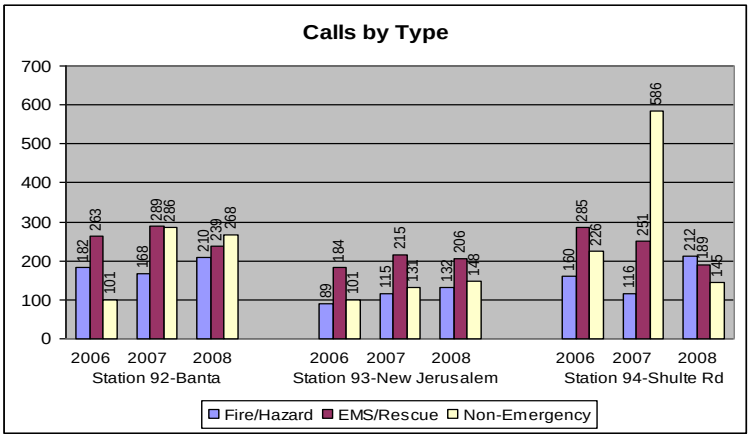
As a means of comparing the costs to provide fire service the District's operating expenditures where divided by the total number of people in the District (cost per capita). Tracy Rural FPD had the highest per capita cost. The costs varied among the various rural fire districts from $78 per capita as the lowest cost for service for one of the contract districts to $307 per capita for Tracy Rural FPD. As indicated in the report the costs tend to be higher per capita for districts that have multiple stations (three for Tracy Rural FPD) and relatively large service areas (200 square miles). Per capita costs also tend to be higher for Districts that provide Advanced Life Support services such as Tracy Rural FPD.

NATURE AND EXTENT

There are special risks in the Tracy Rural FPD service boundaries. The risks include wildland (large grasslands, hilly terrain, and river bottoms), areas of urban/wildland interface, the potential for rescue and hazardous materials transportation incidents on three major freeways, waterways with rescue and flood risk due to the many rivers, creeks, aqueducts, and canals), a large flammable liquid storage facility (Chevron Bulk Storage), and a chlorine storage facility.

The District reported that it receives an average of 1,832 calls per year from 2006 to 2008. Approximately 40 percent were for medical emergencies. Station 94 located to the east of Tracy receives the highest number of calls for service. Table 16-1 provides an overview of the calls received by each station by type.

Table 16-1: Calls by Type



The District provides service primarily within its boundary area. Under a Mutual Aid Agreement (fire district provides or receives aid upon request by the first-response agency) the District provides service outside its boundary to Lathrop-Manteca FPD, Alameda County for day-to-day fires and provides structural mutual aid to the West Stanislaus County Fire Protection District. The California State Office of Emergency Services has an engine stationed at one of the District's fire station that is shared between the City, the District, and the Mountain House Community Services District.

To the north of the Tracy Rural FPD is the Unprotected Delta Region. This region consists of approximately 540 residential units and has a population of about 2,400 people but no fire protection is provided. The adjoining fire districts including the Stockton Fire Department, French Camp-McKinley FPD and Tracy Rural FPD provide emergency medical response for life threatening incidences. The Municipal Service Review suggests that fire protection for the area ought to be considered by establishing a fire district or annexation of the area to an adjoining district.

SERVICE ADEQUACY

There are two general indicators of service adequacy for municipal fire providers: ISO rating and response times. The Insurance Service Office (ISO), an advisory organization, classifies fire service in communities from 1 to 10, indicating the general adequacy of coverage. Communities with the best systems for water distribution, fire department facilities, equipment and personnel and fire alarms and communications receive a rating of 1. The Tracy Rural FPD has an ISO rating of 5 in areas with an established water supply and an 8 in areas without fire hydrants.

The District operates three fire stations that range from poor condition (Station 92-Banta) to excellent (Station 93-New Jerusalem). Station 93 is staffed with a staff of three including a Captain, Firefighter Engineer, and a Firefighter Paramedic while Station No. 92 and 94 are staffed with a Captain and Firefighter Engineer.

Station 92-Banta was constructed in the 1940's and is due for replacement. The District and the City is considering a replacement station that will be the first joint use facility between the two agencies. Also the District and the City are have negotiated a services agreement for the joint use station that will address the debt owe by the District to the City. The intent of the agreement is to consider the District debt a pre-payment on future services.

GOVERNANCE ALTERNATIVES

The JPA between the City of Tracy and Tracy Rural FPD has not been successfully implemented as evidenced by the large outstanding debt owed to the City by the rural district and that it has the highest per capita cost to provide fire protection. The initial intent was that the City and Tracy Rural FPD would become a consolidated fire district much like the Escalon and Ripon Consolidated FPDs. In 1999, however, it was decided that a JPA would be formed instead and in 2002 the two agencies agreed to not detach territory from the Tracy Rural FPD when properties annexed to the City. The agreement has been financially beneficial to the District as it continues to receive its share of property taxes and assessments as before the annexation. For the County and the City, however, their share of property taxes according to the Tax Sharing Agreement is smaller because the fire district's share is not being redistributed.

Another situation that arises when properties do not detach from the District upon annexation to the City is that two separate agencies are now responsible for fire protection service within one city. LAFCo's policy favors the provision of services by a municipality over single-purpose districts. With two entities serving the City residents some residents are represented by City Council while those in the areas that did not detach from the fire district are represented by the Board of Directors.

MSR DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS

1) Considerable population growth is expected to occur within the Tracy Rural FPD. The population is projected to increase from 15,469 in 2010 to 48,801 in 2020, a 216 percent increase, and to 164,614 by 2040, a 237 percent increase. Tracy Rural FPD will become the second most populous fire district in the County behind the City of Stockton.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

1) The District operates three fire stations that range from poor condition (Station 92-Banta) to excellent (Station 93-New Jerusalem). Station 92 is staffed with a Captain and Fire Fighter Engineer while Station No. 93 and 94 have a minimum staff of three including a captain, Fire Fighter Engineer, and a Fire Fighter Paramedic.
2) The District is adjacent to the Unprotected Delta Region and provides emergency medical response for life threatening incidences. Fire protection for the Delta Region is needed and the Municipal Service Review suggests that a fire district be formed or annexation of the area to an adjoining district including Tracy Rural FPD.

FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

1) Property taxes, special assessments and fees for services are the main revenue sources for the District. Property tax revenues provide 78 percent of the District budget. The District received 12 percent less in property tax revenues from the year 2008 to 2010.
2) The District has an ordinance allowing for cost recovery of services provided to non-residents of the fire district. Non-residents are charged the service rate primarily for vehicle accident responses. This ordinance applies only to non-residents of the District and historically has not provided a significant source of revenue.
3) The District has the highest per capita cost of all the rural fire districts. The per capita cost was $307 as compared to the lowest per capita cost of $78 for a contract fire district. Higher per capital costs may be attributable to the operation of multiple fire stations, larger service territory, and the providing of Advanced Life Support services.
4) Tracy Rural procures services from the City of Tracy and the salaries paid to the District firefighters are based on the City rate resulting in a disparity in salary levels from other fire districts.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

1) The District provides service primarily within its boundary area. Under a Mutual Aid Agreement the District provides service outside its boundary to Lathrop-Manteca FPD, Alameda County for day-to-day fires and provides structural mutual aid to the West Stanislaus County Fire Protection District and has an agreement with CalFire. The California State Office of Emergency Services has an engine stationed at one of the District's fire station that is shared between the City, the District, and the Mountain House Community Services District.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONS EFFICIENCIES

1) A Joint Powers Authority (JPA) is in place that contracts with the City of Tracy and with Tracy Rural to obtain labor resources which the Authority then supplies to each member agency of the Authority in accordance with that agency's desired service. The JPA operates like a single district because it has the same Fire Chief, the same administrative personnel, and the Standards of Cover are prescribed to both parties in the JPA, neither of which can operate independently per the Agreement. The existing no-detachment policy maintains the necessary funding for the JPA to operate efficiently because it allows property tax revenues as well as the special assessments to continue to fund the level of service that has been calibrated for single fire protection services throughout the Tracy area and to those revenues.

17. TUXEDO-COUNTRY CLUB RURAL COUNTY FIRE PROTECTION DISTRICT

FORMATION AND BOUNDARY

The Tuxedo-Country Club FPD is located in an unincorporated island surrounded by the City of Stockton. The total area of the District is approximately 2 square miles. The map of the existing boundary is shown in Map 17-1. The District does not provide fire services but contracts with the City of Stockton for fire protection.

A "zero sphere of influence" was adopted for the District in 1973. The Commission adopted zero spheres of influence for urban service districts located wholly within the City of Stockton boundaries and recommended the formation of a "reorganization committee" to investigate a planned approach to orderly agency development for districts that provided competing municipal services in the unincorporated areas of the City. In 1983 the Nyman Report was completed which recommended that the three contract fire districts, Tuxedo-Country Club, Lincoln and Eastside FPDs, enter into a "joint exercise of powers agreement" to create a joint fire agency for purposes of contracting with the City or otherwise provide fire protection services to the residents of the joint fire agency. The fire district continues to operate as a separate agency.

LOCAL ACCOUNTABILITY AND GOVERNANCE

The District has a three-member governing body. Board members are elected at large and serve four year terms. Board meetings are held on Thursday at the District's fire station.

	Name	Position	Began Serving	Term Expires
Members	Robert Clark	President	2005	12/2012
	James Larson	Vice President	2007	12/2012
	Richard Matuska	Director	2009	12/2012
Manner of Selection	Election			
Meeting Schedule	Day: Thursday	Location: 4330 North Pershing Avenue		
Agenda Distribution	Mailed			
Minutes Distribution	Mailed with Agenda			

MANAGEMENT

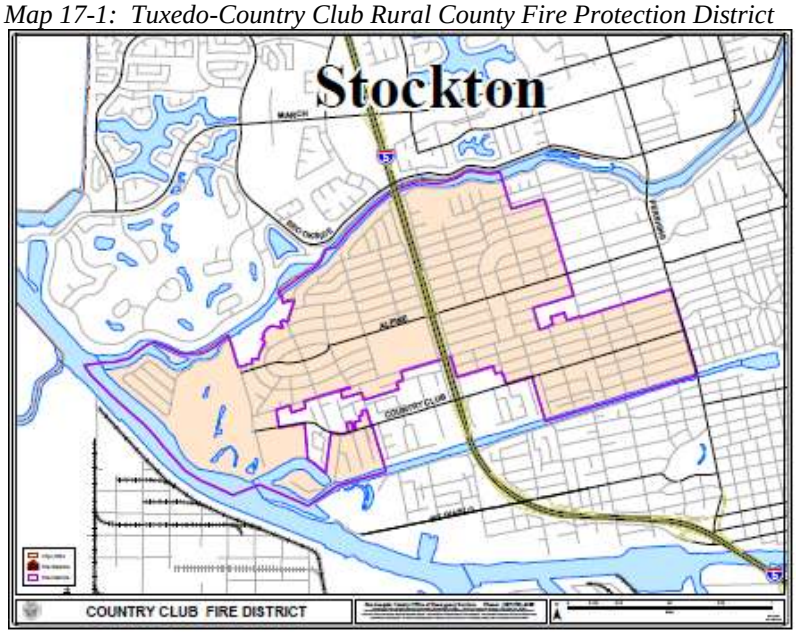
The District does not employ firefighters or other personnel. The District contracts with a Clerk of the Board who prepares agendas and minutes, budgets, provides accounting and management services and represents the District at the County Fire Chiefs Association and other meetings.

The District reports that an independent audit is conducted annually. The District does not have policies in maintaining financial reserves and reports that generating additional revenues are not necessary at this time.

SERVICE DEMAND AND GROWTH

According to the 2010 Census the population size within the District was 10,126. Minimal growth would occur within the District because it is mostly built out. The population is projected to increase to 11,296 in 2020. Demographic data provided by the County Community Development GIS Division indicate that

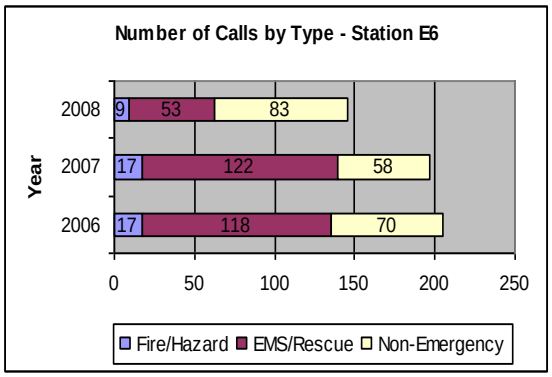
Map 17-1: Tuxedo-Country Club Rural County Fire Protection District

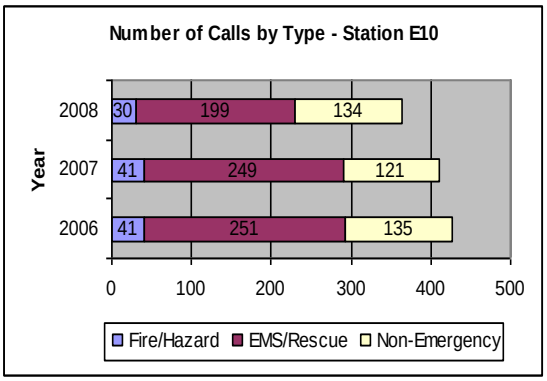


in 2009 there were approximately 3,802 residential units, 64,114 square feet industrial uses (1.47 acres) and about 354,194 square feet commercial uses (8.13 acres) within the District's service area.

The City of Stockton's municipal service review and 10-year sphere of influence update documented that municipal services would be available to properties within its sphere boundary which also included the unincorporated islands and fringe areas adjacent to the City. The District is one of the unincorporated islands within Stockton. If upon annexation the City provided fire protection to the annexed territory, the District would cease to exist.

The following two tables illustrate the service demand for the District from City fire stations E6 and E10 during the past three years. The District averages approximately 583 calls per year, about 50 percent being for emergency medical services.





FINANCING

The main sources of revenue for the District are property taxes and a special assessment. In fiscal year ending June 2010 the District received $934,830 in property taxes and $59,873 in special assessments. The District receives a large tax increment at 21.8 percent. The average percent is 11.7 percent for the rural fire districts. However, property taxes have been on the decline over the last three years and the

District saw a 29.75 percent decrease in property tax revenues. At the end of fiscal year 2009/2010 the District had a reserve account of $1,294,498.

NATURE AND EXTENT

The District receives the same fire services extended to City of Stockton residents. Services are provided to a 2 square mile District boundary that consists of 3,500 parcels that are mostly single family residences, commercial sites, public schools, and a golf course. The Calaveras River borders the District to the north, the Smith Canal to the south, and the Stockton Channel borders the District on the west.

INFRASTRUCTURE

The District does not own or operate any fire stations. Services to the district are provided by the City of Stockton from nearby City fire stations. Fire hydrants are replaced by the District as needed.

SERVICE ADEQUACY

There are two general indicators of service adequacy for municipal fire providers: ISO rating and response times. The Insurance Service Office (ISO), an advisory organization, classifies fire service in communities from 1 to 10, indicating the general adequacy of coverage. Communities with the best systems for water distribution, fire department facilities, equipment and personnel and fire alarms and communications receive a rating of 1. The City of Stockton has an ISO rating of 1.

GOVERNANCE ALTERNATIVES

Other governmental structures or other structural reorganizations have not been identified for the District.

MSR DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

1) Residential population growth within the District boundary is projected to be minimal because most of the district is built-out.
2) The District receives an average of 583 calls for service each year of which 50 percent are for medical emergencies. The average number of calls received by the other county rural fire districts was 898 calls in 2008.
3) One hundred percent of the District is within the City of Stockton sphere of influence and would cease to exist if the island was annexed to the City according to its General Plan and Sphere of Influence Plan.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

1) The District does not own a fire station or apparatus. Fire services are provided through a contract with the City of Stockton.
2) The District receives the same level of service provided to City residents.

FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

1) The two revenue sources for the District include property tax revenue (94 percent) and special assessments (6 percent).
2) The District's tax increment is one of the highest of all rural fire districts at 21.8 percent, but the District experienced a substantial decrease of 29.75 percent in property tax revenues from 2008 to 2010.
3) The cost to the District in 2010 for the City of Stockton to provide fire services was $1,173,624.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

1) The District contracts for services and does not own facilities.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

1) Voters within the District approved a special tax override measure demonstrating the District's accountability to its constituents to provide adequate level of services.

18. WATERLOO-MORADA RURAL COUNTY FIRE PROTECTION DISTRICT

FORMATION AND BOUNDARY

The Waterloo-Morada Rural County Fire Protection District was formed in 1947 under the California Health and Safety Code, Section 13800. The District provides fire protection, prevention and suppression, hazardous material, water rescue, and emergency medical services.

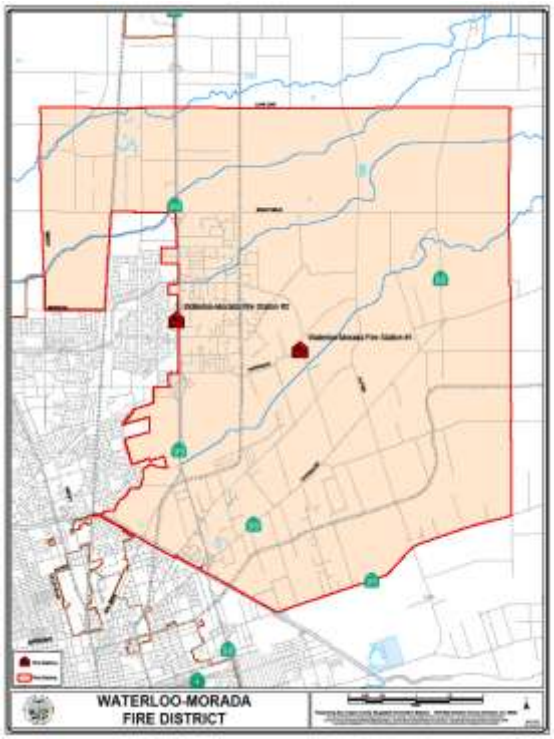
The District's existing service boundary is approximately 36 square miles and is located to the east of Stockton, south of Live Oak Road, west of Beecher Road, and north of Highway 26. Included within the boundary are the communities of Morada and Waterloo with the majority of the unincorporated land designated for rural residential, industrial uses and agriculture. The Waterloo-Morada FPD is bounded to the north, west and south by fire County rural fire districts including Woodbridge, Mokelumne, Linden-Peters, Eastside and Lincoln FPDs and the City of Stockton Fire Department, and on its eastern boundary and on its eastern boundary by fire districts located in Calaveras and Stanislaus Counties. The map of the existing boundary is shown in Map 18-1.

In 1983 the Commission adopted the sphere of influence (SOI) for the District as follows: a coterminous SOI for the portion of the District beyond the City of Stockton SOI line and a zero sphere for that portion of the District within the City's SOI boundary. As shown in Table 18-1 the City of Stockton has annexed over 2,408 acres since 1983 removing this land from the District service area. Today, the City's SOI boundary overlaps the fire district's boundary by approximately 3,095 acres (12.47 percent of the District's territory). Map 18-2 provides an illustration of the overlap.

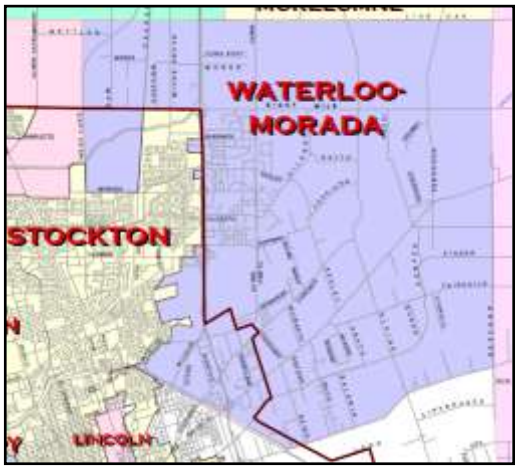
Table 18-1: Annexation History

DETACHMENTS FROM WATERLOO-MORADA FIRE	
Guisto	1.69
Stockton Auto Center	105.65
Stockton Auto Center II	88.13
Morada Lane	545.00
Farley	11.52
Christian Life Center	80.00
Blossom Ranch	325.00
Morada Ranch	214.50
Hatch Ranch	139.16
Villa Antinori	129.60
NE Stockton High School	51.03
Stockton Steel	59.40
Cannery Park	489.40
Riverbend	168.00
Total Acres	2408.08

Map 18-1: Waterloo-Morada Rural Fire District



Map 18-2: Stockton SOI



LOCAL ACCOUNTABILITY AND GOVERNANCE

The Waterloo-Morada FPD has a five-member governing body. Board members are elected at large and serve four year terms. Board meetings are held on the second Wednesday of each month at the fire station located at 6925 East Foppiano Lane.

	Name	Position	Began Serving	Term Expires
Members	Randy Hamilton	President	2005	2010
	Robert Byington	Vice President	2006	2010
	Clay Titus	Secretary/Treas.	2007	2012
	Ralph Lucchetti	Member	1998	2010
	William Snyder	Member	1996	2012
Meeting Schedule	Day: 2nd Wednesday of every month Location: WMFD Station 1, 6925 East Foppiano Lane			
Agenda Distribution	Mail, e-mail, pick up at station or hand-delivered			
Minutes Distribution	Same			

The District maintains a limited website at www.waterloomoradafire.org. The website contains information on Board members and staff and board meetings are posted.

MANAGEMENT

The District's staff consists of 20 employees. Nineteen are sworn full-time firefighters and eight are on-call firefighters. The District maintains 1.5 sworn staff per 1,000 population. A full-time firefighter with five years experience earns $57,804 while an on-call firefighter is paid $10.00 per hour. Due to decreases in property tax revenues the District lowered staffing levels by four full-time positions and has initiated a

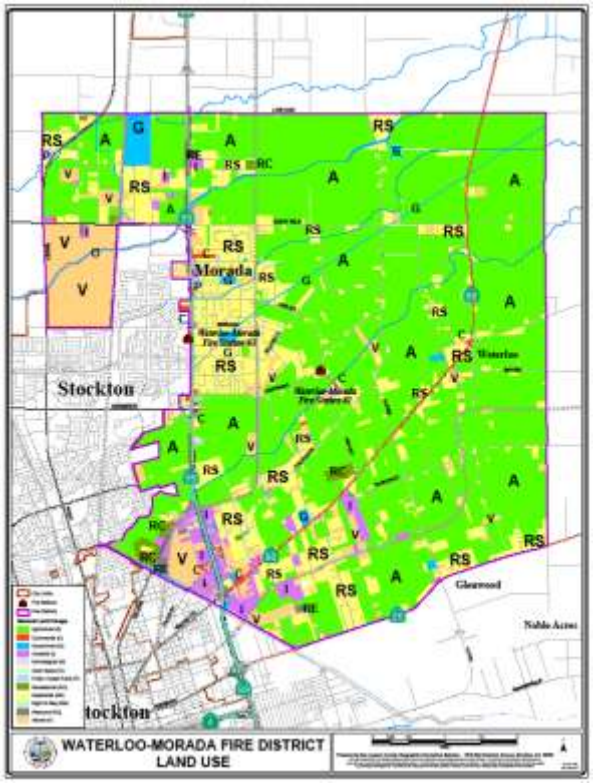
contract firefighter position at minimum wage to help supplement three lost positions. The fourth position was the Assistant Fire Chief which will not be replaced.
The District reports that an independent audit is conducted annually as required by state law. Health and Safety Code Section 13916 authorizes a fire district to charge fees to cover the cost of any services provided or the cost of enforcing any regulation. Although the District has explored this option, the Board has not adopted a Fee for Service schedule.

State law authorizes a district board to establish a reserve for capital outlays and requires the board to declare the purposes for which the reserves are to be used. The District maintains a capital improvement schedule for which funds are budgeted accordingly.

The District belongs to and participates in joint decision-making efforts including: San Joaquin Joint Radios Users group and the County Fire Chief's Association.

SERVICE DEMAND AND GROWTH

Map 18-2: Waterloo-Morada RFD Land Use Map



Land uses within the District boundary encompass various density residential, light industrial, community commercial and general agricultural land uses (Waterloo-Morada FPD Land Use Map 18-2). According to the 2010 population count there were 13,122 people residing in the District. Minimal growth is anticipated for the District. Future population growth is projected at .70 percent per year. By 2020 the population is projected to increase to 14,639 and by 2040 it is projected to increase to 16,032 residents. Demographic data provided by the County Community Development Geographic Information Systems Division indicates that there are approximately 5,446 residential units, 2.6 million square feet industrial uses (605 acres) and about 2.8 million square feet commercial uses (64 acres) within the District's service area.

FINANCING

Property taxes and special assessments are the main revenue sources for the fire district. The District received property tax revenues in the amount of $1,428,021 (63 percent of total budget) and $726,552 (32 percent of total budget) in fiscal year 2009/2010. The budget is augmented by fees for services and development impact fees. In the last three years (2008 to 2010) most rural fire districts experienced significant decreases in property tax revenues due to decreases in property values; in some cases up to 30 percent. The average decrease for all fire districts was 14.09 percent and it is anticipated that another decrease of 3 percent for 2010/2011 would occur. The District's property tax revenues decreased by 1.93 percent a much smaller rate of decrease than other Districts. In 2007 and 2008 the District sought to increase the special assessment that has been in place since 1986, but District voters failed to give it approval. At the end of fiscal year 2009/2010 the reserve and capital outlay account had a balance of $1,047,866.

In 2007 the Commission adopted Sphere of Influence policies. The policy requires cities to include a 5-10 year sphere horizon within its sphere of influence that depicts where a city intends to grow within a

10-year timeframe. The spheres of influence for the City of Stockton overlap the Waterloo-Morada FPD service boundary. Approximately 3,095 acres (12.47 percent) are in the City's 10-year sphere. Although the area is only 12 percent of the District's total area it consists of land designated for industrial uses providing a substantial source of revenue for the entire district. Using 2008-2009 property-related information provided by the County Community Development GIS Division, the County Auditor-Controller's Office provided estimates of what the property tax revenue loss would be to the fire district as a result of annexation. It was estimated that the property tax revenue loss (2009 estimate) would be approximately $466,877 or about 20.4 percent of the District's budget. However, in addition to property tax revenues the District would lose approximately $238,533 or 10.5 percent from special assessments. The District indicated that loss of revenues from the industrial area would make it difficult if not impossible to provide an adequate level of service to the remaining residents of the District.

NATURE AND EXTENT

The District owns two fire stations located on 6925 East Foppiano Lane (Station 15-1) and at 9373 Highway 99 (Station 15-2). The number of calls by station for the last three years is shown below in Table 18-3. The District reported that 47 percent of the types of calls it receives are for emergency medical services and that 100 percent of its staff are certified EMT-1s. The District plans to close Station 15-2 (Hwy 99) citing growth of Stockton as the reason for its closure and relocation of the station should occur in the future. The District anticipates that response times to some areas in the District will increase as a result of closure of Station 15-2. As Table 18-3 below show, Station 15-2 also receives 50 percent more of the calls for service than Station 15-1 located on Foppiano.

Table 18-3: Number of Calls by Station

Station	2006	2007	2008
15-1 (Foppiano)	686	785	763
15-2 (Hwy 99)	842	922	949

The District does not desire or plan to serve areas that are not now within its boundaries and indicates it has the ability to accommodate future development within its service boundaries. California State Route 99 and Highway 88 run through the District service boundaries. Use of these thoroughfares places an additional burden to the District due to vehicle accidents. In 2008, the District reported receiving 1,712 calls for service. Of these, 47 percent were medical emergency and 11 percent were fire and Haz/Mat calls, and 10 percent were automatic aid.

INFRASTRUCTURE

The District operates two fire stations located at 6925 East Foppiano Lane (15-1) and 9373 Highway 99 (15-2). The 15-1 station is in good condition, requiring only routine maintenance and Station 15-2 is due to close. The 15-1 fire station is staffed by a Captain, Lieutenant, and 2 firefighters. Equipment at the station include: 2 engines and 1 water tender. Staff and apparatus at Station 15-2 include 1 Lieutenant and 1 firefighter with 1 engine.

The District is considering an opportunity to share a facility and resources with the Woodbridge FPD and/or the City of Lodi in order to improve services and reduce costs.

SERVICE ADEQUACY

There are two general indicators of service adequacy for municipal fire providers: ISO rating and response times. The Insurance Service Office (ISO), an advisory organization, classifies fire service in communities from 1 to 10, indicating the general adequacy of coverage. Communities with the best

systems for water distribution, fire department facilities, equipment and personnel and fire alarms and communications receive a rating of 1. The Waterloo-Morada FPD has an ISO rating of 5/8.

The District provides service primarily within its boundary area. The District responds to mutual aid (fire district provides or receives aid upon request by the first-response agency) requests and has automatic aid agreements (closest available resource, regardless of boundaries) with Linden-Peters, Woodbridge and Mokelumne FPDs.

Response data provided by Lifecom Dispatch Center regarding the District's 90 percentile "turnout time" and "engine performance" times in 2009 were 1:58 minutes for Turnout and 6:58 minutes for engine performance. The 90 percentile times for all fire districts were 2:42 minutes (turnout) and 7:38 minutes (engine performance).

GOVERNANCE ALTERNATIVES

The Waterloo-Morada FPDs and Linden-Peters have entered into preliminary talks for a Joint Venture in the future due to their similarity in operations and funding. The Districts are geographically connected and are politically joined by a common school, supervisorial district and a large water district. They have had several staff level meetings regarding potential partnership and there has been a Board of Directors Committee level meeting. Continuing discussions over the joint venture were stalled when the Districts became concerned about the uncertainty of the economy especially the Waterloo-Morada FPD's tax base that is being impacted by the City of Stockton's growth.

The District is considering consolidation or a Joint Powers Authority with surrounding districts and expanding automatic aid agreement areas.

MSR DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

1) Population growth is projected to be slower in the District than the rest of the County at .70 percent. Using the projected average annual growth rate of .70 percent the population is projected to grow from 13,122 in 2010 to 16,032 by 2040.
2) The District receives an average of 1,650 calls for service each year of which 50 percent are for medical emergencies. The average number of calls received by the other county rural fire districts was 898 calls in 2008.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

1) The District owns two fire stations: 15-1 located on Foppiano Lane and 15-2 located at Highway 99. Station 15-2 is located within the city limits of Stockton due to city annexations although it receives the highest number of calls for service. The station is scheduled to be closed sometime in the future.
2) The District identified the need to relocate/construct a fire station to improve the level of service in the northern portion of the District. One solution that has been discussed is to build a station in the vicinity of Live Oak Road (at the District's northern boundary) and share facilities with

Mokelumne FPD and Woodbridge FPD. This would improve service to the area for all three districts.

3) The LifeCom Dispatch Center reported the District's 90 percentile on elapse times as 1:58 minutes for Turnout and 6:58 minutes for Response. The average 90 percentile times for all Districts was 2:42 minutes for Turnout and 7:38 minutes for Response.

FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

1) The two main revenue sources for the District include property tax revenue (63 percent) and special assessments (32 percent) and at the end of fiscal year 2009/2010 the District carried forth an adequate reserve and capital outlay balance of $1.04 million.
2) Twelve percent of the District territory is within the City of Stockton's SOI. The territory in the SOI is designated industrial uses and provides a substantial amount of revenue from property taxes and special assessments to the District. Annexation of the territory to the City would greatly affect the District's ability to continue to provide services to the remaining service area.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

1) The District provides and receives mutual and automatic aid from adjacent rural fire districts.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

1) Although the voters within the District did not approve an increase to the special tax override measure it demonstrates the District's accountability to its constituents to provide adequate level of services.

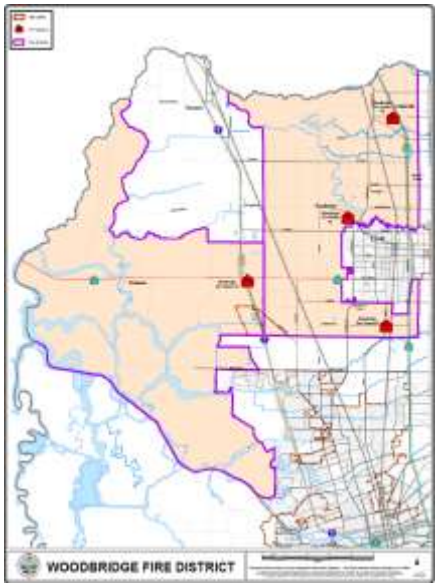
19. WOODBRIDGE RURAL COUNTY FIRE PROTECTION DISTRICT

FORMATION AND BOUNDARY

The Woodbridge Rural County Fire Protection District (FPD) was formed in 1942 under the California Health and Safety Code, Section 13800. The District currently provides fire protection, prevention and suppression, fire inspection, hazardous materials, water rescue and basic emergency medical service. The District is one of two districts that have a Mass Decontamination Unit which is located at Station 73. The other unit is located at Escalon FPD.

The Woodbridge FPD provides service to an area that is approximately 192 square miles and is located in the northern portion of the County. Woodbridge FPD provides service to the communities of Woodbridge, Acampo, Terminous and Collierville and to Flag City located at Interstate 5 and Highway 12 and the City of Lodi's White Sough Sewer Treatment Plant. Rural fire districts surrounding Woodbridge FPD include Thornton, Liberty, Mokelumne, Waterloo-Morada, and Lincoln FPDs. A map of Woodbridge FPD's existing boundary and fire station locations is shown in Map 19-1.

Map 19-1: Woodbridge FPD



In 1984, the Commission adopted a Sphere of Influence for Woodbridge FPD and recommended that the Woodbridge and Forest Lake Fire Districts consider consolidation. In 1989 a study of county fire services was completed which again recommended consolidation of the Forest Lake and Woodbridge FPD in order to improve fire services to the Forest Lake area. In 1995, the Boards for both fire districts adopted a joint-resolution of application and LAFCo approved the consolidation. The Forest Lake Fire District was dissolved and all its territory was annexed to Woodbridge FPD. In 2003, Resolutions of Applications were filed by the Delta Fire District and Woodbridge FPD requesting the consolidation/reorganization of the two districts. The Commission approved the consolidation, dissolved the Delta Fire District and annexed its territory consisting of 92 square miles into Woodbridge FPD.

LOCAL ACCOUNTABILITY AND GOVERNANCE

The Woodbridge FPD has a five-member governing body. Board members are elected at large and serve four year terms. Board meetings are held on the fourth Wednesday each month at the District's fire station located at 400 East Augusta Street, Woodbridge.

The District maintains a website at http://woodbridgefire.org which provides information about the District's history, service boundaries, services provided, and contact information.

	Name	Position	Began Serving	Term Expires
Members	Thomas Alexander	President	1994	2014
	Ken Schmierer	Vice President	2006	2014
	Loren Moore Sr.		1975	2014
	Michael Manassero		1978	2012
	Michael Manna		1996	2012
Manner of Selection	Elected			
Meeting Schedule	Fourth Wednesday every month at 400 East Augusta Street, Woodbridge, CA 95258			
Agenda Distribution	Yes			
Minutes Distribution	Yes			

STAFF AND MANAGEMENT

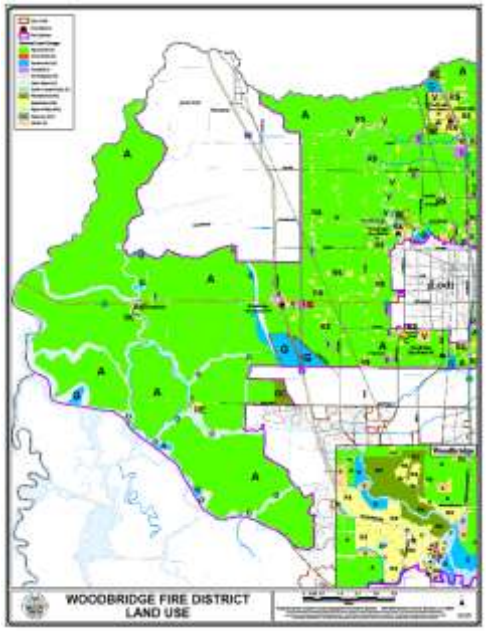
The District's staff consists of 27 employees including administrators, full-time firefighters and on-call firefighters. Due to revenue constraints the District recently reduced its staff. Woodbridge FPD staffs two of their fire stations with 3 line personnel per shift and the other two stations are staffed with 2 line personnel per shift. The Fire Chief is responsible for all aspects of administrative, personnel, and financial management of the agency.

The District collects development impact fees for new facilities and currently charges a fee for service for responding to DUI incidents only. The District does not have any long-term debt.

The District belongs to and participates in joint decision-making efforts including: San Joaquin Joint Radio Users Group, County Fire Investigation Unit, County Hazardous Materials Unit, County Fire Chief's Association, Urban Search and Rescue Team, and the County Area Critical Incident Management Team of which the District provides office space at Station 74. The District is associated with the Lodi Unified School District's Regional Occupational Program Fire Science Program since 1988, sponsors an Explorer Post with the Boy Scouts of America and the District serves as a satellite training site for American Heart Association Lodi District Chapter conducting CPR classes.

SERVICE DEMAND AND GROWTH

Map 19-2: Woodbridge FPD Land Use Map



Land uses within the District boundary encompass various density residential, industrial, commercial and general agricultural uses (Woodbridge Fire District Land Use Map 19-4). In 2010 the population within the District was 12,659. Population growth within the District service area is expected to be minimal at an average annual growth rate of .90 percent. Using this growth rate projection the population at the 10-year planning horizon (2020) is projected to be 14,122 (2020) and in 30-years 16,697 (2040). Demographic data provided by the County Community Development GIS Division indicates that there are approximately 5,058 residential units, 33 million square feet industrial uses (758 acres) and 3.6 million square feet commercial uses (84 acres) within the District's service area.

City annexations continue to reduce the size of Woodbridge FPD's service territory. Since 1991 a total of 3,962 acres have been detached from the District. In 2008 the approval of the

Sanctuary Reorganization to the City of Stockton removed 1,967 acres from the District.

In 2008 LAFCo approved sphere of influence boundaries (SOI) for the Cities of Lodi and Stockton. A city's sphere of influence indicates where it intends to grow within a 0-30 year timeframe and includes a growth horizon of a time period of between 5 and 10 years. If the cities of Lodi and Stockton annexed the territory that is within their 10-year SOI boundary the fire district would lose an additional 2 percent or 1,581 acres of their territory to Lodi and 5 percent or 5,189 acres to the City of Stockton.

FINANCING

Property taxes and special assessments are the main revenue sources for the fire district. The District received property tax revenues in the amount of $2,458,407 in fiscal year 2009/2010. It has one of the highest tax increments of 14.3 percent (percentage of tax dollars received) of the rural fire districts, the average tax increment being 11.7 percent. In the last three years (2008 to 2010) rural fire districts experienced decreases in property tax revenues due to decreases in property values. The average decrease for all fire districts was 14.09 percent and it is anticipated that another decrease of 3 percent for

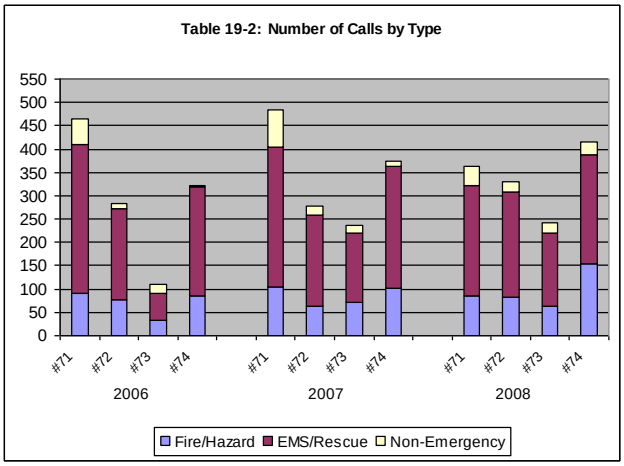
2010/2011 would occur. Woodbridge FPD received a 3.49 percent reduction in its property tax revenue from 2008 to 2010. Property tax revenues contribute about 90 percent of the budget and special taxes provide six percent. The District's special assessment contains an escalator clause and does not have a sunset date. In addition, the District receives special assessments in the amount of $149,381 that was levied in the territory that was formally the Delta Fire Protection District. The District augments its budget with service fees, development impact funds, and fire plan and check fees.

As mentioned above, the spheres of influence for the cities of Lodi and Stockton extend into the Woodbridge FPD's service territory. As the cities grow and the affected territory detaches from the Woodbridge FPD, property tax revenues would no longer go to the District. Using 2009's assessed values of those properties that are within the city's spheres, the County Auditor Controller provided LAFCo with an estimated loss of property tax revenues. Based on the estimates, the Woodbridge FPD would lose $23,030 annual for territory within the Stockton SOI and $634,023 in annual property tax revenues for territory within Lodi's SOI of which approximately $496,417 are property tax revenues generated from the Woodbridge community.

NATURE AND EXTENT

In addition to fire protection and emergency medical services, the District provides hazardous material, water rescue, and technical rescue. The District owns a fire boat and provides assistance in the 300 miles of water ways that run through the District territory. The District is the only fire district in the County that is issued a California Emergency Management Agency (Cal EMA) fire apparatus with a long standing history dating back to the 1960's.

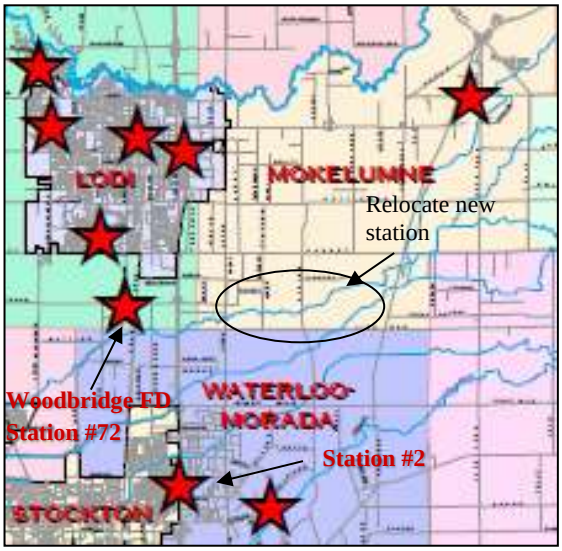
Woodbridge FPD received 1,678 calls for service in 2008. Table 19-2 provides an overview of the number of calls and services provided in the last three years.



Station 71 which generally receives the most calls is located in Woodbridge and serves as the District's administrative office. Station 72 is in close proximity to the southwest service boundary of the Mokelumne FPD and within a mile of a City of Lodi fire station. The Mokelumne FPD had indicated that

the area could better be served by Woodbridge FPD. The Waterloo-Morada FPD had also expressed concerns about providing adequate services to residents in its northern area and has been exploring the feasibility of relocating its Station #2 or constructing a new fire station that could best serve the entire area (Map 19-3).

Map 19-3: Station Relocation



Another area of concern is fire protection to Staten Island which is located north County and to the west of the Thornton Rural FPD. In order to reach Staten Island Woodbridge FPD engines must travel ten miles north on Interstate 5 and then westerly on Walnut Grove most of which is within the Thornton FPD service area. The Thornton FPD could provide better response time as its fire station is located near the intersection of Interstate 5 and Walnut Grove.

The District provides service primarily within its boundary area. The District does not maintain Mutual Aid Agreements (fire district provides or receives aid upon request by the first-response agency) with adjacent fire districts but participates in the Countywide and Statewide Mutual Aid upon request and is a participant in the County Joint Hazardous Materials Team, Urban Search and Rescue Team, Fire Investigation Unit, and Incident Command Team. The District maintains automatic aid agreements with Waterloo-Morada and Mokelumne FPDs and provides an engine company and Water Tender to specific areas and incident types to Liberty, Stockton Fire Department, and the Consumnes Community Services District. The District reported that six percent of its calls were for Automatic Aid.

INFRASTRUCTURE

The District operates four fire stations as indicated below.

Station	Location	Condition	Staff by job title per Shift	Apparatus
71-Headquarters	400 E. Augusta St. Woodbridge, CA	Fair	3 Line Personnel 3 Administrators	3-Engines, 1-Grass Unit, 1-Rescue, 1-Water Tender, 1-USAR Unit
72	2691 E. Armstrong Rd. Lodi, CA 95242	Fair	2 Line Personnel	1-Engine
73	25440 N. Eunice Acampo, CA 95220	Excellent	2 Line Personnel	1-Engine 1-Decon Unit
74	6351 W. Capitol Ave Lodi, CA 952042	Good	3 Line Personnel	1-Engine 1-Fire Boat

The Woodbridge fire stations #71, constructed in 1958, and #72, constructed in 1968, are located within one mile of the City of Lodi Fire Department stations. At this time the District is addressing the future effectiveness of station #72.

SERVICE ADEQUACY

There are two general indicators of service adequacy for municipal fire providers: ISO rating and response times. The Insurance Service Office (ISO), an advisory organization, classifies fire service in communities from 1 to 10, indicating the general adequacy of coverage. Communities with the best systems for water distribution, fire department facilities, equipment and personnel and fire alarms and communications receive a rating of 1. The Woodbridge FPD has an ISO rating of 5 in the suburban areas and an 8 in rural areas. The District reported a median response time of 6.08 minutes.

Response data provided by LifeCom Dispatch Center regarding the District's 90th percentile "turnout time" and "engine performance" times in 2009 were 2:13 minutes and 8:27 minutes respectively. The average 90th percentile times for all fire districts were 2:42 minutes turnout time and 7:38 minutes for engine performance.

Special conditions unique to the District that provide challenges in the provision of services include the 300 miles of the San Joaquin Delta waterways, wildland areas associated with the Mokelumne River, the inclusion of three major highways (Highway 12, Highway 99, and Interstate 5), a major railroad, three small airports, and major underground pipelines.

GOVERNANCE ALTERNATIVES

The Woodbridge FPD was involved in two consolidations: Forest Lake Fire District in 1996/1997 and the Delta Fire District consolidation in 2003. Woodbridge FPD discussed the feasibility of consolidating with Thornton and Mokelumne Fire Districts as supported by the County Board of Supervisors along with dialog with waterloo/Morada Fire District. There have been numerous discussions related to the possible consolidation between the Lodi Fire Department and Woodbridge Fire District with no positive results.

MSR DETERMINATIONS

GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

1) Population growth within the District service area is expected to be minimal at an average annual growth rate of .90 percent. Using this growth rate projection the population at the 10-year planning horizon (2020) is projected to be 14,122 (2020) and in 30-years, 16,697 (2040).
2) If the cities of Lodi and Stockton annexed the territory that is within their 10-year SOI boundary Woodbridge FPD would lose 2 percent or 1,581 acres of their territory to Lodi and 5 percent or 5,189 acres to the City of Stockton.
3) The District receives approximately 1,300 calls for service each year of which 65 percent are for medical emergencies. The average number of calls received by the other county rural fire districts was 898 calls in 2008.

PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

1) The District owns four fire stations. Station 72 is located within a mile of a City of Lodi fire station but can provide better response time to the southwest area of the Mokelumne Fire District. In addition the Morada-Waterloo FPD is exploring the feasibility of relocating/constructing a station where it can serve the southeast portion of Woodbridge, southwest portion of Mokelumne FPD, and the northerly portion of Waterloo-Morada FPD.

2) The northwestern portion of the WOODBRIDGE FPD known as Staten Island is accessible only by traveling through the Thornton FPD. The Thornton fire station is located closer to the area and can provide a better response time. The area should be detached from WOODBRIDGE FPD and annexed to Thornton FPD if financially feasible.
3) The Lifecom Dispatch Center reported the District's 90 percentile on elapse times as 2:13 minutes for Turnout and 8:27 minutes for Response. The average 90 percentile times for all Districts was 2:42 minutes for Turnout and 7:38 minutes for Response.

FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

1) The two revenue sources for the District include property tax revenue (90 percent) and special assessments (5 percent), and service fees (5 percent). The reserve account holds approximately 66 percent of the total operating budget.
2) Two percent of the District territory (1,581 acres) is within the City of Lodi's SOI and 5 percent (5,189 acres) is within the City of Stockton SOI. The 2009 estimate of property tax revenue loss to the District would be about $657,053 plus the special assessments.

STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

1) The District maintains automatic aid agreements with adjacent rural fire districts.
2) The District participates in the County Joint Hazardous Materials Team, County Urban Search and Rescue Team, Fire Investigation Unit, and Incident Command Team.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

1) Voters within the District approved a special tax override measure demonstrating the District's accountability to its constituents to provide adequate level of services.
2) The feasibility of consolidation among the north county fire service providers to improve efficiency of services, improve staffing levels, and to promote facility and apparatus sharing needs to be explored as well as a Functional Joint Powers Authority or Consolidation for administrative services for the District.

ATTACHMENT D

Agenda Item No. 7.

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION
1112 I Street, Suite #100
Sacramento, California 95814
(916) 874-6458

October 1, 2003

TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer

RE: **Policy Discussion Paper:**
Tax Sharing Agreement Process for City Annexations and Special District Detachments per Revenue and Taxation Code

RECOMMENDATION

Encourage cities and County of Sacramento to include special districts as part of their property tax sharing negotiation process in annexation/ reorganization proposals in which special districts are affected.

PURPOSE

1. The purpose of this paper is to define the legal requirements and process of negotiated Property Tax Agreements and to advise the Commission of LAFCo's role in this process.

2. Advise the Commission that the County of Sacramento and City of Sacramento intend to work with specific special districts which are likely to be impacted by future annexation/ reorganization proposals.

DISCUSSION

This paper provides a basic description of the property tax sharing agreement process. In order for a city to annex property, the city and county must enter into a property tax agreement. This ***agreement apportions property tax from the county to the city based upon the fiscal impact to the respective jurisdictions related to the simultaneous transfer of service responsibility.***

The negotiation process between the city and county is set forth in the Revenue and Taxation Code. LAFCo is not a party to this process. Nor is LAFCo required to participate in this process. Nor does LAFCo have any legal authority to participate in this process. However, LAFCo cannot determine the annexation application complete until an agreement has been reached between these entities.

The county is not required by the Revenue and Taxation Code to reach a property tax agreement. If an agreement cannot be reached, the annexation/ reorganization proposal cannot proceed.

LAFCo does not have the authority to:

(1) Impose the requirement that an agreement between two taxing entities be achieved;

(2) Impose terms or conditions on any property tax sharing agreement;

(3) Impose a requirement that the county negotiate on behalf of special districts except as provided by statute.

Therefore, LAFCo encourages the County of Sacramento and cities within the county to include special districts in the negotiation process when developing property tax sharing agreements that propose annexation/ reorganization in which special districts are affected.

Legal Analysis: *The role of the County to negotiate property tax agreements.*

The county is required to negotiate on behalf of special districts. The Revenue and Taxation Code provides the following process:

> "In the event that a jurisdictional change would affect the service area or service responsibility of one or more special districts, the board of supervisors of the county or counties in which the districts are *located shall, on behalf of the district or districts, negotiate any exchange of property tax revenues. Prior to entering into negotiations on behalf of a district for the exchange of property tax revenue, the board shall consult with the affected district. The consultation shall include, at a minimum, notification to each member and executive officer of the district board of the pending consultation and provision of adequate opportunity to comment on the negotiation.*
>
> Notwithstanding any other provision of law, the executive officer shall not issue a certificate of filing pursuant to Section 56658 of the Government Code until the local agencies included in the property tax revenue exchange negotiation, within the 60-day negotiation period, present resolutions adopted by each county and city whereby each county and city agrees to accept the exchange of property tax revenues.

> In the event that the Commission modifies the proposal or its resolution of determination, any local agency whose service area or service responsibility would be altered by the proposed jurisdictional change may request, and the executive officer shall grant, 15 days for the affected agencies, pursuant to paragraph (4) to renegotiate an exchange of property tax revenues. Notwithstanding the time period specified in paragraph (4), if the resolutions required pursuant to paragraph (6) are not presented to the executive officer within the 15 day period, all proceedings of the jurisdictional change shall automatically be terminated."[1]

The following scenarios describe the most typical type of detachments that occur as part of a reorganization process as the result of a city annexation proposal.

Scenario 1

A city proposes to annex unincorporated property.
No detachment from a special district is proposed.

In this case, the city and county reach an agreement. There is no impact to any special district. Property tax negotiations impact only two parties: the city and county.

Analysis

The county is not required to enter into a property tax agreement, however, the Revenue and Taxation Code provides for an arbitration process. This process cannot impose an agreement on either party. If the city and county enter into a property tax agreement, there is no effect to a special district because no detachment will occur.

Scenario 2

A city proposes to reorganize unincorporated territory.
The proposal annexes territory to the city and detaches territory from one or more special districts located in the unincorporated territory
to which the special district may or may not currently be providing services.
The effect of the detachment is that the special district no longer receives property tax revenue nor will it provide service (currently or at a future time)
to the detached territory.

From a special district point of view, the issue is whether or not the territory to be detached is (1) undeveloped, thus unserved, territory or (2) developed, and served at the time of detachment, territory. The financial aspects and service delivery impacts under each type of detachment may be very different. LAFCo's responsibility is to evaluate both the financial and service delivery impacts; not to negotiate agreements.

Special districts have four primary concerns related to detachments:

---

[1] Revenue and Taxation Code, Sections 93 and 99.

1. Loss of property tax revenue base.
2. Loss of future revenue growth.
3. Cumulative impact of revenue loss.
4. Impacts affecting district ability to provide service.

These are valid concerns that must be analyzed for each type of proposal. However, LAFCo must weigh these issues in the context of a number of other issues: open space, agricultural lands, logical service boundaries, growth, population trends, affordable housing, water availability, and the overall efficiency and effectiveness of municipal service delivery.

Scenario 2 is far more complex and controversial than Scenario 1. However, again, LAFCo should not be directly involved in a property tax exchange process. **LAFCo has no legal authority to negotiate anything on behalf of the county, any city, any special district, or any other local governmental entity. If the transfer of revenue and services cannot be agreed upon by all parties, LAFCo may mitigate financial impacts by amending boundaries, requiring the assumption of bonds or debts, or other similar adjustments; LAFCo may deny the proposal; or LAFCo may request the parties continue to resolve their differences.**

Fiscal and Service Impacts Analysis Under Scenario No. 2

Situation 1: ***Impact on detaching special districts for annexation of undeveloped unincorporated areas.***

In this case, the general theory, or assumption, is that the transfer of property tax is entirely offset by the transfer of service responsibility. As a result, this transfer, in most instances, may be considered revenue neutral.

Typically, on undeveloped property, special districts receive minimal revenue and provide no, or minimal, municipal services. After a special district is detached, it no longer has any service responsibility.

a. Loss of Property Tax Base: Minimal impact in terms of shift in property tax revenue. LAFCo would analyze the revenue and service impact to the district before and after detachment

b. Loss of Future Revenue Growth: In theory, the future revenue should be spent on services to the area that is proposed to be detached. Since the district no longer provides services, it does not need the revenue because it does not have service responsibility.

c. Cumulative Impacts: Cumulative impact is the sum of all previous redirection of both revenue and service responsibility of a district. Thus, LAFCo, when it evaluates how a proposed detachment impacts the ability of a district to provide services to the remaining district, it automatically factors in previous impacts that have occurred.

An analysis of previous detachments factors in the cumulative impact of previous LAFCo actions. The impacts of each detachment evaluate the probable changes to the district as a whole and its ability to function and operate. The following simple description illustrates that cumulative impacts are factored in the analysis.

Assume that a district serves 100 acres. A one-acre detachment may have certain impacts to the remaining 99 acre district. The second one-acre detachment may have different or similar impacts. The second detachment evaluates the proposal on its impact to 99 acres, not the original 100-acre district. In essence, the analysis of the second proposal takes into account the cumulative impact of previous detachments and/or annexations because it examines the impact on the 99 acre district. The incremental change, or net change, includes the previous impacts.

While this methodology factors in previous changes, it does not provide a summary of the total change. The impact of the proposed detachment is compared to existing conditions and is relative to only the current situation. Nonetheless, it provides a means to evaluate the impacts.

Situation 2: ***Transfer of developed unincorporated areas and concurrent detachment of special districts.***

This situation is likely to result in negative impacts to the district if there is a significant loss of revenue to the district. This situation may be more difficult to resolve because the long term viability of a special district may be at stake if the parties cannot reach an agreement. The Natomas Panhandle may be an example of this situation. Again, it is in the best interest of cities, the County, and special districts to try and resolve these financial impacts in the development of a property tax sharing agreement prior to submitting a proposal to LAFCo.

Impacts to Special Districts

The concerns raised by special districts are valid; impacts must be fully analyzed for each annexation/ reorganization proposal. Because detachment has different levels of financial and service impacts, it is impossible to develop standards that define what is and is not significant.

LAFCo Responsibility

Based on the financial issues and service delivery impacts, as well as other regional impacts, the Commission can approve, modify or deny a proposal.

In addition, the Commission, from time to time, has not taken action on a proposal, requesting that entities negotiate a property transfer phase-out agreement to mitigate financial issues because the Commission believed the financial impacts were significant.

[Note: Upon annexation the county auditor is required to transfer property tax allocations to the annexing entity. The auditor cannot phase this out over time, therefore, the entities must reach an agreement whereby they agree to phase-out property tax revenue over a period of time.]

The Commission must evaluate and weigh a significant number of issues during its deliberations over proposals. Many times the Commission must find the balance between competing interests and issues. Any change in governmental reorganization implies changes to the status quo and are never easy. Annexations and detachments relative to property tax revenue may have significant impacts on special districts.

Future reorganizations (annexations/ detachments) by the City of Sacramento and City of Folsom will likely impact special districts to a great extent. For this reason, the cities and county should adequately evaluate special district financial impacts during their negotiation process and address special district issues and concerns.

City and County Responsibility

If LAFCo cannot make a finding that revenue loss is equal to service loss and the detachment will not have a significant negative impact on the special district, LAFCo may significantly modify or deny the proposal. The cities and county have several alternatives to mitigate special district revenue loss:

1. Property tax phase-out over a fixed period of time.
2. Annexation of the territory without detachment of special district.
3. Consolidate or merge special districts with the proposal city.

Therefore, LAFCo encourages cities and the county to work in good faith with special districts when the city and county commence negotiations for an annexation/ detachment process. To the degree that impacts to special districts can be minimized prior to the LAFCo public hearing, the proposal may be able to be processed with less delay and with fewer mitigation terms and conditions.

LAFCo must evaluate the loss of property tax revenue to a special district in the context of the district's viability before and after the proposed detachment. LAFCo must examine whether or not a special district should be dissolved and reorganized or consolidated with another special district. These are complex in that an analysis must often make assumptions concerning future growth within the remaining territory of a special district: whether or not the property tax base is growing, if so at what rate; whether or not the cumulative affect of the detachment creates a loss so great as to impact the district's capacity to serve the remainder of its district.

ATTACHMENT E

Excerpt from:

SAN JOAQUIN LAFCO MEETING

Thursday, June 12, 2025

9:00 AM

Held at:

San Joaquin County Administration Building

44 North San Joaquin Street, 6th Floor

Stockton, California

Reported by:

LISA S. COELHO, CSR #9487

APPEARANCES

PETER JOHNSON, Board Chair
SONNY DHALIWAL, Board Member
MARIO GARDEA, Board Member
GARY BARTON, Board Member
DAN ARRIOLA, Board Member
REX DHATT, Board Member
J.D. HIGHTOWER, Executive Officer
JOSHUA VARINSKY, Board Counsel
CLAUDIA IBOA, Board Clerk

OTHER SPEAKERS:
STEPHANIE OCASIO, City of Stockton
ERIK PATTEN, Stockton Fire Department
DANA KENNEDY, Counsel for LGRE
PARMEET DHALIWAL, LGRE, Developer
BRETT JOLLEY, Counsel for Montezuma Fire Protection District
ED MARTEL, Montezuma Fire Protection District
STANLEY LAWRENCE, County of San Joaquin
BOB PENCE

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MR. HIGHTOWER: This being the time and place. Everybody call the commission meeting -- the LAF -- the Local Agency Formation Commission meeting of June 12th, 2025, to order.

Have a roll call, please.

CLERK IBOA: Commissioner Arriola?

COMMISSIONER ARRIOLA: Present.

CLERK IBOA: Commissioner Barton?

COMMISSIONER BARTON: Present.

CLERK IBOA: Commissioner Dhaliwal?

COMMISSIONER DHALIWAL: Present.

CLERK IBOA: Commissioner Dhatt?

COMMISSIONER DHATT: Present.

CLERK IBOA: Commissioner Ding?

Commissioner Gardea?

COMMISSIONER GARDEA: Present.

CLERK IBOA: Commissioner Johnson?

COMMISSION JOHNSON: Present.

CLERK IBOA: Chair Diallo?

MR. HIGHTOWER: With both the chair and vice chair being absent from the meeting, we need to have a selection of the commissioner and vote on for -- to chair this meeting today on a temporary basis.

COMMISSIONER BARTON: I move to have Commissioner Johnson chair the meeting of June 12th.

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COMMISSIONER ARRIOLA: Seconded.

MR. HIGHTOWER: Roll call vote.

CLERK IBOA: Commissioner Arriola?

COMMISSIONER ARRIOLA: Yes.

CLERK IBOA: Commissioner Barton?

COMMISSIONER BARTON: Aye.

CLERK IBOA: Commissioner Dhaliwal?

COMMISSIONER DHALIWAL: Yes.

CLERK IBOA: Commissioner Dhatt?

COMMISSIONER DHATT: Yes.

CLERK IBOA: Commissioner Gardea? Yes.

MR. HIGHTOWER: Okay. Chair for this meeting will be Peter Johnson.

CHAIR JOHNSON: Okay. All right. First of all, welcome to everybody. It's nice to see all these smiling faces out there. We've got three kind of big items on the agenda today. I know some of you are passionate at least one of those items, probably two of those items, and we are glad that you came here to give us some input today.

Moving on, we've had our roll call. Let's go to the -- we are starting this meeting officially at 9:05 we'll call it. And let's go ahead and go to the Pledge of Allegiance.

Mr. -- Commissioner Gardea, will you please lead us.

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(The Pledge of Allegiance takes place.)

(Consent Items called.)

(First Public Hearing called.)

CHAIR JOHNSON: All right. Moving on to item No. 2, Arch Road annexation to the City of Stockton and detachment from Montezuma Fire Protection District.

Mr. Hightower, you're up.

MR. HIGHTOWER: Yes. Commission -- excuse me. Commission, the request before you is a reorganization request by the City of Stockton that includes annexation and concurrent detachment from the Montezuma Fire Protection District of a 1.54-acre site located on the southeast corner of Kingsley Road, south 99 frontage road, and Arch Road. That parcel is uninhabited, and you can waive the protest proceedings of -- this -- there's no one living on the site.

The -- this site is in conformity with the commission's policies on providing orderly development and that development of the site is a logical progression. The -- there's development on three corners of the -- of that existing intersection, with the site being more or less across the street from a Hampton Inn across Arch and on the -- and across Kingsley, there's a 7-11 and other quick-serve restaurants.

The City of Stockton's General Plan is in

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consistency with this proposal. The Stockton General Plan designates this for -- as commercial, and it's really there to support the -- that commercial strip along Arch Road. Looking at the big picture, it's consistent with the Regional Transportation Plan in that the Regional Transportation Plan calls for the whole general area to be an employment center and having auxiliary land uses that support that vision of the Regional Transportation Plan for employees and employment centers.

You do need commercial land uses to help support that, and this is a good -- the General Plan has been in existence, so 2040. No changes. This project's totally consistent with the General Plan. The project actually came to LAFCo because it was proposed for development, and the City of Stockton has existing water there in Arch Road, Arch Road and Kingsley, and was -- originally came through -- processed originally through the county.

At the last minute there was a -- and with the plan that was going to be serviced, out of boundary service request and service by the City of Stockton for water and sewer, that was at the, more or less, the eleventh hour, those services. The City of Stockton decided no, we wanted to annex -- they needed to be annexed in order to provide services, so the -- started the clock again through the city of -- the city's process

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for entitlements on the project. And that -- and it's -- again, it's consistent with their zoning and General Plan designation and they have infrastructure there to service the site.

The site has never been used for agricultural resources for at least for the last 20 years. Aerial photographs show that it has been a vacant infill site. In this case, it's really promoting LAFCo's goal of promoting infill development.

The -- again, the water can be provided. There's both -- in close proximity to the city's distribution system and immediately, there's both lines in Kingsley and Arch Road and in close proximity to not only the city's water -- service water treatment plant or facil -- Stockton use of the city reservices from, but also the well. There's a groundwater well as well.

The City of Stockton can provide emergency services to the site. And, of course, with their General Plan, their General Plan calls for four-minute -- striving for a four-minute response time to all locations from Station 12. It looks like, you know, kind of limited data because really don't have a log for Code 3 calls to this site, but looking at different studies, it's reasonable that the services could be provided from Stockton, Station 12, within -- within the four minutes, the goal of the

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city.

Again, the Regional Transportation Plan not only calls for the Arch Road being an employment center, but to support that employment center, there's investments on Arch Road that are called for by the Regional Transportation Plan. And this project provides dedication to Arch Road in accordance with that, with the call -- with the plan, the overall master plan for Arch Road. Serve -- the revenues provided by the -- by the project will -- will cover the cost of providing services to the site.

That concludes my presentation. Do you have any questions?

CHAIR JOHNSON: I'll go ahead and --

MR. HIGHTOWER: The main -- the main -- the main issue with the site I should -- has been the site is currently serviced by fire by the -- by the Stockton -- I'm sorry -- the Montezuma Fire Department. Montezuma Fire Department has two stations, one on B Street, one at the airport, and those are within 3.3 miles, which is actually closer to the site than Station 12. However, the travel times are project -- are longer.

And so -- and to be -- because we can't really measure Code 3, from the airport side under a Code 2, it was at three minutes and 52 seconds from Airport Road.

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And the -- really the main issue with the project has been and continues to be the detachment from -- the annexation portion of the reorganization, all -- that can -- all the findings can be made. The detachment is in compliance with Section 99 is kind of the issue that needs to be evaluated.

CHAIR JOHNSON: So let me try and summarize for everybody to make sure everybody's tracking all this. Because in my eight-plus years on LAFCo, I can say this is probably the most complicated piece of stuff I've seen, with late-night emails from people, from all kinds of last-minute stuff.

So what we're talking about are two things here, an annexation, which what I've heard from everybody is everybody is good with annexation. What I've heard is that not everybody's good with detachment. So that's I think the bigger stumbling block, and I think that we also have some question about whether or not we have met -- and you mentioned, is it Section -- what's --

MR. HIGHTOWER: Section 99 of the --

CHAIR JOHNSON: Section 99.

MR. HIGHTOWER: -- Revenue and Taxation Code. The city and the county do have a tax-sharing agreement. The property tax allocation upon annexation agreement that was executed in 2015. The -- technically it's an

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agreement that we can check off as far as the requirements for the Revenue Code to have the -- both have -- parties have -- the city and the county have an agreement.

However, Section 99 dives a little deeper into the special districts that the county with the master -- the difference of the property tax allocation agreement upon annexation is an agreement. Section 99 specifically names out a master property tax-sharing agreement. The master property tax-sharing agreement process with the -- requires that the county notify and collect comments and give weight to the comments from the district on the master property tax-sharing agreement.

So that's the -- that's really the key. Yeah, there's a tax-sharing agreement in place between the city and the county under the property tax-sharing allocation. However, by the county's own -- county administrator last night submitted a letter saying that with that, it was only for annexations, not detachments, and the -- so not reorganizations.

And the city -- and where that gets into kind of the nuances of the -- the city's application is for reorganization; right? So the city application for reorganization, that includes both annexation -- that appears to be covered with the property tax-sharing allocation agreement and detachment from Montezuma Fire

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1 District, and the fire district is saying that they were
2 never consulted.
3 And so -- and the county administrator's letter,
4 it was more or less my understanding -- why I need more
5 clarification is my understanding is that they should have
6 told the city that, hey, this doesn't cover special
7 districts and it's not for detachment. It's only for
8 annexation. I think that's where some of the confusion
9 has arised is that their -- the city was proceeding with
10 this was a tax-sharing agreement that was shared with
11 the -- with the district and -- when, in fact, it really
12 wasn't. It was just a straight business transaction
13 agreement between the county and the city.
14 CHAIR JOHNSON: So I'm getting ready to open it
15 up first to the commission; then I'll open it up for a
16 public hearing. But before we do, since a lot of this is
17 around understanding what the law is, implied, stated,
18 otherwise, I'd like to give our attorney an opportunity to
19 weigh in if he's got anything that he wants to add to
20 this.
21 MR. VARINSKY: Yeah, thank you, Chair.
22 Generally the tax-sharing agreement is a
23 prerequisite for -- one, for us to accept the application
24 and for you to consider it. There's a notice and process
25 that has to take place, and generally the county is

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1 supposed to be involving or negotiating on behalf of the
2 special district in that case, but we're just accepting
3 the application.
4 So if we have resolutions from the city and the
5 county that says, yes, this is the tax-sharing agreement
6 that applies to this particular application, we'll process
7 it and bring it to you for the commission's consideration.
8 And there can be conditions or you can deny the
9 application or amend the proposal before you. I think our
10 understanding so far is that we have resolutions from both
11 the city and the county that this is the tax-sharing
12 agreement that applies to this application and, therefore,
13 it's before you to consider within your discretion if you
14 want to condition it, deny it, or amend it.
15 But I would say this letter that was received
16 from the county last night or this morning was a bit of a
17 surprise; that if the county is saying that this
18 tax-sharing agreement does not apply to this particular
19 application, then we would want more time to review that.
20 But our understanding so far is that both agencies are
21 saying that this is the agreement that was negotiated for
22 this application.
23 CHAIR JOHNSON: All right. Thank you.
24 Let me go ahead and open it up for Commission.
25 Yeah, Commissioner Gardea.

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1 COMMISSIONER GARDERA: J.D., so when you
2 mentioned the clock start, when did the clock actually
3 start on this project?
4 MR. HIGHTOWER: When you -- when I issue a --
5 what they call a Certificate of Filing. A Certificate of
6 Filing is a statement saying that you have a complete
7 application. So initially I had -- basically my
8 understanding from just having been personally involved in
9 the property tax-sharing agree -- the property tax
10 allocation agreement with the -- with the -- between city
11 and the county was really my recollection was that the
12 districts were never notified.
13 It was just a common practice that they weren't
14 notified. That's why the original submittal back in April
15 last year, I say where's your agreement with the count --
16 with the districts? Because under Section 99 with a
17 master property -- again, FIA (phonetic) is a master
18 property tax-sharing agreement. Under a master property
19 tax-sharing agreement, somewhere on there, there should be
20 a signatory of the district, but there -- that's not --
21 that's not the case.
22 What you have is a property tax allocation
23 agreement for adding upon annexation. So really what the
24 county administrator is saying is that, yeah, it's for
25 annexations, but we never -- we never have intended it to

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1 include detachments, so -- but, I mean, that's -- but you
2 have an agreement. They have an agreement for property
3 tax sharing between the city and county so, yeah, it
4 checks that box. And when we go forward with the
5 detachment, then Montezuma said, hey, we're -- we were
6 never notified. What's going on? We -- you know, we have
7 issues here. So that was -- that's where -- the matter
8 before you.
9 COMMISSIONER GARDERA: So you're telling me when
10 this clock started, there has been no negotiations between
11 the city and Montezuma?
12 MR. HIGHTOWER: Well, in the pre -- the first
13 submittal there was. There was, I believe, three
14 meetings, and I was there just to observe. That was it.
15 My one -- one comment that I did make at the end of the
16 last meeting was, you know, I'm really -- I was kind of
17 surprised that all the -- we have people from city,
18 county, myself, district, everybody running the clock.
19 And as I -- we're talking about property tax, not
20 sales tax. 100 percent of the sales tax goes to the City
21 of Stockton with this proposal. What we're talking about
22 is is property tax, and that was my -- that was -- that
23 was the extent of my comment of that meeting. I was there
24 for observation only. The county's position at the time
25 was that they were there for observation only and we --

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1 held in the county administrator's conference room.
2 And it was really between the district and the
3 City of Stockton to try to get them to negotiate some sort
4 of agreement. And shortly thereafter the last meeting,
5 the City of Stockton submitted a letter withdrawing their
6 application, and then they resubmitted in April. So --
7 and so I issued a Certificate of Filing on May 22nd, and
8 that started the clock.
9 COMMISSIONER GARDERA: So I got a couple more
10 things. The other thing is I agree. You know, getting --
11 getting a document at 6:20 the night before doesn't give
12 us the opportunity to do our homework. I don't know if
13 that's by design or it just was a last-minute. So in the
14 future, I would hope that anybody that's going to bring
15 something to this board, that would give us the
16 opportunity to allow us to do our homework on it for the
17 future. I think it's unacceptable to do something at 6:20
18 at night the night before.
19 Second -- I'll just leave it at that.
20 CHAIR JOHNSON: Thank you.
21 COMMISSIONER DHALIWAL: Right here question, sir.
22 CHAIR JOHNSON: Yes, Commissioner Dhaliwal and
23 then Commissioner Dhatt.
24 COMMISSIONER DHALIWAL: I have question for the
25 attorney. There's a letter from Mr. Jolley. Do you have

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1 it in front of you?
2 MR. VARINSKY: Yes.
3 COMMISSIONER DHALIWAL: On the last page, there's
4 an option B proposal to move project forward.
5 COMMISSIONER BARTON: Which page are we on?
6 COMMISSIONER DHALIWAL: The last page.
7 MR. VARINSKY: So I would -- from the district's
8 perspective, I read that as asking the commission to
9 consider approving the attachment and amend -- the
10 proposal before you is to annex and detach. Under this
11 recommendation, you would be approving the detachment and
12 modifying -- modifying the proposal in a way and -- sorry.
13 You'd be approving the annexation but not approving the
14 detachment.
15 COMMISSIONER DHALIWAL: So if the commission
16 exercise that option, does that create any issue or
17 precedent?
18 MR. VARINSKY: It would -- if that's the way the
19 commission is leaning, I would -- if J.D. concurs, I would
20 recommend a continuance so we could prepare a more
21 thorough recommendation with the alternatives rather than
22 modifying it at this moment right now so we could give you
23 a clear idea of what the alternatives are and present --
24 and show you how that proposal would work.
25 COMMISSIONER DHALIWAL: If we do modify it, what

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1 kind of issue does it create?
2 MR. HIGHTOWER: I can --
3 COMMISSIONER DHALIWAL: Please.
4 MR. HIGHTOWER: My biggest concern with modifying
5 the way it is right now is that the application is for
6 reorganization. There was one application for
7 reorganization that include both annexation and
8 detachment. In order to split the two apart, we would
9 need consent from the City of Stockton saying, hey, what
10 we really want is an application -- one application that
11 covers both and a check box annexation and detachment;
12 right?
13 Instead of right now, there's just one -- there's
14 an application that just has a reorganization box marked;
15 we want reorganization. And so without the consent from
16 the city saying, hey, well, we really want to do is amend
17 our application and show both annexation and detachment,
18 there's no way we -- this is where the -- the biggest
19 concern that -- reading the Tracy Rural lawsuit was that
20 we took actions that weren't authorized by anybody, by the
21 applicant.
22 But other than that, we have an application by
23 the applicant for reorganization, not -- not one for
24 annexation, not one for detachment. And just the box is
25 check marked as reorganization, so it's beyond our scope

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1 of authority to split these two apart right now. We can
2 only act on one, and that's the reorganization that
3 includes both actions.
4 CHAIR JOHNSON: I think just for clarification,
5 so unless the city wanted to come back and offer something
6 different, what we would be doing is either voting on this
7 as is today or we would be probably, I'm guessing, 60
8 days? No.
9 MR. HIGHTOWER: We could bring it back --
10 CHAIR JOHNSON: Because here's my understanding.
11 My understanding is -- and when I hear words like
12 "technically we could," "supposed to," those kinds of
13 things concern me a little bit. You know, we check the
14 box, but -- so if there's questions about whether or not
15 this is appropriate -- I don't know if there are or not.
16 We're going to hear from people in just a minute.
17 If there's questions about that, it seems like we
18 address that issue by giving the opportunity for them to
19 have those deliberations that may or may not have been
20 completed, but we allow that time for that to happen and
21 we continue on with what we have, the application we have.
22 And it's just whatever the time frame needs to be for
23 those things to happen so that it's not technically we did
24 it, but we absolutely did it.
25 Commissioner Dhatt.

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COMMISSIONER DHATT: So my question -- correct me if I'm wrong. So this proposal and this developer has met all of the conditions for this project; correct?

MR. HIGHTOWER: Oh, yeah.

COMMISSIONER DHATT: So now this --

MR. HIGHTOWER: I mean, all the -- all the factors of Government Code Section 56668, which are the factors that LAFCo shall consider when looking at proposals. This project meets all of those.

COMMISSIONER DHATT: So basically on this whole project, this developer is held back because of these two entities cannot come to an agreement; is that correct?

MR. HIGHTOWER: That's -- well, that's what the -- the meat of the matter is. Can we -- is the property tax allocation upon annexation agreement, is that -- yeah, it's an agreement between the city and the county. And it could meet for -- move forward. It's just the detachment area is where it gets really -- the reorgan -- the detachment portion of the reorganization is -- I think both sides have represented a logical debate. They have logical constructs on both arguments.

COMMISSIONER DHATT: So -- but the person who's losing, the person who's held hostage is the developer.

MR. HIGHTOWER: That's -- yeah, I -- my -- that's why I really would like to somehow streamline the effort

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for the developer. Because going through the account of one time almost -- my understanding was literally at the eleventh hour, the process of being with the county was no, it needs to be annexed by the city. Then they stopped and then reapplied with the city, gone through the whole thing, and then the app -- then moved to LAFCo and I -- hey, where's your agreement between the two?

That stopped again. Actually the application is withdrawn. Start again in April, so I -- I would be beyond frustrated if I -- I mean, I want to move this thing forward one way or another. I just don't know exactly how to do it given the constraints that the law places on us. That's where Josh comes into it.

COMMISSIONER DHATT: So basically the county is losing tax dollars, not (indiscernible) is being made.

MR. HIGHTOWER: That's correct.

COMMISSIONER DHATT: And the developer is losing and it's probably going to frustrate other developers from coming into this hearing.

MR. HIGHTOWER: No, we need to present a business-friendly climate here in San Joaquin County, much like what we did with Costco. But in this case, it's like really how do we -- how do we present this and comply with California regulations, I guess, is what the whole -- you know, bigger picture, what the whole state is struggling

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with is you have these laws that are kind of antiquated, but yet we have to comply with them.

COMMISSIONER DHATT: So my question is what can this board and this commission do to kind of move this --

MR. HIGHTOWER: I would ask --

COMMISSIONER DHATT: -- forward?

MR. HIGHTOWER: -- the City of Stockton at this hearing, you know -- it's up to you, but, I mean, if you ask me, I would ask the City of Stockton if they would be willing to consider modifying their -- verbally modify their application to include -- take off the reorganization check mark and ask for annexation and detachment. If they say, yeah, we -- with you go forward, we can approve the annexation, that means everything. I just said all the factors of the Government Code that we need to take a look at. It meets all of them and probably exceeds them.

The question is detachment. And I don't know where they are, but realistically you submit plans, a building permit set of plans, and off-site improvement plans to the city for plan check, I'm not sure where the city's at on that process. But there's time before issuance of a building permit any combustibles being brought onto the site. That -- there's no reason why the detachment talks with the district and negotiations and

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plan checking and moving stuff because the city will be annexing it, why those can't move on parallel tracks.

That's kind of the way I would potentially streamline it. But, again, that's all up to the city discretion, and I don't know where the city is on plan checking both off-site improvements and building permits. I -- that's -- but there is an opportunity there to (indiscernible) parallel tracks.

COMMISSIONER DHATT: And who would be having this conversation with the city? Is it somebody -- you? Is it the developer? Is the fire departments? Who would be having --

MR. HIGHTOWER: It would be a team effort. Again, the -- my role in the first one of the negotiate, was, hey, just observe. That's why -- LAFCo has no skin in the game on this. This is really county -- not even the county. It's really the dis -- because they're -- they're saying we're not -- we didn't include them in their agreement. It's really between the district and the city. I'll do whatever I can to facilitate a meeting, but LAFCo doesn't have a actual role.

CHAIR JOHNSON: Well, I'll clarify that. I respectfully disagree. I think we do have a role. Our role is to make sure that we have logical growth, that we provide services in the most efficient, effective, natural

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way to do it. And when we have agencies, government agencies, that are having issues and overlapping, that's where LAFCo comes in to sort -- help sort some of that stuff out.

I want to get -- we've got Commissioner Gardea, and then I wanted to open it up because I have a hunch that somebody out there may want to speak to the commission. You're up.

COMMISSIONER GARDERA: Why would anybody want to do business in Stockton if we -- if a developer or a business person has to go through this challenge of developing in the unincorporated areas? And it's my understanding right now that I think Stockton, the City of Stockton, is the last to have a change in property tax agreement with the county, and I believe that they're in negotiations. So it looks -- looks to be that that's going to be changing in the future.

We just had -- we just heard a proposal from Tracy and, you know, it's first time we've seen Tracy at -- well, since I've been a commissioner, and it seemed like that was a smooth transition. You know, if I'm a developer and investor watching this or paying attention to it is -- it's -- it would be very, very discouraging to me to want to do business with the City of Stockton.

And from my understanding, you know, the county's

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not in the business to put in infrastructure, and the city is in business to put infrastructure and to push development to the investors. So it's just -- it's discouraging as a citizen and a -- to be part of this process and --

MR. HIGHTOWER: And part of that process, we've already taken proactive steps. So trying to put -- we're working on the rural fire district service review and governance study to take a look at, hey -- you know, like you said, the City of Tracy and Tracy Rural, they don't have this issue. Their JPA works perfectly fine. And can that model be replicated throughout the county? That's something that we're taking a look at.

You know, first off, we need to take a look at where all the districts are at and then move forward with that governance study. But we -- we've doing -- we're doing interviews with the rural districts and getting a real good picture of where everybody's at right now so we can move forward with a future governance study, much like what the City of Tracy and Tracy Rural have.

Because whether it's a JPA, consolidation, merger, you know, different techniques of how that partnership is formed. Well, once it's formed, these issues can be resolved. It's just a matter of what's the -- where we're at today, what's the vision for our

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future, and how do you get there. And that's what that fire that -- and that service review and governance study is about.

Today's issue is like, hey, you're right. The -- why -- the reason here is that it's a great location. It's right off the freeway. It's in an employment center. The -- it's to support employees and businesses. There's need for fuel and someplace to have lunch as an employee. I've got two quick serve restaurants I can -- I have half an hour to get -- to get something to eat and go. That's where -- that's what it's all about.

CHAIR JOHNSON: So I know we've got commissioners that want to add on. That's okay. You'll have another opportunity. I do want to open it up for public comment. We are open. Is there anybody from the public that would -- and they all start jumping forward.

I think you know the drill. Please state your name for the record.

MS. OCASIO: Stephanie Ocasio, director of community development for the City of Stockton. Excuse me.

Before I start, I'd like to ask a point of clarity. There is a condition proposed in the staff report that's outlined in Section 7 of the approving resolution. Has that -- is that still in play or has that

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since been modified? I've heard both and I'd like to confirm before I speak.

MR. HIGHTOWER: It's a draft resolution. The commission has authority to either modify that section or strike it. It's a -- it's a draft condition based on my recommendation that for a conditional approval of the -- of the -- of the request.

MR. OCASIO: Okay. So I will assume it is still in place, so I just want to clarify. Thank you.

Good morning, Chair and Commission. The city appreciates the opportunity to speak before you today. We support the executive officer's recommendation of concurrent approval and detachment; however, we do not agree with the condition of approval requiring the agreement with the Montezuma Fire Protection District within one year of said approval.

This is discussed in the staff report and in Section 7 of the draft resolution as just mentioned. This project has already faced a significant delay, as been discussed, due to the unsuccessful negotiations with the fire district last year. Adding an additional year-long delay would further burden the developers. They've already invested significant resources to get through the entitlement process.

This is a small business developer who

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1 unfortunately has been used by the fire district to draw a
2 line in the sand regarding detachment whilst they just
3 supported a 3.6 million square foot industrial project
4 last year. The recommended condition of approval puts
5 this project in purgatory, placing the ultimate approval
6 in the hands of the Montezuma Fire Protection District
7 board who have expressly and repeatedly stated their
8 opposition to any and all detachments, including this one.
9 Based on this reality, directing the city and the
10 district to negotiate an agreement will not bear fruit.
11 The city has already attempted negotiations of which the
12 fire district, county, city, and LAFCo were a party to.
13 It was made inherently clear that the fire district has no
14 intention of supporting detachment no matter how much
15 money is offered as mitigation.
16 This is substantiated by the fact that an offer
17 was made by the developer which exceeded projected
18 property tax revenues over the next 17 and a half years
19 where the rural fire protection district's MSR references
20 past five-year agreements and historically the executive
21 officer has identified a general practice of offering
22 ten-plus years in lieu -- or in exchange for detachment.
23 The amount offered to the district far exceeds
24 both these standards and meets the stated MSR standards
25 that are outlined that -- the MSR provides essentially a

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1 menu of options to negotiate with fire districts. What
2 was offered exceeds what's listed. Without annexation and
3 concurrent detachment, this property will likely never
4 develop, and this property tax revenue will remain
5 perpetually low.
6 The proposed condition essentially kills this
7 project, making the proposed resolution an approval in
8 form but a denial in substance, a sham approval if you
9 will. We believe that this condition of approval is
10 inappropriate, as it provides the fire district with undue
11 leverage and indirect authority over whether the project
12 ultimately progresses. That is solely LAFCo's authority.
13 While the provision of fire service is certainly
14 relevant, at the end of the day, the LAFCo process is
15 geared towards the efficient growth and provision of
16 service which is best served by allowing the annexation
17 and detachment. The proposed detachment meets all
18 required standards and is necessary to serve the
19 development in an orderly and efficient manner.
20 I will now defer to my colleague, fire deputy
21 chief Patton to further discuss fire suppression issues.
22 Thank you for your time.
23 MR. PATTEN: Good morning, Chair and
24 Commissioners. My name is Erik Patten. I'm a deputy
25 chief with the Stockton Fire Department. I've served for

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1 25 years. I'm here to speak before you today about the
2 emergency response capabilities and services we provide as
3 an all hazards fire department. I'll compare our models
4 versus that of the Montezuma Fire District and show why we
5 provide a higher level of service to the area and the
6 property.
7 Stockton Fire Department is a Class 2 fire
8 department with 13 stations providing coverage for the
9 City of Stockton and four contracted county fire
10 districts. Two on-duty battalion chiefs manage three
11 shifts of 184 sworn personnel assigned to 13 engine
12 companies and four truck companies. One chief operator is
13 also on duty to assist the battalion chiefs, the staffing
14 levels, and emergency scene accountability and safety.
15 All engine companies are staffed with three
16 personnel consisting of a captain, an engineer, and a
17 firefighter. The only exception is Engine 12, which is
18 staffed with an extra firefighter for a total of four.
19 Each truck company is staffed with four personnel
20 consisting of a captain and an engineer and two
21 firefighters.
22 The department is an AOS department, with both
23 engine and truck companies having at least one paramedic
24 staff daily, with the exception of Engine 12 which has
25 two. The remaining personnel on each apparatus are

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1 trained to the EMT 1 level. We have several specialized
2 units, including an urban search and rescue, a swift water
3 team, and a Type 2 hazardous materials team. These teams
4 are staffed 24 hours a day and respond from our various
5 specialty houses located strategically throughout the
6 city.
7 Currently Montezuma Fire Protection District
8 responds to emergencies from two firehouses. Their engine
9 companies are staffed with two firefighters who to a
10 minimum are trained to the emergency responder level,
11 which is a lesser certification than the EMT level we
12 require. This has the potential to delay much needed
13 advanced care until a more qualified unit arrives on
14 scene.
15 One of the two engine companies locate -- is
16 located at the Stockton Metropolitan Airport and is
17 contracted with airport -- excuse me -- aircraft
18 firefighting, which is their primary responsibility.
19 Montezuma Fire also uses volunteer firefighters to staff
20 apparatus on a callback basis.
21 When responding to a fire hazardous materials
22 incident, Montezuma Fire must rely heav -- rely heavily on
23 mutual aid or automatic aid agreements with neighboring
24 agencies to provide the adequate resources and expertise
25 necessary to mitigate the incident appropriately and

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effectively.

Occupation Safety and Health Administration, or OSHA, Policy 29 CFR 1910.134(g)(4)(i) requires two-in/two-out as a safety standard on all structure fires. This means that barring a known rescue, firefighters cannot enter a burning building unless they are operating as a buddy system with two additional firefighters on the exterior of the structure ready to respond if the need arises.

Montezuma Fire would have to wait for a second unit to arrive on scene from one of the neighboring agencies to fulfill this need, assuming that they are available units to send. Stockton firefighters meet this standard on every initial first alarm structure fire assignment that we are dispatched to, with four engines, two truck companies, two battalion chiefs, and a chief's operator.

The same mutual aid or auto aid response is necessary when they respond to a HAZMAT incident; whereas the Stockton Fire responds with a fully staffed Type 2 HAZMAT response which is staffed 24 hours a day and responds immediately from the city.

The address in question, 3568 Arch Road, is being proposed as the site of a convenience store with a fueling station and a quick serve restaurant. The potential for a

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fire or a HAZMAT incident is high. Stockton Fire Department is better equipped to handle any emergency that there is at the site.

Additionally, this parcel sits on the southeast corner of the intersection of Arch Road and California 99 frontage road. The other three corners sit within Stockton Fire's current response area and our service by Engine 12, who was mentioned earlier as having four personnel staffed with two paramedics, a much higher level of service than what Montezuma Fire can provide currently.

This would also mean that they would have to respond through our district to provide that service to the property in question. As an all-hazards fire department, Stockton Fire is better equipped to handle any emergency that may be presented at this location and currently provides these same services to multiple businesses such as gas stations, convenience stores, restaurants, and two hotels in the area, and they're only located several feet away across the street.

Thank you for your time and ability to speak before you today.

CHAIR JOHNSON: Thank you. I've got a question, Deputy Chief. Does Stockton have -- because I know around the city, there are plans, like, west of Spanos there's a station --

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MR. PATTEN: Yes.

CHAIR JOHNSON: -- location that's going in. Are there any plans -- since a big chunk of the growth is on the south side of town in that airport region, are there any plans for another additional station?

MR. PATTEN: Correct. Within five to eight years, we're projecting a station going in just west of 99 right there at Arch and 99, and so just the opposite side of the freeway of the response area we're talking about.

CHAIR JOHNSON: Okay. So if I understand correctly, so by Amazon there? Is that what you're talking about?

MR. PATTEN: Just if you get off the freeway to the -- to the right.

CHAIR JOHNSON: Okay.

MR. PATTEN: Somewhere in that area.

CHAIR JOHNSON: Okay. All right. So at that point, that will change the game too it sounds like.

MR. PATTEN: Correct. And we'll be funding that with a fire tax that -- new construction in that area will help fund that fire station.

CHAIR JOHNSON: Okay.

MR. PATTEN: And that will decrease our response times immensely.

CHAIR JOHNSON: Okay.

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MR. PATTEN: I'd also like to say that on the slides up there, the times that were up there, there was a seven-minute time, a six-minute time. Those were all Code 2 responses, Code 2 times. And I know I mentioned earlier I heard something about three minutes as a response time, but that wasn't accurate to the slides that were also presented up above.

CHAIR JOHNSON: Okay. Thank you.

MR. PATTEN: You bet.

MS. KENNEDY: Good morning, Commissioners. I'm Dana Kennedy, an attorney at Miller Starr Regalia, a land use consult to LGRE, LLC, the owner of the property located at 3568 Arch Road. I'm joined by Parmeet Dhaliwal from LGRE, and he can answer any specific questions you might have about the proposed redevelopment at the site or its history.

Thank you to LAFCo staff, especially Executive Officer Hightower for calling this hearing today and for recommending approval of concurrent annexation and detachment. This has been a challenging and stressful process for all involved parties, and I don't want to take too much of your time repeating the arguments and analysis in the letter I sent to you on Tuesday or Director Ocasio's comments regarding Section 7 with which I concur entirely. I respectfully request that you adopt the

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1 resolution with the revised version of Section 7 as I
2 noted in my letter on Tuesday.
3 From my perspective, the fire district has
4 unfortunately engaged in exactly the type of obstruction
5 that LAFCo has been formed to prevent. They have
6 inappropriately used the proposed reorganization to seek
7 leverage against the city in a larger battle meant to
8 ensure their own long-term funding.
9 I also strongly disagree with their reading of
10 Section 99, both generally and specifically, as it relates
11 to this master tax-sharing agreement. I'm sort of baffled
12 by the district's assertion and the county's last-minute
13 argument that this 2015 agreement wouldn't cover
14 detachment because it specifically contemplates
15 detachments. It assigns different tax allocations based
16 on whether or not a detachment is occurring from a fire
17 district.
18 Let me just read to you so that this information
19 is available in the record.
20 "Section 2, Property Tax Allocation. Upon
21 each annexation, property tax allocation
22 shall be determined pursuant to one of the
23 following provisions: A, for annexations
24 that involve detachment from a fire
25 district, city and county shall upon each

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1 annexation that in whole or in part involves
2 detachment from a fire district share an
3 annexation property tax base and all
4 incremental growth thereof pursuant to the
5 ratio of 20 percent city and 80 percent
6 county for all portions of the annexation
7 that involve detachment from a fire
8 district."
9 Section 2B addresses annexations that do not
10 involve detachment from a fire district. Obviously this
11 proposed reorganization does contemplate detachment with
12 that 20-80 split, but please note that even if it did not,
13 the split would also be 20-80 because the fire district
14 was established prior to June 15th, 1996. That is
15 addressed in Section 2B of the master tax-sharing
16 agreement.
17 One other thing I want to note is that this
18 agreement was entered in 2015. It's hard to know what
19 consultation might have occurred at that time. It was the
20 county's obligation to consult the district, but they
21 actually have no consequences if they don't. It's sort of
22 a courtesy that the law extends to special districts.
23 This agreement also expires on July 31st after a ten-year
24 term. Almost a year and a half of that term was eaten up
25 by delays caused by the district sewing confusion.

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1 So, again, we respectfully request that you
2 resolve this matter today, and we recommend that you
3 revise Section 7 and adopt concurrent annexation and
4 detachment.
5 I defer to the technical fire experts and your
6 judgment regarding the appropriate staffing, training,
7 equipment, and response models for fire service to the
8 site, but I do reiterate that it will be developed with a
9 gas station. The site should be served by the agency that
10 can most effectively keep people safe. That should be
11 everyone's priority. And while I'm not an expert, I do
12 find that Deputy Chief Patten's statement on this issue to
13 be compelling.
14 In closing, you are an independent commission
15 tasked by the state legislature with serving the public
16 policy goal of restraining affected agencies from
17 selfishly vetoing reorganizations to the detriment of
18 uniform, organized development and the welfare of property
19 owners that need municipal support.
20 LGRE needs municipal support, and the City of
21 Stockton stands ready to extend water, sewer, and fire
22 service to the site on day one. Without it, the site will
23 continue to languish. Parmeet and I are available for
24 questions. Thank you again for your consideration.
25 CHAIR JOHNSON: Just a clarification. I want to

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1 make sure I understood you correctly. It sounds like what
2 you're stating is that we have -- we're talking about
3 check the box; did we check the box. And it sounds like
4 we have a box that is checked through July -- through the
5 end of next month, but after that, that box check goes
6 away.
7 MS. KENNEDY: We're in the Wild West on August
8 1st.
9 CHAIR JOHNSON: Okay. Thank you.
10 COMMISSIONER BARTON: Mr. Chairman, I have a
11 question.
12 CHAIR JOHNSON: Yes.
13 COMMISSIONER BARTON: I just wanted to clarify a
14 previous testimony was that your client made an offer, a
15 monetary offer, to the Montezuma district that exceeded
16 the amount, I believe, of 17 and a half years of a revenue
17 split; is that correct?
18 MS. KENNEDY: That's correct. And that was
19 actually the second offer that he made. The first was for
20 approximately $15,000, which I want to say reflected ten
21 years of revenue. He'd be able to confirm.
22 COMMISSIONER BARTON: 22,000 and change was the
23 17 and a half years?
24 MS. KENNEDY: And then he rounded it up to
25 $25,000. Of course, if that were paid in the ordinary

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1 course, it would be paid over 17 and a half years. He was
2 offering to do it over ten years, increasing the time
3 value of money.
4 I spoke to the district's counsel earlier this
5 week and renewed that offer and also clarified that it
6 could be paying a lump sum between today and the
7 Certificate of Completion if this reorganization is
8 approved.
9 COMMISSIONER BARTON: Thank you. That's what I
10 wanted to know.
11 MS. KENNEDY: Yeah.
12 MR. DHALIWAL: Hi, everybody. I'm the developer.
13 My name is Parmeet Dhaliwal. I just want to say this
14 annexation process started with conversations last
15 February, and it's been more than a year I've been dragged
16 along, kind of kicked around. All I want to do is get
17 this project done. I've been -- attorney fees, holding
18 costs. It's a really frustrating experience. And what
19 decision is made here today is going to spread around, and
20 other developers are going to find out. If it doesn't go
21 the right way, why would anybody ever want to build
22 anything in this area? So that's all I want to leave you
23 guys with. Thank you.
24 MR. JOLLEY: Good morning, Chair Johnson, members
25 of the commission. My name is Brett Jolley. I'm an

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1 attorney with McKinley, Conger, Jolley & Galarneau here in
2 Stockton, and I am counsel for the oft mentioned Montezuma
3 Fire Protection District.
4 I would -- I would like to note that I am joined
5 in the audience today by Chief Ed Martel. I would also
6 like to start -- to make sure that we don't bury the lead
7 here and say there's actually a lot of common ground
8 despite the comments that you've heard between I think the
9 district and the applicant and staff.
10 Again, the district supports the development of
11 this project. We support annexation to the city. We
12 don't think that Mr. Dhaliwal and his company should be
13 held up on this. That has been our position since the
14 city first put in an application to LAFCo which was
15 subsequently withdrawn last year.
16 The issue today is as a matter of law, there is
17 no tax -- master tax-sharing agreement that's been
18 confirmed by the county administrator's office, that's
19 been confirmed by your staff, that's been confirmed by the
20 district. There is no master tax-sharing agreement that
21 applies to the district.
22 There is a master tax-sharing agreement that is
23 between the city and county only. That applies to
24 annexations, including this annexation. So we believe
25 this annexation is green lit and can proceed, but there is

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1 still a legal process that must move forward that is just
2 starting now regarding Section 99 of the Revenue and
3 Taxation Code. So I'm going to summarize the letter that
4 I submitted yesterday evening.
5 Essentially Section 99(b) of the Revenue and
6 Taxation Code mandates that the city and the district
7 engage in a 60-day process to negotiate an exchange of
8 property tax revenue. I've actually attached at page 3 to
9 my letter, for those of you who like visual learning, a
10 flowchart of this Section 99 process. This has only just
11 commenced, but the law says this must proceed and conclude
12 before a Certificate of Filing can be issued.
13 Now, in this case, the Certificate of Filing was
14 issued, and I believe it was issued in error as -- as to
15 the detachment. That's what I have understood from
16 staff's representations on this. They received the
17 application from the city. They received a letter from
18 LGRE's counsel that said there's this master tax-sharing
19 agreement; you don't need to go through Section 99. Just
20 go ahead and approve this. We demand that you set this
21 for hearing and move the project forward, which the
22 executive officer did.
23 And then as he noted in his staff report, upon
24 further review, he realized that that master agreement
25 applies only to the city and the county, not to the fire

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1 district. Because under that master tax-sharing
2 agreement, the fire district receives zero percent of
3 tax -- of property tax exchange. It's simply between the
4 city and the county. And as the county administrator
5 noted, that was not intended to be a supplement or it was
6 not intended to supercede the Section 99 negotiation
7 process for special districts. County expressly says
8 that.
9 So the question is what can you do with the
10 project at this point? You have it before you. We
11 believe that you have an annexation that is green lit to
12 go. We want that. Annexation gets approved, the
13 applicant gets to start pulling his building permits, city
14 gets to start collecting building permit fees. City much
15 sooner begins to collect sales tax revenue, which the
16 district gets none, but to bifurcate that and hold the
17 detachment component and require that to go through the
18 statutory Section 99 process.
19 And, you know, there's -- there's comments from
20 the city that somehow the district is going to hold the
21 city hostage on that negotiation and not allow them to
22 proceed with detachment or get that -- this to you. I
23 think it should be explained to this commission that the
24 way that the statute is written, under Section 99 it says
25 where there is a special district involved that would be

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1 detached, the county acts as the agent to negotiate those
2 agreements in consultation with the district.
3 So it ultimately falls upon the county to
4 negotiate that agreement, rep -- two representatives of
5 whom sit on this commission. And so it's -- the county is
6 ultimately doing the negotiations on that, not the
7 district. The county is doing it in consultation with the
8 district.
9 So bifurcating this to allow annexation to
10 proceed, detachment to go through the legally required
11 process not only provides the ability to get that project
12 moving, but it resolves the legal issues that are before
13 this commission in terms of the request from the applicant
14 to violate Section 99 and simply move this forward.
15 I would like to note that to the extent -- I
16 heard Mr. Hightower say that he believes that the city
17 would have to agree to a bifurcation. I respectfully
18 disagree but, again, it's counsel and Mr. Hightower that
19 make the determination. I do believe LAFCo has express
20 powers to modify and amend an application under the
21 Cortese Hertzberg Knox Act that controls this agency. So
22 I believe LAFCo can do an amended approval based on that
23 authority that it has.
24 But even if not, the option then is it has to --
25 the entire application has to stay back while the Section

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1 99 process is completed for the detachment. Which, again,
2 we don't think is the best solution. We think that that
3 project should be pushed forward now through annexation
4 and allowed to move forward. The only issue that would be
5 outstanding is whether or not it detaches from the
6 district, which would occur once the property tax
7 negotiations conclude, comes back to the commission for a
8 determination on detachment.
9 I would like to respond to the fact that the city
10 offered some narrative that the district has been holding
11 the hostage -- or the project hostage. In fact, we met
12 with the district in -- or excuse me. The district and
13 the city and county all met in good faith in late 2024 to
14 negotiate this agreement or try to attempt to negotiate an
15 agreement, and at the city's request, the district put in
16 a resolution proposal.
17 Part of that included a proposal to negotiate a
18 long-term tax-sharing agreement between the city and the
19 district that would eliminate the need to come forward and
20 go through this 99(b) process, but we did not receive a
21 response. The only response we received to that was the
22 district withdrawing its application from LAFCo in, I
23 believe it was, December of 2024.
24 So we're all in favor of trying to get together
25 and negotiate a max -- master tax-sharing agreement with

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1 the city. We're open to this, but the city has not
2 responded to us. That's beyond the commission's really
3 need to address today, but I want to go on the record that
4 the district does not want to hold this project hostage.
5 That's why it is coming up with a proposed resolution
6 today that would allow the project to move forward while
7 still protecting the district's interests and ensuring
8 that the city complies with Section 99 as it is required
9 by statute.
10 So with that, that's the position of the
11 district, and I'll be glad to try to answer any questions.
12 CHAIR JOHNSON: Thank you, Mr. Jolley. First of
13 all, "yesterday evening." Most would say "last night."
14 Secondly, the district, if they do not detach, do
15 they stand to gain more revenues over the next indefinite
16 period of time?
17 MR. JOLLEY: Well, if they don't detach, then the
18 district gets basically 100 percent of whatever its share
19 is of the property taxes on the site at this point.
20 CHAIR JOHNSON: Which would go up substantially
21 if it goes from weeds to a gas station --
22 MR. JOLLEY: Correct --
23 CHAIR JOHNSON: -- and restaurant.
24 MR. JOLLEY: Correct. Plus the district has a --
25 an adopted special assessment that applies at the time

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1 that a -- well, there's a vacant rate of special
2 assessment, which is very low, for vacant lots, but at the
3 time of construction, the assessment goes up substantially
4 because it's based on buildout. So they would be losing
5 that if this is detached without any property tax-sharing
6 going to them.
7 In addition, they collect fire prevention fees at
8 this point, which is part of the building permit process,
9 and they have certain fire impact fees that are collected,
10 all of which would be lost if the project is detached from
11 the district, which is the whole point of Section 99 is
12 when an agency is losing land through an annexation and
13 detachment process, that the annexing agency needs to
14 negotiate with the agency losing its territory to address
15 the financial impacts of that and negotiate a share in the
16 property tax revenues.
17 CHAIR JOHNSON: So the number I've seen is 1200 a
18 year that they would lose. Is that an accurate number?
19 MR. JOLLEY: No. That's -- that's the assessed
20 value of the current vacant land right now.
21 CHAIR JOHNSON: No, what they're getting today,
22 what they got last year, the year before is 1200 a year?
23 MR. JOLLEY: I think it was somewhere around
24 that --
25 CHAIR JOHNSON: Okay.

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MR. JOLLEY: -- number, yes.
CHAIR JOHNSON: So going forward, if there's no gas station, they get 1200 next year.
MR. JOLLEY: Yes.
CHAIR JOHNSON: Roughly.
MR. JOLLEY: Yeah.
CHAIR JOHNSON: And 1200 the year after. So with this -- when we hear words like "extortion" and things, what I'm hearing is that this is a money thing. Because what I just heard from Stockton Fire was: We've got the resources; this is a safety issue. What I'm hearing now is: We don't want to do this because we think we can get a lot more money than getting paid out over 17, 18 years upfront. We think we can get a lot more money if we just put our -- you know, say no.
So I guess part of my question is when I hear about -- I've heard the city several times say: We came -- or somebody say: We came to the table ready to negotiate and the district came, but they want a tax-sharing. So does anybody -- there must have been some kind of a dollar figure of the 1200 they were getting, what -- what kind of projections were they asking for? What outrageous number were they -- were they asking for or was it reasonable?
MR. JOLLEY: Respectfully, Chair Johnson, it is a

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money thing. This comes from the revenue and taxation code which deals with money. That's exactly what the legal issue here is how do these agencies share the property tax revenue that comes in the future from development of this property. That's exactly what Section 99 is designed to address, to make sure that a district losing its land through a detachment is still made whole in the end by sharing in tax revenues with the other agency.
This is the same thing that happens with the county's master tax-sharing agreement. It says when the city annexes property -- when a city annexes property from the county, the city then gets 20 percent of the property tax revenue; the county retains 80 percent of the property tax revenue following annexation.
CHAIR JOHNSON: Mr. Jolley, what I'm hearing is the fire district is going to go from protecting this to protecting this, but their budget's going to go from this to this -- they want their budget to go from this to this.
MR. JOLLEY: I don't know where you heard that because --
CHAIR JOHNSON: Just --
MR. JOLLEY: -- that's not the case.
CHAIR JOHNSON: -- from -- from here.
MR. JOLLEY: But explain to me -- you're saying

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that the fire district's territory is going to shrink or con --
CHAIR JOHNSON: If it detaches, they're not protecting that anymore.
MR. JOLLEY: Well, they may be. They still protect properties out there on Arch Road because they have substantial shorter response times. And, in fact, the Amazon warehouse that was approved out there by LAFCo a few years ago was detached but with a condition that it be serviced by Stockton -- or by Montezuma Fire Department under contract with the City of Stockton. That was a condition that was imposed by this commission. I was not involved at that time. And so the Montezuma Fire Protection District action provides the services out there to the Amazon warehouse.
There's another property out there, the name of which escapes me at the moment, but it was annexed to the city, and this commission said no detachment on that. Fire district is going to retain control of that property. So there's been an inconsistent annexation and detachment scheme over the years, but what we need to do is make sure this one is consistent with the requirements of law.
Whether you like Section 99(b) or not, it is the law, and the commission must follow it. And that has not happened to this point. So approving this without

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allowing the Section 99 negotiation process to go forward amounts to an abuse of discretion by the commission because the law and the courts say you've got to do that.
CHAIR JOHNSON: Okay. Thank you, Mr. Jolley.
MR. JOLLEY: Thank you.
COMMISSIONER DHATT: I have a question if you don't mind.
MR. JOLLEY: Yes, yes.
COMMISSION DHATT: So you keep mentioning Section 99 annexations, yet the district has not negotiated with anybody or come up with something concrete which would make this project move forward. All you are doing is holding the developer hostage, and he is incurring extreme costs every single day this thing -- this project. You know, if you want to delay another 60 days, that's going to be after July 31st; correct? And that -- that, again, is other excuse by your district to make it even delayed even longer.
MR. JOLLEY: Well, no, Commissioner Dhatt. That's not the position that we have. First off, when this came through in -- last year with withdrawn -- now withdrawn application, we met with the city and with LAFCo and with the county in good faith two times attempting to reach a negotiated settlement. We submitted a written proposal at the request of the city which we had

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1 discussed. Again, the city never responded to that
2 proposal and instead withdrew its application. The city
3 is the one that's holding the developer hostage in that
4 case.
5 Now you're talking about negotiating this time
6 around. What happens this time is the negotiation is
7 supposed to occur before the Certificate of Filing ever
8 issues, but there was a -- we'll just say there was a
9 misstep there with issuing the Certificate of Filing
10 before the negotiations took place.
11 At this point, the negotiation period starts once
12 the auditor sends its letter out to the agency saying:
13 Here's what we believe the overall taxable value of the
14 property is. That just happened I believe last week.
15 Mr. Hightower can correct me if I'm wrong. So that
16 triggers the obligation for the city and the county on
17 behalf of the district to begin the negotiations.
18 I -- we have not been contacted by the city. To
19 my knowledge, the county has not been contacted by the
20 city to start those negotiations yet. We have been in
21 contact this week with the -- with the county
22 administrator's office about that process to get that
23 going.
24 And so even though the district is really not
25 supposed to be directly involved in the negotiations but

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1 to be deferring to the county to do that, we may be the
2 ones that have to move that forward. And I hear
3 Commissioner Dhatt saying: Why aren't you moving this
4 forward? Really because the statute says it's got to be
5 the county and the city. But we're here, we're ready to
6 go. We're ready to negotiate; we want to move this
7 forward. We don't want to hold the project hostage. We
8 want it approved for annexation today.
9 It can be approved for annexation. It will be
10 served by the fire district until detachment, whenever
11 that may be. And I would note that to the extent people
12 say, well, it's a -- it's a gas station, so you want to
13 have Stockton Fire there because they're equipped for it.
14 Montezuma has been providing services for well over a
15 decade to the gas station across the street, immediately
16 north of the project site. And so Montezuma serves that
17 area and is fully equipped to do that. There's no public
18 safety issue even if this project goes forward without
19 detachment ultimately.
20 But that's not even the issue today is whether or
21 not to detach. It's whether or not to allow this project
22 to move forward with annexation so it can start and then
23 allow the detach -- the detachment negotiation process to
24 proceed.
25 COMMISSIONER DHATT: Seem to be hearing two

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1 different stories from the city and the district.
2 Something here is missing. If the district is for this
3 project, the city is for this project, the county is for
4 this project, over -- this is year and a half. In the
5 year and a half, all of the agencies have not been able to
6 come up with something that works for the developer. That
7 is my -- I'm completely surprised by that.
8 Because you would think this is not that
9 complicated unless there's a bigger game playing in the
10 background for something to set the -- setting a
11 precedent. But for this single small project where --
12 which the City of Stockton and the Fire Department
13 Stockton is very easily able to service and they're
14 already serving the other three corners, which is
15 surprising, there is --
16 MR. HOLLEY: Montezuma serves the -- the opposite
17 corner. Montezuma serves --
18 COMMISSIONER DHATT: Okay. Because that's not
19 what I heard earlier.
20 MR. HOLLEY: -- the corner north of the project
21 site with the gas station.
22 COMMISSIONER DHATT: The corners. Is that
23 correct?
24 MR. HOLLEY: Montezuma serves -- I'm looking at
25 Chief to nod. But Montezuma serves the fire station north

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1 of the project site; correct? At the intersection?
2 MR. MARTEL: We have the southwest corner. And
3 then the gas station you made reference to is at Mariposa
4 and 99, the following exit.
5 MR. HOLLEY: I'm sorry. Mariposa and 99.
6 MR. MARTEL: Which is that AM-PM.
7 MR. HOLLEY: Okay. All right. Wrong location.
8 I apologize.
9 COMMISSIONER DHATT: No worries. That's all the
10 questions. I'm just --
11 MR. HOLLEY: Yeah.
12 COMMISSIONER DHATT: I'm just (indiscernible).
13 MR. HOLLEY: Well --
14 COMMISSIONER DHATT: I think all the -- all the
15 commission seems to be same thing. Seem to be kind of
16 frustrated that -- this doesn't seem to be that
17 complicated, yet it's being made complicated.
18 MR. HOLLEY: I don't disagree with you,
19 Commissioner Dhatt. Again, the district is the only and
20 last party that put an offer on the table for negotiation.
21 The city has never responded to that other than to
22 withdraw its application last time. If the city would
23 like to engage and further discuss that offer, we are more
24 than open to doing that.
25 CHAIR JOHNSON: Mr. Jolley, can you share what

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1 that offer was?
2 MR. HOLLEY: I can. It was actually in the --
3 one of the letters that I had submitted in May. If I can
4 pull it up, I'll read it to you.
5 Here was the offer: The project site would annex
6 to the city but not detach from the district at that
7 point. District would continue to provide emergency
8 response and fire suppression services to the site. The
9 district would continue to collect property taxes, special
10 assessments, and fire protection fees from the project
11 site.
12 The project would be built to city fire standards
13 on the assumption it would ultimately detach into the
14 city, and the district would -- the district would take --
15 excuse me. The district would cede all prior prevention
16 services, plan checking, and operational permits and fee
17 collection associated therewith to the city. So it was a
18 proposal to share in revenues as this developed.
19 And then one of the issues that was discussed
20 during those negotiations and last time around was the
21 fact that there is a -- as you heard from -- from the fire
22 department's representation of the city, there's a plan to
23 put a new firehouse out there closer to the project site
24 at some point in the future.
25 Right now Montezuma's two firehouses are both

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1 closer to this project site in the area and provide a
2 substantially quicker response time. In fact, Chief
3 Martel and Mr. Hightower did a Code 2 run, non-sirens, in
4 November of last year, I believe, and clocked that at --
5 this is without sirens -- at just under four minutes. I
6 think it was three minutes and 52 seconds.
7 Whereas the closest Stockton firehouse is going
8 to take seven minutes to get there under Code 2, so -- and
9 then the other firehouse that the district has at B
10 Street, that's about five minutes, five and a half minutes
11 to get there. So both the district's firehouses are able
12 to get to that location a couple minutes faster than the
13 Stockton Fire is.
14 So the idea was if and when the city built a
15 firehouse out there at that location that was discussed,
16 that would be the point where detachment of whatever
17 properties came through would be appropriate to occur, but
18 until that time, the district should continue to provide
19 the fire services out in that area.
20 CHAIR JOHNSON: So, Mr. Jolley, I just want to
21 point out in that proposal, there was nothing about
22 detachment.
23 MR. HOLLEY: Correct.
24 CHAIR JOHNSON: And -- and so I think we've heard
25 from a few people that the depart -- that the district has

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1 not shown any consideration to detachment. But what I'm
2 kind of hearing is, well, that's okay; just annex it in
3 now and we promise we'll detach later. And I'm not -- I'm
4 not seeing anything that's suggesting that.
5 MR. HOLLEY: We're not promising we'll detach
6 later because that's not our decision. It is LAFCo's
7 decision on whether or not detachment occurs. Now, again,
8 this is about money, and as the district loses its -- as
9 it loses its territory, it loses its revenue generated
10 from that territory and its ability to fund its
11 operations. So that's why there needs to be a
12 comprehensive tax-sharing if there -- if detachment is
13 going to occur.
14 But, I mean, it shouldn't surprise anyone that
15 generally a district that is operating and believes it's
16 operating well doesn't want to keep losing territory to
17 its neighboring services provider. But that doesn't --
18 just because the district is not in favor of detachment
19 doesn't mean that it has the ability to hold anything
20 hostage. It's ultimately LAFCo's decision whether or not
21 to allow property to detach.
22 CHAIR JOHNSON: Okay.
23 MR. HOLLEY: But it has to go through the
24 tax-sharing negotiation process first.
25 CHAIR JOHNSON: Thank you.

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1 Chief Martel, we've talked a lot around you,
2 about you, and so on. I'm sure you probably would like to
3 add a few things.
4 MR. MARTEL: I'm not going to last that long.
5 That's what -- Mr. Jolley is here to represent the
6 district, but I just want to point out this has whole --
7 come along with this project was new to me as well.
8 When -- with all due respect with Mr. Hightower, he's my
9 seventh LAFCo director that I've been -- I've been around
10 for some time, 38 years to be exact. So each executive
11 LAFCo director has kind of their own unique thing. I went
12 from annexation to place 12 months later, revenue's done,
13 got out of the way, duplication of service still
14 continued.
15 Then we went to making a deal between the
16 developer and the districts. And I'm referring to all
17 fire districts from Lathrop, Manteca, to Mokelumne,
18 Morada, and so on and so forth. It went to that. And
19 then this project came along, and the executive director
20 says no, there is a Section 99 and this is what we're
21 going to abide by. So I became -- before the Board of
22 Supervisors. The Board of Supervisors then initiated the
23 thing, and long story short, we understand and we know and
24 the district's really concerned with we are not part of
25 master tax-sharing agreement. That's something we're

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1 supposed to be about. So I'm going to keep it short and
2 say that, but I'm not holding nobody hostage, sir, in any
3 way, shape, or form. This is new to me too. Executive
4 director found this new law -- or a law that's been in
5 effect for some time, but it was never exercised by the
6 other six executive directors that I dealt with. And I'm
7 gong back to Gerald Scott, so it's way before your time.
8 So with that being said, you know, different directors,
9 this is the way he's expecting it to go now. There's
10 other fire districts are saying no, we're going to cut a
11 deal with developers. Up north they're saying that.
12 What's it going to be? What's LAFCo going to do? How are
13 we going to do these? But at the end of the day, it does
14 impact my district. I want to provide and continue to
15 provide a great service to southeast Stockton as a fire
16 protection district. Nothing against the City of Stockton
17 Fire Department. I make that very clear. Montezuma has
18 nothing against the Stockton Fire Department. Montezuma
19 Fire District concerns is that the City of Stockton and
20 its community development department. They're planners.
21 They're expected to consume the whole fire district in
22 others at one point or another. But until such time, I
23 want to make sure I provide the best fire service possible
24 for my fire district. And as you requested a tour of the
25 district next week, more than happy to see you get a clear

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1 understanding of what we do, that there's more to it than
2 just a minimum staffing that you may think. With that,
3 I'll pass it back to Mr. Jolley. Thank you very much for
4 your time, and I hope you consider our request about --
5 what was that word again?
6 MR. JOLLEY: Bifurcation.
7 MR. MARTEL: Bifurcate there. Thank you.
8 CHAIR JOHNSON: Hold on a minute, Chief.
9 Do -- was it for the chief or for Mr. Jolley?
10 COMMISSIONER GARDEA: Yeah, quick question. So
11 there was a reference to response times from the airport.
12 Are you guys committed at any time to stay on airport
13 property?
14 MR. MARTEL: Absolutely. So the Federal Aviation
15 Administration states that when a commercial aircraft
16 comes in, we shall be in the station and not leave
17 anywhere 15 minutes before and 15 minutes after departure.
18 That's a Federal Aviation Administration requirement. It
19 doesn't say how many manpower shall stay there. They give
20 one crash rig, one person is their minimum requirement
21 from the FAA, Part 139 requirement.
22 So, yes, is there stand down times? Yes, there
23 is. Just like as while we're being in service
24 (indiscernible), it's like when you're going on another
25 call and your station's not there available, next station

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1 takes it.
2 COMMISSIONER GARDEA: Or a truck or an engine
3 if --
4 MR. MARTEL: Yeah.
5 COMMISSIONER GARDEA: -- (indiscernible)
6 response.
7 MR. MARTEL: You know, I've known you forever. I
8 knew your dad forever in the fire service, and you know
9 how it is. Your station's out; the next station takes it.
10 That's what we do when a station is standing down and --
11 COMMISSIONER GARDEA: Yeah, I just want to make
12 for clarification because it was brought up earlier about
13 response times from the airport and that's -- it makes it
14 tough to realize, you know, you're relying on a -- on a
15 apparatus to respond from the airport when it's committed
16 to commercial airlines. So response time is not -- it's
17 subject to whatever call or during the day.
18 MR. MARTEL: Absolutely. It's no different than
19 you -- you worked at Company 3's forever. You guys were
20 on 24 calls a day. What's it -- likely that also somebody
21 else having to take that call for you. It's similar, very
22 similar. But thank you for that question. Thank you. Of
23 course we'll talk.
24 CHAIR JOHNSON: Thank you, Chief.
25 MR. HOLLEY: I think that concludes everything

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1 unless there are questions for me, but we would again urge
2 the commission to follow the law and require that Section
3 99 negotiation process to proceed as it's starting now.
4 But, again, we don't want to hold this project hostage.
5 We want this to go forward. We urge you to approve
6 annexation of the project today and -- and to return at a
7 later date for the issue of detachment. So thank you.
8 CHAIR JOHNSON: Thank you, Mr. Jolley.
9 COMMISSIONER BARTON: I have a question for
10 Mr. Jolley.
11 CHAIR JOHNSON: Commissioner Barton.
12 COMMISSIONER BARTON: So, yeah, your suggestion
13 that we bifurcate this application, that you're in favor
14 of the project moving forward; the developer can begin
15 moving dirt, build the project, collect sales tax
16 revenues, increase property tax revenues. And then the
17 second part of that is the detachment, possible
18 detachment, 60-day negotiating period. That negotiation
19 fails. Let's assume it fails; there is no agreement. At
20 that point the property stays within the Montezuma Fire
21 District; is that correct?
22 MR. HOLLEY: Correct. That's what the law says.
23 COMMISSIONER BARTON: So your default is he can
24 go ahead, build the project; the second part, negotiations
25 fail, it stays within the Montezuma Fire District.

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MR. HOLLEY: Correct.
COMMISSIONER BARTON: Okay.
MR. HOLLEY: But, again, the negotiations are not directly between the district and the city. They're between the district as represented by the county and the city. So, again, the county is in there as the negotiator for the district. So to the extent there is some belief that the district is just trying to use this to run the clock, that's not the case. We're simply saying that this needs to comply with the law so that we can get a fair shake at negotiating any property tax revenues which would be spearheaded by the county through that process.
COMMISSIONER BARTON: To put it in layman's terms though, Mr. Jolley, if negotiations fail, it stays in the Montezuma Fire District, I suspect the Montezuma Fire District would be just fine with that outcome; is that correct?
MR. HOLLEY: Well, yes. The district -- again, the district -- it's not a secret, the district would prefer not to have detachment at all. But if detachment does occur, which is the LAFCo's decision, we want to make sure that there has been a negotiated tax-sharing agreement as required by law. That has not yet happened.
CHAIR JOHNSON: So just a clarification on that because I -- maybe there's a little confusion from others

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besides me. Is that county and city sit in a room and they say: Hey, this is what we're going to give Montezuma Fire District. Okay. No, I want this. And the city and the county come to that agreement and they make the ultimate decision and that's final, or is there something that the district has to sign off on?
MR. HOLLEY: I'll tell you this. I'm not entirely certain. And it may be a question that your counsel can answer, and he might not be certain either. Because it says it must be approved by the agency that they're negotiating, by their legislative body, so the Board of Supervisors and the City Council.
And I am unclear at this point -- and I have not researched it in detail -- whether the Montezuma Fire District also has to submit a resolution agreeing to that. I don't think it does under the statute. I think it's just the county and the city, but I -- frankly, I don't know, Chair Johnson.
CHAIR JOHNSON: Thank you. So everybody that's an attorney, please raise -- no. But if you have the answer to this, it looks like maybe the attorney from the --
MR. JOLLEY: Oh, Ms. Kennedy --
CHAIR JOHNSON: -- the applicant --
MR. JOLLEY: -- might have an answer.

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CHAIR JOHNSON: -- might have the answer.
MS. KENNEDY: I do have the answer and I am certain. I would also just like to say that this Revenue and Taxation Code Section 99 I believe was last amended in 1994. It's only this misreading of it that is new as of 2024. So it says:
"In the event that a jurisdictional change would affect the service area or service responsibility of one or more special districts, the Board of Supervisors of the county in which the district is located shall on behalf of the district negotiate any exchange of property tax revenues."
As a reminder, that happened in 2015. I don't really know what else to say.
CHAIR JOHNSON: Okay.
MS. KENNEDY: It is within your discretion to offer mitigation to the district, and that's what my client has been focused on negotiating over the last year and a half, but the tax-sharing agreement was resolved a long time ago.
CHAIR JOHNSON: Okay.
MS. KENNEDY: It's just a lot of confusion.
CHAIR JOHNSON: Thank you.
Any other questions for Mr. Jolley? Okay. It

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looks like you want to come back up, Chief.
MR. PATTEN: Good afternoon again, or good morning. Actually, I wanted to talk about the response times a little bit. We also conducted a study of our response times, Code 2 also, so no lights and sirens. This actually was conducted in November of 2024 by our fire marshal, Deputy Chief Klein. And I believe this was presented at a prior meeting, but I can't -- I can't be sure of that. And if you want, I can give this to you after the -- after I speak on it.
Initially we had drive times from Monte District -- Montezuma Fire District station at 2405 South B Street. Now, that's listed as 4.1 miles away from the parcel in question. The initial Code 2 response time was seven minutes, 51 seconds and then seven minutes and six seconds. They then did a drive from the Stockton airport fire station, driving up Lindbergh to Arch Road using Airport Way to Arch Road twice with a time of seven minutes, 12 seconds and six minutes, 37 seconds. Once again, this is all Code 2 times.
From Stockton Fire Station 12, which is the one that already responds to that same intersection, that's only 4.3 miles away, which is .2 miles farther than Montezuma station. Seven minutes and seven seconds, and the second was six minutes and 15 seconds. And then we --

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they did another station.

So like we were saying, if Engine 12 is out, who would cover that, that would be Station 3, which is also our HAZMAT station, which is an engine and a truck company. Driving time from them -- now, they're 4.7 miles away. Code 2 driving time was eight minutes and 48 seconds and nine minutes and three seconds. And that, once again, all Code 2, not lights and sirens. So we do have a differentiation in times between what we had and what was presented earlier. I just wanted to clear that up to you, yes.

CHAIR JOHNSON: Thank you.

All right. Anybody else from the community that would like to weigh in on this? Comments? Thoughts? Yes.

MS. OCASIO: Thank you for the opportunity to follow up. I did want to clarify on some statements made regarding the city's lack of response on an offer. During our in-person negotiations, the offer that was outlined and read allowed by Mr. Jolley was put on the table, and at that time the city said: No, we are not agree -- in agreement to that offer. The fact that it was put in writing via a letter after the fact is irrelevant. They knew already at that time that the city was not in agreement. So a response was provided. I just want to

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put that on the record, that the city has in good faith tried to work this out.

Further, the county was present at the negotiations and it was, I think, insinuated that they were negotiating, but they made it very clear that they were neutral, that they were not participating in said negotiations, that they wanted to leave it up to the district and the city.

Further, if you look back at the Board of Supervisors meeting at which this was scheduled, they recommended that it go to a mediator, that the county didn't want any part of this negotiation. In fact, I'm not -- it's not verbatim, but the gist of it was that they were like: We don't want to be involved in this. This is -- you know, they didn't want to be bothered with this. They wanted it to be handled between the parties, as has been done historically and appropriately as stated in the adopted MSR that is on -- that is currently in effect until a new one is updated. So I really just wanted to make that clear.

CHAIR JOHNSON: Thank you.

MS. OCASIO: Thank you so much for the opportunity.

COMMISSIONER BARTON: Okay. So it's still not clear to me.

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MS. OCASIO: Sure. How can I help?

COMMISSIONER BARTON: So I heard earlier, I believe from Ms. Kennedy, that the 2015 agreement was between the city and the county.

MS. OCASIO: Yes. And that --

COMMISSIONER BARTON: And that that is the prevailing guidance for this.

MS. OCASIO: Yes.

COMMISSIONER BARTON: Is that correct or not?

MS. OCASIO: No, that is correct. So that's the tax-sharing agreement. That is the tax-sharing agreement.

COMMISSIONER BARTON: So why is the county not interested in participating in this if they're the ones that the agreement applies to, as well as the City of Stockton?

MS. OCASIO: I can't speak for the county, but my understanding -- and, please, if any of my colleagues can correct me -- is that this is all new to them because it's under that master tax-sharing agreement that's already in place since 2015. The fact that they were being told and drawn in to negotiate on behalf of the special district was new to them, and that's why they wanted to defer this to a mediator. That was my understanding. If I'm -- I'm not seeing any disagreement. So that's why I understood.

COMMISSIONER BARTON: Is there -- is there anyone

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from the county here who can speak to that? Okay.

MS. OCASIO: I think that also speaks volumes. Thank you.

CHAIR JOHNSON: Yeah, that's disappointing that nobody from the county when we're having a -- oh, is there somebody from the county? All right. Come on up. We're glad you're here today.

MR. LAWRENCE: So I'm Stanley Lawrence, the property tax manager for the auditor-controller's office. So I'm not directly involved with the negotiations, but I provide advice on these agreements. So at that time, it was brand-new to us that we were going to be in the negotiations for the fire district and were -- we weren't that in specialty of negotiating fire fees and all that thing, so that's why the county administrator decided to go down the mediator route.

CHAIR JOHNSON: Okay. Okay. Thank you.

MR. LAWRENCE: You're welcome.

COMMISSIONER DHATT: I have a question. Did -- so did -- was a mediation done? Did we go through mediator, the route, to finish this?

MR. LAWRENCE: Went to the Board of Supervisors to approve a mediator, but at that time, the supervisors advised them to just stick to negotiating directly between the parties without a mediator.

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COMMISSIONER DHATT: So the Supervisors directed staff at the county to negotiate?

MR. LAWRENCE: (Nods head.)

COMMISSIONER DHATT: And was the negotiation ever done?

MR. LAWRENCE: It sounds like they were in the room. I wasn't in the room, but it sounds like they weren't actively negotiating. That's --

COMMISSIONER DHATT: Thank you.

MR. LAWRENCE: That's what I'm getting the gist of. The county.

CHAIR JOHNSON: Okay. Thank you.

MR. LAWRENCE: You're welcome.

COMMISSIONER DHALIWAL: Mr. Johnson, I have a question.

CHAIR JOHNSON: Yes. Commissioner Dhaliwal.

COMMISSIONER DHALIWAL: Mr. Lawrence, who did the Board direct, the Supervisors, to negotiate? They cannot direct the city, so did they direct the county staff to engage in the negotiations?

MR. LAWRENCE: I think the recommendation was to deny the mediator but to have the city and the district to continue negotiations, so I don't think there was a direct order for the county to negotiate.

COMMISSIONER DHALIWAL: But it was just a

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suggestion then, not a direction; right?

MR. LAWRENCE: Correct.

COMMISSIONER DHALIWAL: Okay. Just want to clarify that. Thank you.

MR. LAWRENCE: You're welcome.

CHAIR JOHNSON: Other -- anybody else from -- Mr. Jolley?

MR. JOLLEY: Yes. Again, Brett Jolley for the fire district. Just to clarify a couple of questions that were asked because I was part of this. The board on its own -- or the CAO's office on his own brought a matter to the board to engage a mediator to oversee this process.

Fire district showed up and said: That's fine with us. And the city showed up and said: We don't think there should be a mediator hired. We think the parties should get together and negotiate first. So the County Board of Supervisors at that point continued the item for about five weeks and said: We will take up the mediator question in five weeks; you guys go negotiate together without a mediator first and tell us how it goes.

And on the eve before this was to go to the Board of Supervisors is when the city submitted its withdrawal of its application, so it never went back to the board to hire that mediator. The city withdrew its application first. And we did have two negotiation meetings in the

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county administrator's conference room between that first board meeting and the city's withdrawal of its application. Thank you.

CHAIR JOHNSON: Thank you, Mr. Jolley.

Commissioner Gardea.

COMMISSIONER GARDEA: Got a quick question. So if a mediator was brought in, is it -- is it nonbinding?

MR. JOLLEY: Yeah, mediation is simply we have a neutral third party that tries to help all the parties reach a negotiated agreement, as opposed to an arbitrator which is basically a private judge. And arbitration can be binding or nonbinding, but mediation is binding to the extent the parties reach an agreement and sign a settlement agreement or whatever agreement there is, it's bound by that contract. But nobody's obligated through mediation to ultimately reach any sort of agreement.

COMMISSIONER DHATT: I have a question for the director. Does this panel have the authority to make all the parties go to a arbitration or no? Can we ask them to all go to binding arbitration or not regarding this matter?

MR. VARINSKY: No, you don't have the power. You just follow the tax-sharing process. But we don't -- we don't have the power to order it right now, unless they consent.

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COMMISSIONER DHATT: Okay.

CHAIR JOHNSON: Anybody else before I close the public part of this? Come on up.

MR. PENCE: Please forgive me. Bob Pence. I'm a neophyte here in this regard. I am a fire board member, and I don't have a horse in this race. I'd like to hear more about the city's offer at the last minute last night. I can't tell you how stimulated I was -- I rarely manage to make it through your agenda without falling asleep couple of times, which is why I've asked J.D. to number the pages because they drop them. But this one really stimulated me. Somebody could write an interesting book with -- or a short story at any rate.

It seems to me that there's a matter of fairness here today with regard to the property owner/developer, but it also seems to me that the county failed in its obligation to represent the fire district. And, you know, it's -- it's a curious thing when you see two or three different layers of government interfering with, shall we say, due process for the -- for the development.

My question to you is was this project delayed by a failure of the city and the county to confer? Do they have an obligation to the developer or to the district for that matter? Where's the fairness? Thank you.

CHAIR JOHNSON: Thank you, Mr. Pence.

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Anyone else from the community? Going once, going twice.

I'll bring it back to the commission. Questions? Comments? Thoughts? Yes, Commissioner Arriola.

COMMISSIONER ARRIOLA: Thank you. This is an interesting first item to come onto this board with, and for the first time for Tracy in nearly a decade. Fortunately I am an attorney, so I've had an opportunity to review what we saw yesterday and this morning. And it makes me very much appreciate Tracy and Rural Tracy's JPA for our fire service.

What I -- what I will say is that ultimately there is almost zero way to have no legal risk. However, I believe that the purpose of this particular body is to ensure that the necessary services reach the annexed land. And for me, my concerns have been ameliorated. By what I heard from Stockton Fire, it sounds like the public safety components have been met.

And so I do share some of the concerns that I heard from my colleagues about creating an environment which is not business friendly because ultimately it is south county that has been the economic driver of this county, and I do want to ensure that we're creating an environment that is business friendly.

And so I do believe that by approving

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reorganization to include annexation with concurrent detachment, that we would be facilitating the creation of a strong business environment. So with that, I'll be supporting it. Thank you.

CHAIR JOHNSON: Other questions? Comments? Thoughts?

COMMISSIONER BARTON: Yes, Chairman. I'd like to hear again from Mr. Hightower, what his recommendation is subsequent to the various testimony today for what your recommendation is to this body to address this issue either today, to continue it, to bifurcate it as suggested by one of the attorneys. Where do you stand now?

MR. HIGHTOWER: I think the project should move forward with -- in the way -- it could move forward with annexation and then start the time -- and the suggestion that the district -- the -- you have -- once you start the negotiations of 60 day and then someone says, hey, we're really close, we want to make progress, it goes to 90 days under that Revenue and Taxation Code, so it's not an indefinite period of time.

The reason I condition the project with Section 7 the way it is right now is that there -- it's a -- it would be a condition of LAFCo, not -- and so you -- it gets a little nuanced, but as a condition, you have a year to comply. I don't think anyone wants a year to comply.

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That's why I was saying even under my -- and actually just the thought just occurred to me that, well, they were saying, hey, we're going to build a station on -- somewhere near and to the area. Great. Why not just have detachment based on when the -- when the station is construct -- you know, constructed?

So, like, hey, you know, two years from the issuance of building permit. Once the building permit's issued, it will be constructed and manned within two years, and detachment occurs then with no payment. There's just -- that's the end of it. Why even have these payments? You know, if you wanted to have a payment, just wait for the station to be -- you know, it remains in Montezuma until such time that the construct -- the station is constructed and manned, two years from the issuance of building permit. And there isn't -- it ends, detachment thereon.

Or, hey, the -- you could take an action, hey, we want -- you know, you're going to have a 60 day, come back in 60 days. It would be the June -- August 15th meeting and see where negotiations are at. And if we don't have a 30-day extension, then, hey, everything gave -- should have an agreement, detachment agreement, before the commission by August 15th, commencing today.

Okay. I mean, there's all -- there's options

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the -- the commission can take. I'm just not -- without -- with the letter from the county administrator coming in saying, hey, we never -- we never included and we always -- never included the special districts and they were only for annexations, not reorganizations, that's -- that was what the letter says.

I mean, I just want to comply with the law. And whatever is the easiest, fastest, get this thing done because I -- like I said in my presentation, the annexation meets all -- all of the -- all the factors that LAFCo needs, and it should -- by all means, it should just move forward and start the permitting process through the city.

You know, building permit and encroachment permits necessary for improvements of right of way, you know, in my personal experience, they're not issued overnight. And so there's time that can take place, and I would -- I would be more than willing to say, yeah, the -- as a condition of Section 7, just drop it so long as the detachment right now just can -- there's not a real clear path on the detachment. Either leave it as is or make it very clear that the detachment negotiations are -- start -- start today.

In other words, you know, prior to issuance of the Certificate of Completion for the detachment, the

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1 Certificate of Completion for the annexation can be
2 issued. Executive order -- executive officer is hereby
3 ordered to issue a Certificate of Completion for the
4 annexation, the detachment. Needs to -- upon resolution,
5 bring it within 60 days back to the commission for the
6 detachment agreement.
7 Okay. I mean, that's -- we can -- you know, I
8 would leave it up to the LAFCo counsel, but it would be --
9 I'm just really leery of that Tracy Rural decision that
10 we're inventing stuff that and processes that aren't --
11 that LAFCo only has the powers that are granted to it by
12 the -- by statute.
13 And so I really -- you know, like, hey, the --
14 you know, like Commissioner Arriola was saying is the
15 challengability. Who's going to challenge it if both
16 parties agree? That's why I stated that both parties need
17 to -- I mean, but right now I just don't have any other --
18 CHAIR JOHNSON: Okay. Let me -- let me help you
19 out, J.D. We've heard from two legal experts, opposite
20 sides. My belief is that they could probably switch
21 places and argue their cases just as well. So we have
22 somebody that represents LAFCo in the room, our counsel.
23 And now that we've heard both sides, one saying absolutely
24 you can do it, no question about it, and somebody else
25 saying you can't do it, I'd like to hear what our counsel

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1 says we can do. Because right now it's annexation and
2 detachment is what's on the -- what the resolution is.
3 MR. VARINSKY: I would at this point, especially
4 with the county's letter last night, I would -- I would
5 want to continue the matter 30 days so we can come back to
6 present the alternatives more clearly. I also think
7 there's a concern that the county is not telling us. I --
8 it's just a missing piece of information. They're not
9 telling us if they're saying that this is the tax-sharing
10 agreement that applies to this annexation and this is what
11 we negotiated on behalf of the special district.
12 CHAIR JOHNSON: But my understanding is from what
13 I've heard I think is that it doesn't really matter what
14 the county says -- somebody tell me if I'm wrong on this.
15 It's not what the county tells -- says. It's what the
16 state says. I'm looking at the attorneys to nod one way
17 or the other.
18 MR. VARINSKY: We of course --
19 CHAIR JOHNSON: One's going one way; one's going
20 the other.
21 MR. VARINSKY: We need -- we need a resolution
22 from the county telling us this is the approved master
23 tax-sharing agreement for this application.
24 CHAIR JOHNSON: Okay.
25 MR. VARINSKY: And that confirmation from the

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1 county is missing.
2 CHAIR JOHNSON: Okay. Because if we delay
3 today -- and I'm not sure what this means. If we delay
4 today, then we get out of that time year -- that ten-year
5 where we may be -- we may be legal in what we're doing.
6 If we delay, we absolutely know we're going to be starting
7 from scratch.
8 And one thing I've heard here is -- and, again,
9 if I heard -- misunderstood something, and I could have,
10 is that if the district doesn't like the way things go --
11 I've heard two things actually. If the district doesn't
12 like the way things go, they can just say, nope, we don't
13 want it and things stay the way they are. And that's not
14 a viable option.
15 And the other thing I heard was, well, wait a
16 minute. No, because it's actually the city and the county
17 that are going to come together, and they actually are
18 going to make the decision on what the revenues could or
19 should be moving forward.
20 MR. VARINSKY: Well, as LAFCo's counsel, I think
21 a concern has arisen that we're not sure if we've met the
22 legal requirement for accepting this application based on
23 the tax-sharing agreement filed with us.
24 CHAIR JOHNSON: Okay.
25 MR. HIGHTOWER: And here's the --

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1 MR. VARINSKY: If you -- if you -- if you approve
2 something, there is some risk that has not been completely
3 evaluated yet, especially with this letter from the
4 county.
5 CHAIR JOHNSON: I'm a little concerned that we
6 don't know that.
7 MR. VARINSKY: Likewise.
8 CHAIR JOHNSON: Yeah, but you're our counsel. I
9 mean, I'm concerned we don't know that. We've got two
10 attorneys here who are adamant that they're right. And
11 maybe the law is very vague and it doesn't really say
12 and -- you know, but I'm just concerned that we're sitting
13 here, and this isn't a surprise. We knew what this was
14 going to come down to today, and yet I don't feel like I'm
15 any more necessarily confident. I was hoping to see the
16 silver bullet; right? This is -- here's where it is,
17 absolute, one way or the other. And I feel like I have as
18 much information as I did when I came in this morning.
19 Commissioner -- somebody. Barton?
20 COMMISSIONER BARTON: Yes. Thank you, Chairman
21 Johnson. I concur with your -- what you've stated. There
22 is still some confusion. There's certainly, at least on
23 my part, a lack of certainty legally on where we are. I
24 also echo Commission Arriola's comments that -- well, I'll
25 expand on them.

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The person who pays the price for this is the developer. He sits there waiting for governmental bodies to get their act together to figure out who's on first so that he can move forward with a project that apparently everyone in the room agrees is a project that is appropriate and ready to go. It is such a frustration. In the State of California nothing gets done because government gets in the way of good projects. This is a classic example of that.

And I'm -- I'm not the developer, but, boy, if I was, you can see the frustration that takes place for people who are just trying to do good projects, and government gets in the way. Guys and gals, let's get our act together. This is ridiculous. I don't know what -- I'm not an attorney, so I don't know the nuances of the law here, but as a commissioner on this board, I want to move forward with this project. And yet it appears that legally maybe our hands are tied. I don't know, but I'm frustrated.

COMMISSIONER DHATT: I -- my question is for the counsel, our counsel.

MR. VARINSKY: Yeah.

COMMISSIONER DHATT: You should be able to give us better guidance on where we stand. I mean, you know this process is going on for -- don't forget -- let's

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forget about the letter we received last night, evening, but you should have -- you should at least have -- be able to guide us what we can or what we can't do. Mr. Jolley's perfectly right in his position, she's perfectly right in their position, but we don't know where we stand. And we do not want to move forward in a way where we're not complying with the law, so this is something that you need to have ready for us.

MR. VARINSKY: Up until this letter from the county administrator, it was the full understanding that the county had signed off on this, that their resolution that was part of this application was their confirmation that this tax-sharing agreement applies for this application. And it seems like they're disowning the resolution that's part of this application based on the letter they sent last night. So if they're saying that this is not the tax-sharing agreement that applies for this application, then we have an issue with processing or approving an application.

CHAIR JOHNSON: Yep. Step forward.

MS. KENNEDY: Hi, Dana Kennedy again. I'm feeling a lot of things. I'm really feeling bad for my client, but I don't know why we would need somebody from the county here to say whether or not the agreement applies to the annexation because by its terms, it does.

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It applies to all annexations until July 31st, 2025. This is one of those annexations. It also contemplated detachment, again, by its terms.

I didn't see anything in the county's letter to say that that agreement is invalid or was rescinded or does not apply to this project. It absolutely does by its terms, and somebody saying on July 11th, 2025 that it does not, I mean, doesn't change anything. The agreement is in effect today, and it won't be for long.

CHAIR JOHNSON: Thank you very much.

MS. KENNEDY: Thank you.

CHAIR JOHNSON: Mr. Jolley, did you have -- you -- you're good? Okay.

MR. JOLLEY: I'm fighting the urge. I'm good.

CHAIR JOHNSON: Okay. Other comments from the board?

I'll make one. Here's a bold one. We have a county counsel who came back with kind of a wishy-washy letter. We have a statute I think that sounds legitimate. We have a ten-day -- a ten-year time period. We have an applicant that's been waiting for a while to get a good project off the ground that everybody says we need. We have a district that's trying to protect their territory.

And I get it, Chief Martel, and I applaud you for it, and I would fight like hell if I were you. But as

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LAFCo, I look at the big picture and I look at what's in the best interest for our citizens, for everybody, not just the small district, but everybody. And when I look at the area that's being served, it is being consumed by the City of Stockton. It will all be City of Stockton out there someday. I don't know if it's going to be five, ten, twenty years, but past the airport is all going to be City of Stockton.

It makes perfect sense that City of Stockton protects City of Stockton if it has the resources. If it has -- districts are formed to fill in that void, and they are incredibly important to us. But as the things around it grow, sometimes we have to make changes and go, okay, maybe this isn't needed like it was before.

And so what I'm hearing is this adamant protection -- in spite of what might be in the best interest of the citizens, the area, the community, I'm hearing that we want to -- and, again, no disrespect, Chief. I applaud you for doing it and I would expect nothing less of you. But as LAFCo looking at these government agencies and all this stuff, I don't know; I'm starting to feel a little more and more clear of what direction that I'm willing to support.

Other comments?

COMMISSIONER ARRIOLA: Just briefly. I think

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I've made my position clear; however, I think it comes down to it, there are -- lawyers get involved for a reason, but we will never have zero legal risk. So ultimately we have to go with the risk that we're comfortable with, and I'm comfortable proceeding.

CHAIR JOHNSON: Either comments or somebody make a motion.

MR. VARINSKY: Chair, I would -- if I may.

CHAIR JOHNSON: Yeah.

MR. VARINSKY: It's only to inform you of the risk going forward. You can go forward with an approval. You also have comments from the applicant that one of the conditions is unacceptable, and they're asking you to consider a modification to that condition.

CHAIR JOHNSON: Wait a minute. Did I hear that?

MR. HIGHTOWER: Correct.

CHAIR JOHNSON: Come on up.

Thank you for pointing that out.

MS. KENNEDY: Yeah, sorry. This ended up being a different fight today than I anticipated based on the correspondence from last night, but in my letter to you on Tuesday, I proposed replacing the text of Section 7 with a specific dollar amount rather than a year-long negotiation period so that we'll have certainty that this is not a sham approval. And so we proposed $25,000. I think it's

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very generous. I think it's appropriate. If you want to require payment of $25,000 as mitigation to the district as Section 7, that's fine. But the way it's currently drafted is actually a poison pill and would -- as you've heard.

CHAIR JOHNSON: Okay. So -- and you agree that we have the right to do that, to put that condition on there?

MR. VARINSKY: Yes.

CHAIR JOHNSON: Okay. So just for clarity, what would that resolution read as? We approve the annexation; we approve detachment with the -- with the condition of a $25,000 --

MR. HIGHTOWER: It would read, you know, prior -- sounds -- I mean prior to issuance of a Certificate of Completion, the applicant shall submit to the executive direct -- the executive officer proof of payment of $25,000 as mitigation to the Montezuma Fire Protection District. And so that's the -- that's the way that would read. And that would be the -- you know, that -- if that was acceptable, that's -- I don't -- it's -- that's the way that condition would read.

CHAIR JOHNSON: Okay. So for clarity, that's what's on the table today, or one option.

MR. VARINSKY: That's what the --

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CHAIR JOHNSON: Okay.

MR. VARINSKY: Well, it -- approving it as it is.

CHAIR JOHNSON: That's what the plaintiff wants.

MR. VARINSKY: It might face an application withdrawal, but yes --

CHAIR JOHNSON: Okay.

MR. VARINSKY: -- that's what the applicant, not plaintiff.

CHAIR JOHNSON: That's what the applicant wants.

MR. JOLLEY: I'm sorry you have to see me again. May I address --

CHAIR JOHNSON: Sure.

MR. JOLLEY: -- Ms. Kennedy's comment? Thank you.

CHAIR JOHNSON: Sure.

MR. JOLLEY: Again, Brett Jolley on behalf of the district. As I heard the proposal to modify condition 7, I want to clarify. Instead of even requiring the parties go through a negotiation process, it would essentially say the applicant simply has to pay $25,000 to the district and it's done. Is that what the proposal was that's -- the commission is considering?

CHAIR JOHNSON: That --

MR. VARINSKY: It's a proposal made by the applicant.

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CHAIR JOHNSON: That's a proposal that -- it's --

MR. VARINSKY: Okay.

CHAIR JOHNSON: I'm not sure -- that's what the applicant, I guess.

MR. JOLLEY: Okay. Just to go on record, that basically eliminates the negotiation process and would order the district to take one amount, which is beyond LAFCo's authority to say we've negotiated for you; we've decided you're going to take the amount that the applicant said. And, in fact, there's case law on that that says even when an applicant pays money, it doesn't -- it doesn't excuse the city for the agency from sharing in its tax revenues with the district. The city can't put all of its obligations to share tax revenues on a project applicant. So there's still a long-term tax-sharing that needs to be negotiated whether or not the applicant pays any amount of money in addition. I just want to go on record with that.

CHAIR JOHNSON: Okay.

MR. HOLLEY: So we would object --

CHAIR JOHNSON: Thank you for sharing that.

MR. HOLLEY: -- to that condition as it's proposed.

CHAIR JOHNSON: Counsel, you agree? Is that accurate?

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MR. VARINSKY: Without knowing the case he cited, I'm not sure. It's only -- we just judge the application that's before you. You have a tax-sharing agreement that applies. The -- there's -- someone might sue if -- over the process not being followed to a T. That can be litigated. I think that risk is relatively --

CHAIR JOHNSON: So the 80-20 sounds like it's a better -- like we have -- we have footing on that.

MR. VARINSKY: Yes, but that 80-20 is between the county and the city. That doesn't show anything of what's going to the fire district.

CHAIR JOHNSON: And where does that -- where is that going to come in?

MR. VARINSKY: The --

CHAIR JOHNSON: I'm sorry, folks, for you hearing all of this, but there seems to be a lack of information flowing.

COMMISSIONER BARTON: But it does. The 80-20 does apply because I thought the county is negotiating on behalf of the fire district. So that is the --

MR. VARINSKY: That does apply.

COMMISSIONER BARTON: That is the agreement that applies.

MR. VARINSKY: That's the --

COMMISSIONER BARTON: We know that.

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MR. VARINSKY: Well, that's the -- that's the agreement that applies, but it doesn't -- we don't know what percentage of that county money is going to the fire district. It -- it doesn't speak to that. That's just between the city and the county.

CHAIR JOHNSON: Well, where does -- who determines what the district gets from that?

MR. VARINSKY: We're taking -- in some way we're taking for granted that this is the agreement that the county has negotiated on behalf of the district, and since it's a detachment, the fire district isn't getting anything under that agreement.

CHAIR JOHNSON: Okay.

MR. VARINSKY: That this is the -- the county's negotiation on behalf of the district here resulted in zero going to the district in this situation.

CHAIR JOHNSON: What do we do, J.D., in other instances where we -- I'm trying to think of an example -- where we detached from something --

MR. HIGHTOWER: As a standard practice, I inherited that we got sideways with a previous project was prior to the issuance of a Certificate of Compliance -- or a Certificate of Completion, the applicant shall submit proof of payment to the affected district, period. I mean, and it was usually the common practice was a term

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that would vary from district to district.

Every district was -- had a term and it was added -- an application -- an adjustment factor, an adjustment factor. There was all -- it was all -- so I came in and say, look, you guys need to have some sort of consistency. Use the adjustment factor, the current CPI times the term, and that term -- at the end of that term, here's the -- here's what that payment is.

Now, the -- previously with the same parties, Montezuma Fire District, City of Stockton, the term is 17 and a half years, and it was adjusted by the Consumer Price Index, all consumers of San Francisco, Oakland, Hayward, index as readily available and the current -- so looking at that, if you looked at a -- I looked at it annually at the current annual at 1.3 percent. Comes out to, like, $22,000 if you use that app -- if you use that methodology.

$25,000 more than exceeds that but may not be -- that's the -- you know, if that's the methodology -- I would suggest you use a methodology rather than just a $25,000 figure. Use a methodology that, hey, you guys use this methodology, submit proof of payment, and that's the -- that way you -- at least you have something that you can measure that -- where the $25,000 came from is not really clear.

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COMMISSIONER BARTON: But I thought you just said that previously it would be the app -- a negotiation between the applicant and the special district --

MR. HIGHTOWER: Yeah.

COMMISSIONER BARTON: -- and they'd agree on a fee.

MR. HIGHTOWER: Yeah. The --

CHAIR JOHNSON: But it seems like we don't have a district that's willing to negotiate on a fee.

MR. HIGHTOWER: No, they do. The same district is negotiating a fee. In fact, they're negotiating right now.

CHAIR JOHNSON: They want a long-term agreement.

MR. HIGHTOWER: No. They have their --

CHAIR JOHNSON: Oh, I'm sorry. Mr. Mar -- Chief, please.

MR. MARTEL: Eager to speak here.

CHAIR JOHNSON: Absolutely.

MR. MARTEL: So what Mr. Hightower is saying is correct -- oh, excuse me -- is correct. We did used to negotiate between the developer and the district, and the city would stay out of it. However, that process got changed by the executive director. That's why I'm here today. That's why I went to the Board of Supervisors, because he changed it and say we're going to go with

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Section 99 and follow the law. So that's upsetting to that -- so which way is it? Because I got other annexations coming up.

CHAIR JOHNSON: Okay. So we're here now.

MR. MARTEL: Yeah, so what's it going to be? Because I'm the tester here from all the fire districts, you know. If I went through this process -- we had to hire legal counsel because the county counsel refused to negotiate on our behalf, although they're required to by statute. So what happens to the fire district? Are we going -- reverting back?

CHAIR JOHNSON: So we have an offer on the table right now to pay -- for somebody to -- for the applicant to pay the district for --

MR. MARTEL: I understand that.

CHAIR JOHNSON: Okay.

MR. MARTEL: However, that wasn't the request and the requirement by LAFCo when this process started. The statement was made by LAFCo that, hey, it comes before the Board of Supervisors, which it did on the agenda, and we shall follow the Section 99 of the Revenue and Taxation Code.

CHAIR JOHNSON: So you want -- you want the board -- you want the county --

MR. MARTEL: I want to know what LAFCo wants

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because the executive director -- and the past directors -- as I stated earlier, I went through seven executive directors, and they all had different ways of how we're going to address these fire districts.

CHAIR JOHNSON: Chief Martel, you are -- I appreciate where you're coming from.

MR. MARTEL: So --

CHAIR JOHNSON: -- but we've got --

MR. MARTEL: Excuse my passion, but come on now. I mean, the district is caught --

CHAIR JOHNSON: No, I like your passion.

MR. MARTEL: It's like I'm being accused of holding people hostage.

CHAIR JOHNSON: No, no, no, no, no.

MR. MARTEL: I'll also make the record I was never offered an amount that Ms. Ocasio there stated. None of that took place. We made a -- we negotiated in good faith with the City of Stockton. They rescinded.

As I stated earlier, I have nothing against my (indiscernible) partners. I work hand in hand with them. We were with them last Saturday downtown covering their stations. It's nothing between Montezuma Fire and Stockton Fire.

CHAIR JOHNSON: Right. Nobody --

MR. MARTEL: I want to make that clear. And they

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got some city statutes that they're required for HAZMAT and so on and so forth that the districts are not. So, yes, there's some more extra stuff that they cover which the county's fire department, the district's not. I want to state that and, also, because I heard that earlier. I'm not knocking my fire department that's my neighbor. They're great neighbors.

What I am knocking is what's LAFCo going to do? The executive director has a new process. What he spoke now about, cutting a deal between the developer and the district, that was the old process to me. There is counsel behind me, Mr. Akum (phonetic), he's well aware of it. He's been around with me the 38 years. He would probably -- I don't know if he wants to get involved, but he can attest that it's been many different changes.

I have the best attorney here, Mr. Jolley, to address this issue for the district. No offense, Mr. Akum. He goes, he's just as good. But that's my statement, which way it's going to go. Is this going to be --

CHAIR JOHNSON: And I think we realize, Chief --

MR. MARTEL: -- district and developer negotiate or follow the code and follow along as the law states it shall be followed?

CHAIR JOHNSON: Well --

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MR. MARTEL: What's the county going to do for us? Because that's where it lies at --

CHAIR JOHNSON: So you're not --

MR. MARTEL: -- the master tax-sharing agreement.

CHAIR JOHNSON: So if I hear you correctly, you don't like the idea of the county negotiating for you.

MR. MARTEL: I'm not stating that. I'm stating follow the law. That's what I said.

CHAIR JOHNSON: Okay.

MR. MARTEL: Follow the law of the Taxation and Revenue Code that the executive director said we shall do when this project first took place. That's my statement.

CHAIR JOHNSON: Well, the law sounds like right now it's an 80-20 between the city and the county.

MR. MARTEL: And the county is supposed to negotiate on our behalf.

MR. VARINSKY: We -- and we would say that issue is --

MR. MARTEL: And we have zero. Is that negotiating? Zero?

MR. VARINSKY: I would say that issue is between the fire district and the county and not LAFCo. Until it gets to here where you can consider modifications.

MR. MARTEL: Any further, I'll have my counsel, Jolley, speak.

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CHAIR JOHNSON: Okay.
MR. MARTEL: And thank you. Excuse if I was any -- any rudeness towards you. I had --
CHAIR JOHNSON: No, no, no.
MR. MARTEL: -- no intention of.
CHAIR JOHNSON: None taken. None taken. I think part of it is we realize -- LAFCo realizes you guys aren't -- this isn't the first project. We are going to have more projects coming before us, and we need to figure this out because we do not want to be doing this every time. So we want to make sure that we've got clear answers from our counsel. We want to make sure from other counsels we're getting stuff early. And we need to have a better understanding of what's going on and pick a strategy and move with it. So --
COMMISSIONER BARTON: And the proponent needs clarity when he begins a project on how this is going to work. And right now it is -- it's a swamp.
CHAIR JOHNSON: And I'll say it.
COMMISSIONER BARTON: That's completely --
CHAIR JOHNSON: I apologize to the applicant because this is not how we want to do business here in San Joaquin County. This is not what -- this is -- this is ridiculous. So --
COMMISSIONER DHATT: So my question is the 80-20

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does not apply?
CHAIR JOHNSON: One will say yes; one will say no. And our counsel says: I'm not sure.
MR. VARINSKY: No, it's been -- may I go first?
MR. HIGHTOWER: Go ahead.
MR. VARINSKY: What's been filed is an 80-20 without anything for the district. That's been what's filed, what's been proposed to you. What has been brought before you is J.D.'s recommendation, Section 7 which modifies that proposal and requires that before you file a Certificate of Completion, they have to do some detachment agreement with the fire district that provides some mitigation to the fire district.
The applicant has come forward and said: We propose an alternative condition to that, which is a lump sum payment to the fire district. So those are -- those are three options before you, but what was filed was the tax-sharing agreement that's presented, which is 80-20 county-city, nothing to the fire district. That's what's been filed.
CHAIR JOHNSON: Okay. And the second one again?
MR. VARINSKY: It is what's in the draft resolution is that prior to this whole reorganization being complete, there has to be some detachment agreement that provides some mitigation to the fire district.

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CHAIR JOHNSON: And who's going to negotiate that?
MR. VARINSKY: The parties behind us.
CHAIR JOHNSON: There's a lot of people back there.
MR. VARINSKY: That's why the -- well, that's why it's been -- it's been objected to as saying this condition as written is essentially going to kill the project.
CHAIR JOHNSON: Okay. So let's just say B's not a viable option is what I'm kind of hearing. So let's just take that off the table then. So then it leaves us with A -- A, C, or do nothing, kick it down the road.
MR. VARINSKY: Yes. C is the proposed condition, and J.D. has offered some alternative language of basing it on a certain length of time based on lost property tax revenue rather than just a flat figure of 25,000.
CHAIR JOHNSON: Wait a minute. You're saying based on -- J.D.'s proposal was --
MR. VARINSKY: And you have the discretion. The condition proposed by the --
CHAIR JOHNSON: Right.
MR. VARINSKY: -- applicant is 25,000 --
CHAIR JOHNSON: Right.
MR. VARINSKY: -- lump sum payment. You have the

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discretion to modify that. You can make it lower. You can make it based on a certain number of years. It doesn't just have to be 25,000.
COMMISSIONER BARTON: And he suggested, I believe, the detachment would ultimately take place once the Stockton Fire District establishes a new station in the airport area. There was that --
MR. VARINSKY: That would be another modification to consider.
COMMISSIONER BARTON: D. Okay.
COMMISSIONER GARDEA: Yeah, I don't agree with that, the waiting to build another station. They've already developed the departments. When it comes to response times, they're very similar, so to hold them hostage to -- I shouldn't say hostage, but to hold them to building a station, I don't agree with that.
COMMISSIONER DHATT: So my -- so, J.D., can you clarify what you -- what you kind of said about sharing? How would you like the resolution to be? Not the 25,000 fixed figure. What other way we could do it?
COMMISSIONER BARTON: I'm going to briefly comment on that. There was a statement made that the $25,000 figure was detached from any calculation. I don't think that's true. We saw in the materials given to us that a 17-and-a-half-year revenue stream would result in,

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I believe, 22,000 and change. The developer has offered to pay $25,000, so it is actually attached to a described revenue stream. Unless I'm incorrect. You --

MR. HIGHTOWER: I would have to take a look at what the -- what their offer -- you know, they said -- seems like the calculations I did, hey, this is a fair -- this is a fair number. I mean, but I'm not speaking and I don't have authority to speak on the -- behalf of the dis -- LAFCo is my -- the executive officer's role under Section 99 is as timekeeper.

Hey, you have -- before I issue a Certificate of Filing, in other words, before I accept a complete application, need some sort of agreement. And the -- the agree -- I move forward today based on the agreement that the -- both submitted by the City of Stockton and was -- and prior practice, the county auditor's office always submits the -- the property tax allocation agreement as here's the agreement. Okay. We got a complete application.

So, hey, they're -- that's the -- but the -- looking at everything, yeah, we have a complete application. We filed a Certificate of Filing. Now all of a sudden, okay, for Certificate of Completion, this shows a Certificate of Completion. What form of mitigation in accordance with our own LAFCo policies do we

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want to -- is appropriate? Is $25,000 appropriate? Sure. I mean, based on my calculations, it's a -- my calculations showed between 22,000 and 27,000.

CHAIR JOHNSON: So the 25 is -- sounds appropriate.

MR. HIGHTOWER: Sounds appropriate. It would be -- you know, but whether or not that takes into all the consideration that the district wants, I have no idea because I'm not a --

CHAIR JOHNSON: Right.

MR. HIGHTOWER: I'm not in -- you know, but from a LAFCo perspective, yeah, it's -- it makes a good amount of sense.

CHAIR JOHNSON: It's -- and I want to get back to Commissioner Dhatt because -- let me actually get back to you because you were -- you had wanted to comment on something.

COMMISSIONER DHATT: My question is I still don't understand how -- what resolution are we proposing? Because everything keeps changing. Every time we hear something, it's like a different from the previous time. So question is if we, LAFCo -- all the commissioners, we want to help this project seems like, and we want to have something to vote on, but we have to make sure that the district is taken care of. We want to make sure the city

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is happy, and more than anything else, we want to kind of help out the developer who's been stuck in quicksand for the last, what, over two, three years. But the question is for both of you fine gentlemen is what can we do to move forward?

MR. HIGHTOWER: Move forward, make a decision. Okay. Prior to filing of the Certificate of Completion, the applicant shall submit proof of payment of $25,000 to the Montezuma Fire Protection District, period.

So, I mean, and we have a -- you know, we have another condition, another section in that resolution says that the City of Stockton will hold LAFCo harmless from any decision made. So, in other words, they're going to pick up the litigation costs. They fully -- listening to everyone, hey, you know, I'd be surprised as heck if this thing is not litigated one way or another because the issue is kind of ripe. You know, it's a ripe issue to be picked.

And so, hey, we have a condition; hey, we have a short-term mitigation in accordance with this -- temporary mit -- I would argue the temporary mitigation under our LAFCo policy, $25,000, move forward; you have a hold harmless agreement. The resolution has a hold harmless agreement of -- that the City of Stockton will hold us harmless, and that's the -- and so I think we're covered

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one way or -- you know, the intent of the resolution is that if we do get dragged into a lawsuit, that all legal costs will be borne by the City of Stockton.

COMMISSIONER ARRIOLA: So, well, just a comment that I'll make is just seems like 25,000 -- we're arguing over 25,000, and it's going to cost more than that in litigation fees.

MR. HIGHTOWER: Oh, for sure.

COMMISSIONER ARRIOLA: And I -- but I want to -- I had something that I want to also point out is the fact that we also have to recognize the reputational harm to the community, and I think the applicant stated it. These developers talk to each other. Businesses talk to each other.

And I want to make sure that we're creating an environment for this community to thrive. And if we are engaging in the type of government practices that is such that businesses are not succeeding, our revenues regionally will drop because we're not being a business-friendly community.

So, again, I just reiterate I think that we have met the purpose of LAFCo, which is to ensure that public services are adequately served for the annexed land. I feel confident that we've met that from what I've heard today. And there may be some legal risk, but I -- I think

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that's overcome from what I've heard today.

And so with that, I'd be supporting to approve reorganization, including annex with concurrent detachment with the revised version of Section 7.

CHAIR JOHNSON: All right. We got a motion on -- or we got a motion. Is there a second?

COMMISSIONER BARTON: Commissioner, I have a Pollyannish, probably, idea. Is there any possibility that the parties to this -- Montezuma, the city, the county, the applicant -- can get in a room and 30 days from now come back to this board with an agreement? Not maybe; not, oh, we couldn't agree. With an agreement. The developer is shaking his head no because he doesn't want to wait 30 days, which I fully understand and appreciate. But is that a possibility?

MR. JOLLEY: Again, Chair Johnson, Brett Jolley for the district.

And, Commissioner Barton, to answer your question, it's certainly from the district's standpoint something we would be willing to do; give the caveat that, again, the county is not here, so we can't speak for the county and their ability to do that. But we're open to that. Now, at the same time, the applicant's counsel in its April 1st letter chided the district for participating in the negotiations last time and said it should have only

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been the county.

So I don't want to agree that we'll go sit in this room to negotiate and then have the developer again come back and say: Shame on you; you shouldn't have been in the room under the law. You should have been out, and any negotiation reached or discussions are not viable. So we've been chastised for participating in the negotiations in the 2024. We're, again, more than willing to be in those negotiations and as active as the parties are willing to let us be as the district, but we understand that the county has an active role under the statute in those negotiations.

So the county would ultimately have to chime in on that as well I think. But we're certainly willing to do it, give it a try, and see if we can make it happen. That's the -- that's the clearest answer I can give you, Commissioner Barton, because we want to see this resolved. We want to see the project go forward.

COMMISSIONER BARTON: Thank you.

MS. KENNEDY: If I may, briefly. I believe this is the last annexation and detachment that will be processed under the existing master tax-sharing agreement which, again, expires July 31st. So I think the negotiation process you're hoping to see will be complete, and I think everybody will approach that process, perhaps,

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with more information and better armed than they did in 2015.

But I respectfully request that we can end the process with regards to this one and a half acre undeveloped parcel that has been in limbo for so long. I haven't seen any indication to suggest that 30 days will result in anything different than the last 16 months.

COMMISSIONER BARTON: Thank you.

MS. KENNEDY: Thank you.

CHAIR JOHNSON: And I'll just recap. So we've got -- we've got a district who as I -- the -- I'm sorry.

COMMISSIONER DHATT: We have a motion already.

CHAIR JOHNSON: Encourage -- the motion you've made that we don't have a second on yet is that we annex and we detach.

COMMISSIONER BARTON: Detach.

CHAIR JOHNSON: And we --

COMMISSIONER BARTON: Approve a 25,000 --

CHAIR JOHNSON: -- approve the 25,000. So we pay a district 17 years' worth of revenue upfront for what they're getting right now for dirt out there and which keeps them whole. They're not disadvantaged at all from that, and we allow a project to continue on and we save the applicant thousands of dollars in delay fees delaying -- delayment costs.

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COMMISSIONER ARRIOLA: That's my intention.

CHAIR JOHNSON: Okay. Is there --

COMMISSIONER BARTON: I'm going to -- I'm going to second it.

CHAIR JOHNSON: It's been moved and seconded. Further discussion?

Seeing none, let's do a roll call vote on this.

CLERK IBOA: Commissioner Arriola?

COMMISSIONER ARRIOLA: Yes.

CLERK IBOA: Commissioner Barton?

COMMISSIONER BARTON: Aye.

CLERK IBOA: Commissioner Dhaliwal?

COMMISSIONER DHALIWAL: Yes.

CLERK IBOA: Commissioner Dhatt?

COMMISSIONER DHATT: Yes.

CLERK IBOA: Commissioner Gardea?

COMMISSIONER GARDEA: Yes.

CLERK IBOA: Chair Johnson?

CHAIR JOHNSON: Yes. Motion carries. Thank you, everybody, for putting up with this. I appreciate everybody coming in and giving us -- all the attorneys, public comment, everything. Thank you very much.

(Time noted: 11:38 AM.)

(Balance of meeting not reported.)

STATE OF CALIFORNIA,)
)
COUNTY OF SAN JOAQUIN.)

I, LISA S. COELHO, a Certified Shorthand Reporter in and for the County of Stanislaus, State of California, do hereby certify:

That on June 12, 2025, thereof, I reported verbatim in shorthand writing the foregoing proceedings;

That I thereafter caused my shorthand writing to be reduced to typewriting, and that the foregoing transcript constitutes a full, true, and correct transcription of all proceedings had and given.

IN WITNESS HEREOF, I have hereunto set my hand and affixed my Official Seal this 8th day of July 2025.

LISA S. COELHO, CSR #9487
Certified Shorthand Reporter

ATTACHMENT F

Exhibit J

Montezuma Fire District

In San Joaquin County
Station 18-1, 2405 S. "B" St., Stockton, CA 95206
Station 18-2, Stockton Metro Airport

Administration
Business Phone:
(209) 464-5234
Fax (209) 466-2624

Edward Martel
Fire Chief
& Clerk to the Board

To: San Joaquin County Local Agency
Formation Commission – Mr. J.D. Hightower, Executive Officer
44 N. San Joaquin, Suite 347
Stockton, Ca. 95203

March 30th 2023

From: Edward Martel – Fire Chief

Re: LAFCo 8-23 Mariposa Industrial Park, Fire transition, detachment and loss of revenue agreement.

Dear Mr. Hightower

As per our recent discussions regarding LAFCo 8-23 Mariposa Industrial Park, attached you will find the districts loss of revenue spread sheet. It includes the twenty (20) years of property tax allocation, district override assessment with a 3% COLA for the total amount $ 85,665.39, and a portion of the loss of fire impact mitigation fees at 25 % of the building square footage for a total amount of $77,875.00. Grand total request will be $ 163,540.39. If you have any questions regarding this matter, please feel free to contact me I can be reach at (209) 607-3939.

Respectfully,

Edward Martel – Fire Chief

C; MFD Board of Directors

Montezuma Fire District

Property Tax & Assessment;

Year	1		$3,101.14	
	3%	$	93.03	
Year	2	$	3,194.17	
	3%	$	95.83	
Year	3	$	3,290.00	
	3%	$	98.70	
Year	4	$	3,388.70	
	3%	$	101.66	
Year	5	$	3,490.36	
	3%	$	104.71	
Year	6	$	3,595.07	
	3%	$	107.85	
Year	7	$	3,702.92	
	3%	$	111.09	
Year	8	$	3,814.01	
	3%	$	114.42	
Year	9	$	3,928.43	
	3%	$	117.85	
Year	10	$	4,046.28	
	3%	$	121.39	
Year	11	$	4,167.67	
	3%	$	125.03	
Year	12	$	4,292.70	
	3%	$	128.78	
Year	13	$	4,421.48	
	3%	$	132.64	
Year	14	$	4,554.12	
	3%	$	136.62	
Year	15	$	4,690.74	
	3%	$	140.72	
Year	16	$	4,831.47	
	3%	$	144.94	
Year	17	$	4,976.41	
	3%	$	149.29	
Year	18	$	5,125.70	
	3%	$	153.77	
Year	19	$	5,279.47	
	3%	$	158.38	
Year	20	$	5,437.85	
Total				$ 85,665.39

Fire Facility Impact fee

.25 % of .35 x 890,0000 $ 77,875.00

Grand total= $ 163,540.39

ATTACHMENT G

Parmeet Dhaliwal <parmeet.sd@gmail.com> Feb 5, 2025, 4:24 PM
to Brett, Edward, Jaime, Mark

Gentlemen,

Here is my official offer and I request that you present it to the Montezuma Fire District's Board.

I didn't heard anything after our last meeting so I did some digging and found out that the calculation for the Fire District's tax increment is as follows:

((1103736/34192396)*32908.76) = $1,062.30

Following along the lines of a previous offer the Fire District accepted to detach, which was a lump sum payment equivalent to 17.5 years of tax revenue, I made the initial offer of $15,076.19. This offer was calculated by totalling years of tax revenue with 3% increases. Since I have no power to control what the City of Stockton decides, I can only rely on the Fire District's mercy to allow this project through annexation with Lafco. To preface my offer, I calculated the following numbers:

Current Tax Increment		50% of Tax Increment Post-Development	
Year	Annual Amount	Year	Annual Amount
1	$ 1,062.30	1	$ 1,695.56
2	$ 1,094.17	2	$ 1,746.43
3	$ 1,126.99	3	$ 1,798.82
4	$ 1,160.80	4	$ 1,852.79
5	$ 1,195.63	5	$ 1,908.37
6	$ 1,231.50	6	$ 1,965.62
7	$ 1,268.44	7	$ 2,024.59
8	$ 1,306.50	8	$ 2,085.33
9	$ 1,345.69	9	$ 2,147.89
10	$ 1,386.06	10	$ 2,212.33
11	$ 1,427.64		
12	$ 1,470.47		
13	$ 1,514.59		
14	$ 1,560.02		
15	$ 1,606.82		
16	$ 1,655.03		
17	$ 1,704.68		
17.5	$ 877.91		
Total	$ 23,995.24	Total	$ 19,437.73

The column on the left is what the fire district would stand to generate over 17.5 years if no development were to happen with the property. The column on the right is 50% of the tax-revenue post-development with 3% annual increases. This number was generated with the following calculation:
=((3928186/(34192396+3928186))*32908.76)*.50

The $3,928,186 is the actual real cost of building the project based off of the last bid received in Oct of 2024. Since I never received any more info, I assumed this number was also to be added into the total value of the tax increment area. The reason I made it 50% is because the Fire District would have had to share revenue with the city if an agreement were made anyways.

I have also made you aware of my current financial position as a result of all the setbacks faced with this project and I have come up with the following proposal considering the circumstances and the smaller scale of this project

$2500 payments made annually over the course of 10 years, which would generate a total of $25,000 in revenue for the fire district. More than the District stands to make over a 17.5 year period of the current property. The reason I must limit the time frame of the payments to 10 years is that I can tie this into the length of the fueling contract which is 10 years, anything more than that and potential buyers will not touch the project. This type of payment plan will also make it easier for the Fire District's future planning as it will be a significant source of steady revenue instead of a lump sum payment.

To put this into perspective, the fire district accepted $82,458.23 to detach 208 acres which comes out to be $396.43 per acre. Our site is 1.58 acres and I'm willing to offer $25,000 which comes out to $15,822.79 per acre which don't find to be fair but this entire situation isn't fair, even for the Fire District. As I mentioned earlier, I understand that the Fire District needs to make a stand but I'm asking you to please make a stand to a developer with much deeper pockets and with a much larger project that the City isn't simply willing to throw away. Please work with me so that I can get the project through annexation, final permitting and then have this project sold off as I'm no long in a financial position to develop this project.

I hope to hear from you soon.

Regards,
Parmeet Dhaliwal
(510) 857-7816

Edward Martel Feb 10, 2025, 11:06 AM
to Brett, me, Jaime, Mark

To Mr. Dhaliwal

The district is in receipt of your proposal. However, the district position on this matter has not change. The district does not support detachment as stated prior.

Respectfully,

Ed Martel - Fire Chief

ATTACHMENT H

COUNTY OF SAN JOAQUIN

Office of the County Administrator

County Courthouse, Room 707 • 222 East Weber Avenue
Stockton, California 95202-2778 • (209) 468-3203, Fax (209) 468-2875

MANUEL LOPEZ
County Administrator

ROSA LEE
Assistant County Administrator

June 7, 2005

Board of Supervisors
Courthouse
Stockton, CA

Dear Board Members:

Approval of Annexation Agreements and County Facilities Fee Program

Recommendation

It's recommended that the Board of Supervisors:

1. Approve and authorize the Chairman to execute Agreements for Property Tax Allocation upon Annexation with the cities of Escalon, Lathrop, Lodi, Manteca, Ripon, Stockton, and Tracy.
2. Establish the County Facilities Fees Program by taking the following actions:
    a. Enact the Ordinance establishing the County Facilities Fee Program.
    b. Adopt the Resolution establishing County Facilities Fees.
    c. Approve and authorize the Chairman to execute Agreements for the Administration of the County Facilities Fee Program with the cities of Escalon, Lathrop, Lodi, Manteca, Ripon, Stockton, and Tracy.
3. Approve and authorize the Chairman to execute the agreement between the City of Stockton and the County of San Joaquin regarding Detachment of Rural Fire Districts Upon Annexation of Property to the City of Stockton.

Reason for Recommendation

On April ~~29~~ 10, 2004, the Board of Supervisors approved, in concept, the attached Annexation Agreements and the County Facilities Fee (CFF) Program. At the direction of the Board, we transmitted the documents to the City Managers for consideration and approval by each City Council. All of the cities have approved the Annexation Agreement and the CFF Program. All documents received unanimous votes of their respective City Councils. Pending final approval by the Board, the Annexation Agreements would take effect immediately and the collection of fees under the CFF Program would begin after a period of 60 days, as defined by statute.

Annexation Agreements

California annexation procedures require that property tax agreements be in place before the Local Agency Formation Commission (LAFCo) can process an annexation application. There are no requirements regarding the format or contents of an agreement, but an annexation cannot be considered without one. Individual agreements can be executed for each annexation or a Master Agreement can be executed between a county and a city.

The Master Annexation Agreements contain the following major provisions:

Property-Tax Allocation

For most annexations, reallocated property taxes will be shared in the ratio of 80% County and 20% City. Annexations that do not involve a detachment from a fire district, due to consolidation of fire services subsequent to June 15, 1996, will involve adjusted allocations of property taxes. For annexations to the cities of Ripon and Escalon, reallocated property taxes will be shared in the ratio of 63.4% County and 36.6% City, until such time as their respective corporate limits have the capacity to support populations of 20,000.

Term of Agreement

The Agreement applies to annexations filed with LAFCo during the next seven years. However, it excludes areas that generate significant gross taxable sales, generate transient occupancy tax revenue, or include more than 50 acres of County-owned property. The County or a city may terminate the Agreement upon 6 months written notice.

Regional Cooperation

Each city has agreed to adopt the County Facilities Fee Program prior to or concurrent with execution of the Annexation Agreement. The County and each city will cooperate in the planning, financing, and construction of infrastructure within city spheres of influence. The County and each city will cooperate in the siting of Community Service Facilities.

County Facilities Fee (CFF) Program

The proposed CFF Program has been developed in accordance with the procedural guidelines established by AB 1600 and defined in California Government Code Section 66000 et seq. In addition to setting forth requirements for establishing and collecting development impact fees, those procedures require that "a reasonable relationship or nexus must exist between a governmental exaction and the purpose of the condition". The attached Nexus Study establishes reasonable relationships between the County facilities, the proposed fees, and projected growth by development type. In addition to extensive discussion with city representatives, the CFF Program has been reviewed with representatives of the Building Industry Association, Builders Exchange, Business Council, and San Joaquin Partnership.

The CFF Program will provide part of the funding for regional facilities that support General Government, including the needs listed in the Downtown County Facilities Master Plan, the County Jail, Probation and Juvenile Hall, San Joaquin General Hospital, and Stockton Metropolitan Airport. The CFF Program will also provide funding support for the expansion of unincorporated facilities that support the Sheriff, Community Development, Public Works, Motor Pool, and Government Services.

Rural Fire Department Agreement

When an annexation to a city takes place, the annexing property is typically detached from the territory of a rural fire district. Consequently, that fire district would no longer receive any property taxes from the annexing property. Within metropolitan Stockton, fire districts have commented that they are not able to adjust fixed costs, in the near-term, to offset the cumulative impacts of revenue losses due to annexations.

The attached agreement would commit the County and the City of Stockton to replace fire district property tax revenues, attributable to annexing properties, for a period of five years. Consistent with the Annexation Agreement, the contributions to replacement funding would be at the rate of 80% County and 20% City. This "back-fill" will stabilize fire district revenues for five years and provide a period of time for the fire districts to explore alternatives that may include contracts for service, mergers, or other organizational solutions.

Fiscal Impact

The recommended Annexation Agreements will provide average annual property-tax revenues estimated at approximately $5 million over the next 20 years. As development occurs and demands on services increase, these revenues will allow regional services to be maintained at somewhat more acceptable levels that would otherwise be possible.

The proposed County Facilities Fee Program will provide annual revenues estimated to increase to approximately $9 million over the next 20 years. These revenues will offset a portion of the cost of regional capital facilities required to respond to the accelerated pace of urban development that is projected within San Joaquin County.

Based on historical data regarding annexations, the Rural Fire Districts Agreement would involve an estimated $50,000 in replacement funding over the five-year term. The County's contribution is estimated to be $40,000.

Action To Be Taken Following Approval

Following execution of the Annexation Agreements, the cities, LAFCo and the Auditor-Controller will be notified. The Annexation Agreements will take effect immediately, relative to the processing of annexations by LAFCo and the reallocation of property tax revenues by the Auditor-Controller.

Following approval of the CFF Program, the cities and interested parties will be notified. Staff will coordinate implementation of the CFF Program with the cities. Collection of fees, at the issuance of building permits, will begin 60 days after the Board's approval.

Following execution of the Rural Fire District Agreement, the City of Stockton and the Auditor-Controller will be notified. Staff will coordinate the administration of the Agreement with the Auditor-Controller as annexations occur over the five-year term.

Very truly yours,

Manuel Lopez
County Administrator

ML:RL:srs

Attachments

c: Auditor-Controller
County Counsel
LAFCo
City Managers
Board Clerk for Agenda 6/14/05

BL06-05

County of San Joaquin & City of Lodi

Agreement For Property Tax Allocation Upon Annexation

A-05- 385

THIS AGREEMENT is entered into this 14th day of June, 2005 by and between the City of Lodi, a California municipal corporation, hereinafter referred to as "CITY" and the County of San Joaquin, hereinafter referred to as "COUNTY";

PREAMBLE:

CITY and COUNTY acknowledge that both CITY and COUNTY have increasing service responsibilities with restrained revenue resources. There is no consensus between CITY and COUNTY regarding the analysis of local government funding issues arising from annexations. CITY and COUNTY each have their own distinctive and differing perspectives on costs and revenues generated by annexed areas. However, there is a statutory requirement for a Property Tax Allocation Agreement for the Local Agency Formation Commission to annex land.

WITNESSETH:

WHEREAS, Article 13A, Section 1 of the Constitution of the State of California limits ad valorem taxes on real property to one percent (1%) of full cash value; and

WHEREAS, Chapter 6 of Part 0.5 of Division 1 of the Revenue and Taxation Code (Sections 95 et. seq.) provides for the allocation of property tax revenues; and

WHEREAS, CITY and COUNTY must have an agreement for the allocation of property tax revenues upon annexation.

NOW, THEREFORE, in consideration of the premises and the following terms and conditions, the parties hereto agree as follows:

1. DEFINITIONS. The words and phrases in this Agreement shall have meanings as set forth below:

   A. "Annexation Property Tax Base" shall mean the Base Year sum of the ad valorem

tax allocated to Detaching Special Districts, as defined herein, and to COUNTY within the area being annexed.

B. "Detaching Special Districts" shall mean those political subdivisions organized pursuant to the laws of the State of California whose functions within the area being annexed are terminated and/or assumed by CITY.

C. "Detachment" shall mean the removal from a special district of any portion of the territory of that special district.

D. "Base Year" shall mean the assessed valuation applicable to the property and improvements within the area being annexed at the time the application for annexation is submitted to the Local Agency Formation Commission (LAFCO).

E. "Incremental Growth" shall mean the total increase or decrease in the property tax base over the base year within the annexed area.

2. PROPERTY TAX ALLOCATION.

Upon each annexation, property tax allocation shall be determined pursuant to one of the following provisions:

A. Annexations that involve Detachment from a fire district. CITY and COUNTY shall, upon each annexation that, in whole or in part, involves Detachment from a fire district, share in the Annexation Property Tax Base and all Incremental Growth thereof pursuant to the ratio of 20% CITY and 80% COUNTY for all portions of the annexation that involve Detachment from a fire district.

B. Annexations that do not involve Detachment from a fire district. CITY and COUNTY shall, upon each annexation that, in whole or in part, does not involve Detachment from a fire district, share in the Annexation Property Tax Base and Incremental Growth thereof, for all portions of the annexation that do not involve Detachment from a fire district, as follows:

i. Consolidated fire districts established prior to June 15, 1996, pursuant to the ratio of 20% CITY and 80% COUNTY.

ii. Consolidated fire districts established between June 15, 1996 and June 15, 2003, pursuant to the ratio of 15% CITY and 85% COUNTY.

iii. Consolidated fire districts established subsequent to June 15, 2003, pursuant to the ratio of 10% CITY and 90% COUNTY.

3. APPLICATION OF AGREEMENT.

A. Term. The provisions of this Agreement shall apply to all pending and future annexations as of October 1, 2004 and for a period of seven (7) years from the date of execution.

B. Effective date. The effective date of property tax allocation for each annexation shall be determined in accordance with Government Code Section 54902 and any succeeding statutory provisions. Currently, statements of boundary change must be filed with the State Board of Equalization on or before December 1 of the year immediately preceding the year in which property taxes are to be shared.

C. Future property taxes. The provisions of this Agreement would also apply to any property exempt from ad valorem taxes which subsequently became taxable within the area to be annexed.

D. Terms of subsequent agreements. Should County execute an agreement with another city, with terms more favorable than those contained in Section 2, Property Tax Allocation, or Section 7, County Capital Facilities Fees, County shall negotiate comparable terms with City and execute an amendment to this Agreement.

4. JOINT REVIEW.

CITY and COUNTY may jointly review COUNTY property tax records from time to time or as requested by CITY to verify accurate distribution under the Agreement.

5. EXCLUSIONS.

A. The Agreement shall not apply to proposed annexations areas where the COUNTY is currently receiving transient occupancy tax revenues. Annexation agreements for areas where the COUNTY is currently receiving TOT revenues will be

individually negotiated between the COUNTY and CITY to address the potential TOT loss to the COUNTY.

B. The Agreement shall not apply to proposed annexation areas where gross taxable sales, subject to sales and use taxes, exceed $1 million in the most recent year that taxable sales data is available from the State Board of Equalization or any other State successor organization that may provide taxable sales information. Annexation agreements for areas containing over $1 million in taxable sales will be individually negotiated between the COUNTY and CITY to address the potential sales and use tax loss to the COUNTY.

C. The Agreement shall not apply to annexations that, in whole or in part, include more than 50 acres of COUNTY owned property. Such annexations will be considered under separately negotiated and mutually beneficial annexation and development agreements.

6. REGIONAL COOPERATION.

In consideration of the unique and mutual funding difficulties of both CITY and COUNTY, CITY and COUNTY will jointly develop and seek to implement changes in their activities which will improve the cost effectiveness of service delivery by both CITY and COUNTY, including but not limited to consolidation of services between governmental agencies and inter-agency contracting for services.

7. COUNTY CAPITAL FACILITIES FUNDING.

CITY recognizes the importance of regional services and facilities provided by the COUNTY for all residents of the entire COUNTY.

A. CITY shall contribute to COUNTY's funding for regional facilities by adopting a County facilities fee ordinance and resolution enacting and implementing the County Capital Facilities Fee (CCFF) Program. CITY shall adopt this ordinance and resolution prior to or concurrent with execution of this Agreement.

8. URBAN DEVELOPMENT COOPERATION

A rational pattern of urban land uses is a common goal of CITY and COUNTY, as expressed in their respective General Plans. The efficient construction of urban infrastructure and the delivery of municipal services requires cooperation between COUNTY and CITY within areas designated for urban development, specifically CITY'S Sphere of Influence.

A. County General Plan Policy. COUNTY affirms the policies expressed in its General Plan that support concentration of additional major urban development within urban centers.

B. Urban Planning and Development Cooperation. The preparation of land use and infrastructure plans within CITY'S Sphere of Influence, consistent with statutory guidelines, is encouraged. COUNTY shall refer all land use applications requiring discretionary approval within CITY'S Sphere of Influence to CITY for review and comment.

C. Capital Facilities Funding and Cooperation. CITY and COUNTY will cooperate in the development of infrastructure plans within CITY'S Sphere of Influence. Relative to areas for which CITY and COUNTY have jointly adopted master plans for infrastructure and, upon request by CITY, COUNTY will schedule an Area Development Impact Fee (ADIF) for public hearing. This ADIF will incorporate CITY development impact fees that are specifically required to support jointly planned infrastructure. COUNTY shall cooperate in the construction of capital facilities thus funded.

9. COMMUNITY SERVICE FACILITIES

A. Siting of Community Facilities. CITY and COUNTY recognize the importance of community services provided by COUNTY and other providers and also the importance of these services being convenient to residents of COUNTY making use of these services. Accordingly, as a part of the land use planning and pre-zoning for proposed municipal annexations, CITY will cooperate with COUNTY

to identify community service needs of the local community and, where appropriate, work with COUNTY to locate potential sites for these community services facilities.

B. CITY may elect to adopt or add to existing development impact fees in lieu of providing community service facility sites. Such fees may be administered within CITY or may be included as a component of the above-mentioned County Capital Facilities Fee.

10. TERMINATION.

This Agreement may be terminated, by any party hereto, upon 6 months written notice which termination shall terminate the agreement for each and every party. Said termination shall not affect annexations for which the LAFCo Executive Officer has issued a certificate of filing prior to the end of the 6 month termination period.

11. GOVERNING LAW AND ATTORNEYS' FEES.

This Agreement shall be construed and enforced in accordance with the laws of the State of California. Should any legal action be brought by either party because of any default under this Agreement or to enforce any provision of this Agreement, or to obtain a declaration of rights hereunder, the prevailing party shall be entitled to reasonable attorneys' fees, court costs and such other costs as may be fixed by the Court. The standard of review for determining whether a default has occurred under this Agreement shall be the standard generally applicable to contractual obligations in California.

12. NOTICES.

Any notice of communication required hereunder among CITY and COUNTY must be in writing, and may be given either personally, by telefacsimile (with original forwarded by regular U.S. Mail) or by Federal Express or other similar courier promising overnight delivery. If personally delivered, a notice or communication shall be deemed to have been given and received when delivered to the party to whom it is addressed. If given by facsimile transmission, a notice or communication shall be deemed to have been given and received upon actual physical receipt of the entire document by the receiving party's

facsimile machine. Notices transmitted by facsimile after 5:00 p.m. on a normal business day or on a Saturday, Sunday, or holiday shall be deemed to have been given and received on the next normal business day. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Such notices or communications shall be given to the parties at their addresses set forth below:

To CITY (City Manager):

Blair King
City of Lodi
221 W. Pine Street
Lodi, CA 95240
Telefacsimile: (209) 333–6807

With Copies To (City Attorney):

D. Stephen Schwabauer
City of Lodi
221 W. Pine Street
Lodi, CA 95240
Telefacsimile: (209) 333-6807

To COUNTY (County Administrator):

Manuel Lopez
Courthouse, Room 707
222 E. Weber Avenue
Stockton, California 95202
Telefacsimile: (209) 468–2875

With Copies To (County Counsel):

Terrence R. Dermody
Courthouse, Room 711
222 E. Weber Avenue
Stockton, California 95202
Telefacsimile: (209) 468–2875

Any party hereto may at any time, by giving ten (10) days written notice to the other parties, designate any other address or facsimile number in substitution of the address or facsimile number to which such notice or communication shall be given.

13. SEVERABILITY.

If any provision of this Agreement is held invalid, void, or unenforceable but the remainder of this Agreement can be enforced without failure of material consideration to any party, then this Agreement shall not be affected and it shall remain in full force and effect, unless amended by mutual consent of the parties. Notwithstanding this severability clause, each subsection of Section 2. Property Tax Allocation and Section 5. Exclusions, is material and substantial and the failure of said subsection is the failure of material consideration, causing the Agreement to be void from the date that the subsection is held

invalid.

14. FURTHER ASSURANCES.

Each party shall execute and deliver to the other party or parties all such other further instruments and documents and take all such further actions as may be reasonably necessary to carry out this Agreement and to provide and secure to the other party or parties the full and complete enjoyment of its rights and privileges hereunder.

15. CONSTRUCTION.

All parties have been represented by counsel in the preparation of this Agreement and no presumption or rule that ambiguity shall be construed against a drafting party shall apply to interpretation or enforcement hereof. Captions on sections and subsections are provided for convenience only and shall not be deemed to limit, amend, or affect the meaning of the provision to which they pertain.

16. OTHER MISCELLANEOUS TERMS.

The singular includes the plural; the masculine gender includes the feminine, "shall" is mandatory; "may" is permissive.

17. TIME.

Time is of the essence of each and every provision hereof.

18. COUNTERPART.

This agreement may be executed in counterpart agreements, binding each executing party as if said parties executed the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

RECOMMENDED FOR APPROVAL:

Blair King
City Manager, City of Lodi

Manuel Lopez
County Administrator

[Signatures continue on page 9]

CITY OF LODI

John Beckman
Mayor, City of Lodi

COUNTY OF SAN JOAQUIN

Steven Gutierrez, Chairman
Board of Supervisors

Approved as to Form
D. Stephen Schwabauer
City Attorney

By Janice D. Magdich
Deputy City Attorney

Approved as to Form
Terrence R. Dermody
County Counsel

By David Wooten,
Assistant County Counsel

ATTEST: Susan J. Blackston
City Clerk

Dated: 5-17-05

ATTEST: Lois M. Sahyoun
Clerk of the Board of Supervisors

Caroline Greco DEPUTY CLERK

Dated: JUN 14 2005

ATTACHMENT I

LAFCO

LOCAL AGENCY FORMATION COMMISSION

POLICY MANUAL 2013

Imperial LAFCO
Jurg Heuberger, Executive Officer
April 2013

GUIDE

TO THE

POLICIES, STANDARDS, AND PROCEDURES

to Implement the

CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000

(2013 Edition)

IMPERIAL

LOCAL AGENCY FORMATION COMMISSION

(LAFCO)

Adopted (original) by the LAFCO on the 10th day of January, 1991
(See Page III for revisions and updates.)

Imperial LAFCO

1122 State Street, Suite D
El Centro, CA 92243
(760) 353-4115
www.iclafco.com

COMMISSIONERS:

Raymond Castillo	(Chairman)	Board of Supervisors
Don Campbell	(Vice-Chair)	City Council
Ed Snively		Public Member
VACANT		City Council
Michael Kelley		Board of Supervisors

ALTERNATE COMMISSIONERS:

Jack Terrazas	Board of Supervisors
Key Ours	City Council
David West	Public Member

EXECUTIVE OFFICER TO LAFCO:
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DOCUMENT TRACKING FORM

DATE	ACTION	REFERENCE
January 10, 1991	Adoption of Original Document	(All)
January 27, 1994	Revision & Update (Changes underlined)	(All)
November 6, 1995	Revision & Update (highlighted)	(All)
November 19, 1998	Executive Summary & Guide	(All)
December 21, 2000	Full Revision	(All)
January 22, 2004	Minor Revisions	(All)
June 2007	Minor Updates	(All)
January 2009	Minor Updates	(All)
March 2012	Revisions & Updates	(All)
April 2013	Revisions & Updates	(All)

DISTRIBUTION LISTING:
(via electronic mail)

♦ LAFCO	(Each Commissioner)
♦ Board of Supervisors	(Each Member)
♦ City of El Centro	City Council (Each Member)
♦ City of El Centro	City Manager
♦ City of El Centro	Planning Director
♦ City of Brawley	City Council (Each Member)
♦ City of Brawley	City Manager
♦ City of Brawley	City Planning Director
♦ City of Calexico	City Council (Each Member)
♦ City of Calexico	City Manager
♦ City of Calexico	City Planning Director
♦ City of Holtville	City Council (Each Member)
♦ City of Holtville	City Manager
♦ City of Holtville	City Clerk
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♦ City of Imperial	City Manager
♦ City of Imperial	Planning Director
♦ City of Calipatria	City Council (Each Member)
♦ City of Calipatria	City Manager
♦ City of Calipatria	City Clerk
♦ City of Westmorland	City Council (Each Member)
♦ City of Westmorland	City Manager
♦ City of Westmorland	City Clerk
♦ Imperial Irrigation Dist.	General Manager
♦ Imperial Irrigation Dist.	Right-of-Way Director
♦ Heber Utility District	
♦ Seeley Water District	
♦ Salton Community Service District	
♦ Bard Water District	
♦ Palo Verde Water District	
♦ Winterhaven Water District	
♦ Bombay Beach Community Service District	
♦ Niland Sanitary District	
♦ Southern California Water Company	
♦ Niland Fire District	
♦ Ocotillo Fire Protection District	
♦ Winterhaven Fire District	
♦ Heffernan Memorial Hospital District	
♦ Pioneer Memorial Hospital District	
♦ Central Valley Cemetery District	
♦ Riverview Cemetery District	
♦ Bard Resource Conservation District	
♦ Palo Verde Resource Conservation District	
♦ Coachella Valley Water District (CVWD)	
♦ County Counsel Office	
♦ County Administrative Office	
♦ County Clerk's Office	
♦ Public Works Dept.	
♦ Clerk of the Board	
♦ Tax Collector's Office	

Date of Distribution: May 2013

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EXHIBITS

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LAFCO GUIDE
(Stand alone User's Guide)

EXECUTIVE OFFICERS STATEMENT

This **Guide** was adopted by the Imperial Local Agency Formation Commission (LAFCO) pursuant to the requirements of AB2838 (Hertzberg). The 2000 law revised the Cortese-Knox Reorganization Act of 1985.

The purpose of this Guide is to establish clear PROCEDURES and POLICIES by which the Imperial LAFCO conducts business. Furthermore, it also serves as a general guide for the public and the various governmental agencies. While it is also intended to comply with state law, this document does not supersede the Cortese-Knox-Hertzberg Reorganization Act, CEQA, or any other law.

The summaries of applicable statutes set forth in this guide are intended to serve as general information only. For exact citations, please refer to the referenced sections of the applicable State of California Government Code(s). Definitions of terms used may be found in the Guide to the Cortese-Knox-Hertzberg Local Government Reorganization Act commencing with Government Code Section 56000 et. seq. These documents are available at the Imperial LAFCO Office and most local public libraries.

Each LAFCO is required to adopt written procedures and requirements for processing applications and delineating the procedures followed by this LAFCO. Therefore, it is highly recommended that the Imperial LAFCO's Executive Officer be consulted prior to filing any proposal/application.

If the reader does have specific questions pertaining to this document, LAFCO procedures, LAFCO laws or project specific question, he/she is encouraged to contact the Executive Officer at (760) 353-4115, or the Secretary. In addition, contact may be made by e-mail by sending to jurgh@iclafco.com.

This Guide has been updated repeatedly to reflect changes in the law and local conditions. In addition, this manual now has a supplement (stand alone document) to serve as a procedural guide. The most significant recent change to this guide was to incorporate the requirements of AB2838.

The Imperial LAFCO typically holds monthly meetings on the fourth Thursday of each month, unless there is no business to conduct. The meetings are generally held in the IID Board Room, however the Commission may hold meetings at various points in the County for the convenience of surrounding land owners to proposed projects.

Please visit our web site for up to date information.

Thank you!

JURG HEUBERGER, AICP, CEP
Executive Officer to LAFCO

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EXECUTIVE SUMMARY

The Executive Summary serves as a step-by-step guide to the Imperial Local Agency Formation Commission (LAFCO) process. The summary references the State of California Government Code Sections and Imperial LAFCO requirements. Chapters I through VI of the LAFCO Policies, Standards and Procedures Manual (LAFCO Manual) provides the detailed procedures and policies by which the Imperial LAFCO conducts its business. Chapter's VII through IX provide information on Imperial County local districts and Sphere of Influence maps for Imperial County, cities, and special districts.

A. PURPOSE OF LAFCO

The procedures for establishing and revising local government boundaries are set in the constitutions and laws of the 50 states. Some alternative processes include judicial approval, special state legislation, or the use of "boundary commissions" such as California's Local Agency Formation Commissions (LAFCOs).

In California, the Cortese-Knox Local Government Reorganization Act of 1985 followed several years of cooperative effort between Assembly Member Dominic Cortese, former Chair of the Assembly Local Government Committee, and the California Association of Local Agency Formation Commissions (CALAFCO). The Act, which became operative January 1, 1986, consolidated three major laws that were previously used by California's local governments for boundary changes into a single, unified law. The three laws which previously governed changes in the boundaries and organization of cities and special districts were:

- The Knox-Nisbet Act of 1963, which established LAFCO's with regulatory authority over local agency boundary changes.
- The District Reorganization Act of 1965 (DRA), which combined separate laws governing special district boundaries into a single law.
- The Municipal Organization Act of 1977 (MORGA), which consolidated various laws on city incorporation and annexation into one law.

Since 1963, when State law created LAFCO, commissions in each California County have encouraged the orderly formation of local government agencies, preserved agricultural and open space land, and discouraged urban sprawl. Imperial LAFCO has jurisdiction over changes in local government organization occurring within Imperial County.

The most significant recent changes are the result of the passage of AB2838 (Hertzberg), which completely revised the Act and substantially strengthened the powers of LAFCO.

The following proceedings for changes in organization of special districts or cities are subject to LAFCO review, pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000, et seq.).

A change in organization can mean any of the following:

- A city incorporation;
- A district formation;
- An annexation to, or detachment from, a city or district;
- A disincorporation of a city;
- A district dissolution;
- A consolidation of cities or special districts;
- A merger or establishment of a subsidiary district;
- An authorization of a special district to exercise one of its latent powers or to extend the area over which a latent power is exercised; or
- A reorganization involving two or more of the above-listed changes of organization.

Specifically excluded from LAFCO's jurisdiction are the following local government agencies:

- A school district or community college district;
- A special assessment district;
- An improvement district;
- A community facilities district formed pursuant to the Mello-Roos Community Facilities Act of 1982;
- A permanent road division formed pursuant to Section 1160 of the Streets and Highways Code;
- An air pollution control district or an air quality maintenance district;
- A service zone of a fire protection district.

Several local government agencies are subject to LAFCO jurisdiction, but are not subject to the conducting authority proceedings of the Cortese-Knox-Hertzberg Local Government Reorganization Act. Conducting authority proceedings are held in accordance with the principal act that established the agency. These agencies include:

- A unified or union high school library district;
- A bridge or highway district;
- A joint highway district;
- A transit or rapid transit district;
- A metropolitan water district; or
- A separation of grade district.

The following local government agencies are subject to LAFCO jurisdiction, but are not subject to the conducting authority proceedings of the Cortese-Knox-Hertzberg Local Government Reorganization Act if the commission determines that they are not a "district" or a "special district." If a determination is made that these agencies are not "districts" or "special districts," conducting authority proceedings are held in accordance with the principal act that established the agency:

- A flood control district;
- A flood control district and floodwater conservation district;
- A flood control district and water conservation district;
- A conservation district;
- A water conservation district;
- A water replenishment district;
- The Orange County Water District;
- A California water storage district;
- A water agency; or
- A county water authority or a water authority.

B. LAFCO COMPOSITION

The Imperial LAFCO consists of a five-member commission each of whom serves a four (4) year term. The composition of the commission includes two (2) members of the County Board of Supervisors, chosen by the Board of Supervisors; two (2) members representing the cities in Imperial County, chosen by the City Selection Committee composed of the mayor of each city in the county; and one public member, chosen by the other members of the LAFCO Commission. In addition, each category of membership has an appointed alternate, appointed in the same manner as the permanent member.

C. LAFCO PROCEDURES

The following is a step-by-step guide to the procedures followed by Imperial LAFCO in considering proposed changes in local government organization.

1. <u>Preliminary Steps</u>

A. The proponent should review their proposal with the LAFCO Executive Officer. (*A brief discussion with the LAFCO Executive Officer before submitting an application will save the applicant time and needless frustration*).

These steps are suggested:

1. Call for an appointment to schedule a pre-application meeting with the Executive Officer;

B. Bring the following information to the appointment:

- Assessor's parcel number for individual lots or project map for complex proposals;
- General Plan and zoning designations; and
- Development plans. Imperial LAFCO requires approved or pending development plans, such as a tentative map, specific plan, etc., when vacant territory is proposed for annexation to a city or district. A key consideration in LAFCO's review of annexation requests is the timing of the action. LAFCO discourages and in some cases will not approve the annexation of vacant land until it can be demonstrated that services are needed in the near future. Without approved development plans, it cannot be demonstrated that services are required. Approved development plans also provide the information necessary to evaluate a proposal. They also enable LAFCO to evaluate the impact of a jurisdictional change on adjacent areas. Proposed projects must be "real" and show that they can and will be developed within a reasonable time.

C. LAFCO staff will review the proposal, the information requirements, verify if the project is located within a jurisdiction with an approved Sphere of Influence (SOI) and Service Area Plan (SAP) and fees with applicant; and

D. The applicant should obtain the current application forms and ascertain what environmental documentation will be necessary.

E. CEQA will be explained and a determination made as to lead agency. In most "major" projects LAFCO desires (and may require) that it be a "co-lead" agency. When LAFCO approves a project, it must also certify a CEQA document. If LAFCO cannot use the Lead Agency's document, then LAFCO may prepare its own, or simply deny the project.

2. Application Material

The project proponent prepares the application material for proposal. All proposals must include the following:

A. A **certified resolution**, if by the affected governmental agency or a petition of landowners/registered voters making application.

1. PETITION: A petition application shall be submitted upon the "Petition Form" (see example under Section IX, Exhibit 'B' of the LAFCO Manual) and must be signed by the applicant(s). The petition shall include all of the following (Government Code 56700 et seq.):

a. State that the proposal is made pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000;

b. State the nature of the proposal and list all proposed changes of organization;

c. Set forth a legal description of the boundaries of the affected territory accompanied by a map showing the boundaries;

d. Set forth any proposed terms and conditions;

e. State the reason or reasons for the proposal;

f. State whether the petition is signed by registered voters or owners of land;

g. Designate three (maximum) persons as chief petitioners, setting forth their names and mailing addresses;

h. State whether the proposal is consistent with the spheres of influence for any affected city or district; and

i. Request that proceedings be taken for the proposal.+

j. Tax Sharing Certificate

2. RESOLUTION: A resolution of application may be filed by a legislative body or local agency. The requirements for a resolution are contained within Government Code 56800 et seq. *NOTICE: Refer to revised Government Code per AB2838.*

a. The legislative body may give mailed notice of its intention to adopt a resolution of application to LAFCO and to each interested and subject agency at least 20 days prior to adoption. The notice must describe the proposal and the affected territory;

b. A resolution of application must contain the same information as a petition, except for signatures (Government Code 56700 & 56800 et seq). An approved Service Area Plan must be on file with Imperial LAFCO (LAFCO Guide Chapter IV(G).)

B. One copy of a "meets-and-bounds" legal description of the perimeter of the subject property. Details of the legal description requirements can be found in Section IX, Exhibit B of the LAFCO Manual.

C. A parcel map of the subject property and a minimum of ten (10) prints. Maps must be drawn by a California licensed civil engineer or licensed land surveyor. The size of the map shall not exceed 18" x 26" unless a variation is approved by the Executive Director prior to submittal. Maps shall be stamped and (wet) signed by the preparer. Maps shall be prepared in a current version of AutoCAD unless a variation is approved in writing by the Executive Officer prior to submittal.

D. Two copies of a vicinity map of the subject property.

E. One copy of any environmental documents (pursuant to CEQA) associated with the project; however, if an environmental impact report (EIR) associated with the subject property was prepared, 10 copies of the certified EIR must be submitted with the application. Only one copy of the EIR appendices is required.

F. If the proposal includes annexation to a city, indication that the annexing city has pre-zoned the property, such as the city council resolution approving the pre-zoning.

G. Processing fee (See Fee Schedule Section IX, Exhibit 'A').

H. <u>All documents must also be submitted in "digital" form.</u> Most such documentation can be in "PDF" format; however, the Executive Officer also requires CAED files and/or "word" documents. Any application that does not provide an electronic version will not be accepted.

I. Similar to other public agencies, Imperial LAFCO is required to comply with the California Environmental Quality Act (CEQA) for the purposes of considering the environmental impact of its actions. Each proposal must receive the appropriate environmental review for consideration by the Commission in making its decision. For a detailed discussion of environmental requirements please refer to Chapter V, subsection E, of the LAFCO Guide.

3. <u>LAFCO Proceedings</u>

A. The proponent delivers to the Executive Officer a completed application (LAFCO Guide Chapter II, Subsection A and Government Code Sections 56652, 56653 and 56700).

B. The Executive Officer determines if:

1. The petition is sufficient as required by law and issues a determination on its sufficiency within 30 days of submittal; or reject the application(s).

2. LAFCO is to be the lead agency for the environmental review. If so, then the review is undertaken by LAFCO. In the alternative a City/District may be the lead and LAFCO act as "co-lead."

3. A satisfactory exchange of property tax has taken place. A County master property tax agreement may be applicable. If there is not an applicable master property tax agreement, then separate property tax exchange resolutions may be required. If negotiations leading to adoption of separate resolutions are required, both the county and any affected city must agree to a tax exchange. If a jurisdictional change affects the service area or service responsibilities of one or more special districts, the Board of Supervisors of the County negotiates an exchange of property taxes on behalf of the district or districts (Revenue and Taxation Code, Section 99).

C. The Executive Officer reviews the proposal and within 30 days of its receipt either

1. Determines that the application is complete (and that all property tax agreements are on file) and issues a **Certificate of Filing**, setting the commission hearing within 90 days; or

2. Determines that the application is not complete and notifies the proponent (LAFCO Manual Chapter II, and Government Code Section 56828).

3. The Executive Officer may issue a conditional Certificate of Filing in cases where the only document remaining is the CEQA by a City, and for one tax certificate.

D. The Executive Officer requests review of any information for the proposal from affected county departments, affected agencies, and other affected counties' LAFCO's (Government Code Section 56828).

E. As an option, proponents and/or LAFCO staff conduct a public meeting with affected residents and/or landowners to give information and receive comments on the proposal.

F. At least twenty-one (21) days prior to the date set for hearing the Executive Officer gives notice by at least two of the following:

1. Publication in a newspaper of general circulation;

2. Posting at 1122 State Street Office and;

3. Mailing to each affected agency which contains territory or whose sphere of influence contains territory within the proposal, chief petitioner(s), persons requesting notice, each city within three miles, and the county in the case of incorporation or formation, all owners of parcels directly affected and surrounding landowners

   Note: Some commission actions can be made without notice and hearing, such as annexations and detachments with written consent of all landowners. Notice and opportunity to request a public hearing must be given to agencies whose boundaries are affected (Government Code Section 56837).

4. Listing on the Web page.

G. The Executive Officer reviews the application and any comments received and prepare the staff report for the commission. The report provides a staff recommendation and a review of pertinent factors and policies, spheres of influence, and general plan and specific plans.

H. The Executive Officer mails the report at least twenty-one (21) days prior to the hearing to each commissioner, each person named in the application to receive a report, each affected local agency requesting a report, each agency whose boundaries or sphere of influence will be changed, and the Executive Officer of the LAFCO of any other affected county (Government Code Section 56833).

I. The Commission hears the proposal on the noticed date and time. The hearing may be continued for up to 70 days (maximum). The Commission must consider a number of factors and policies in compliance with State law. Among the factors considered by Imperial LAFCO in making its determination are: (Government Code Section 56666)

1. Population, density, land area and land use, per capita assessed valuation, topography, natural boundaries, drainage basins, proximity to populated areas, likelihood of significant growth during next ten years;

2. Need for organized community services, present cost and adequacy of government services and controls, probable future needs, probable effect of change of organization and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas;

3. The effect of the proposed action or alternative actions on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county;

4. Conformity of the proposal to Commission policies on providing planned, orderly, efficient patterns of urban development, and with state policies and priorities on conversion of open-space uses;

5. Effect of the proposal on maintaining the physical and economic integrity of lands in an agricultural preserve in open-space uses;

6. Definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment and ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries;

7. Conformity with appropriate city or county general and specific plans; and

8. The sphere of influence of any agency which may be applicable to the proposal being reviewed (see Section III for more about the adoption of spheres of influence).

J. At the hearing or within 35 days of the hearing the Commission will adopt a resolution of determination taking the following actions:

1. Approve or deny with or without conditions or revisions to the proposal. If denied, no new proposal can be made for one year unless waived by LAFCO. If the proposal included incorporation or consolidation of a city, no new proposal can be made for two years unless waived by LAFCO (Government Code Sections 56851, 56855 & 57090);

2. Determine if the territory is inhabited or uninhabited (inhabited territory means territory within which there reside 12 or more registered voters);

3. Assign a short-term designation; and

4. Authorize proceedings without notice, hearing, or an election, if there is 100% consent and only annexations, detachments, and CSA formations (Government Code Section 56837).

K. The Executive Officer sends the Commission's resolution to the chief petitioners if any, each agency whose boundaries will be changed:

1. The subject area is uninhabited.

2. All of the owners of land within the affected territory have given their written consent to the change of organization or reorganization.

3. All affected local agencies that will gain territory as a result of the change of organization or reorganization have consented in writing to a waiver of conducting authority proceedings.

L. Under certain conditions and only for specified projects, the Executive Officer through delegation of authority from the Commission has the authority to consider, approve or deny a project. (Government Code Section 56133)

1. Specified Project(s)

a. Extension of new or extended water service by a city or district to an entity other than another city or district within the Sphere of Influence of the city/district limit and provided there are four (4) or fewer connections.

b. Extension of new or extended sewer service by a city or district to an entity other than another city or district within the Sphere of Influence of the city/district limit and provided there are four (4) or fewer connections.

c. Extension of solid waste service by a city/district a city or district within the Sphere of Influence of the city/district limit and provided there are four (4) or fewer users.

d. Modification to justification of roadways to "clean-up" jurisdiction issues on road locations issues.

e. Projects not meeting the above criteria shall only be considered by the full Commission.

2. Applications are required for the above types of projects.

4. Completion and Effective Date

A. The Executive Officer issues a **Certificate of Completion**, which completes the proceedings. The certificate is recorded with the County Recorder. If no effective date is specified in the Commission resolution, the recordation date is the effective date. A statement of boundary change or creation is issued by the Executive Officer and filed, with the appropriate fees, with the State Board of Equalization and County Assessor. (Government Code Section 57200). Property tax resolutions, if any, are forwarded to the County Auditor for property tax transfer (Revenue and Taxation Code, Section 99).

B. In order for the Certificate of Completion to be issued, all documents must be in possession of LAFCO, including but not limited to:

1. Commission's Resolution.

2. Tax Sharing Agreement Resolution (original certified copy) from both the City and County, specific to the area parcels being annexed.

3. Resolutions (certified) from the city on all land use actions, such as: General Plan Amendment, Zone Change, Tract/Parcel Maps, Special Use Permits and CEQA documents.

4. Copies of all applications, including all supporting documents on file with the Land Use Agency.

5. Copies of all staff reports to the Planning Commission and Council by the Land Use Agency.

6. Final (recordable) annexation map.

7. State Board of Equalization fees.

8. Payment of all LAFCO costs.

9. A digital copy of all of the above.

C. The Executive Officer gives the notice of completion and effective date to the affected jurisdictions or agencies whose boundaries are affected, and affected county departments.

D. The affected agencies recognize completion of the jurisdictional change: property and sales tax transfers, police and fire protection responsibilities, planning and inspection controls, etc.

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CHAPTER I: INTRODUCTION

This chapter provides background information regarding the purpose of the Imperial County Local Agency Formation Commission's (LAFCO's) **policies, standards and procedures.** *It also discusses the legislature's intent; direction by LAFCO; LAFCO's jurisdiction; its composition and responsibilities; and direction, as well as the authority of the Executive Officer. This GUIDE is adopted by the Commission by Resolution, (see Appendix "I") and serves as the primary operating rules for the LAFCO.*

A. PURPOSE OF THESE POLICIES, STANDARDS AND PROCEDURES

The Imperial LAFCO has adopted this policy, standards and procedures GUIDE, hereinafter "Guide", to ensure that the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Cortese-Knox-Hertzberg Reorganization Act and/or CHK Act) is implemented consistently and effectively in Imperial County; to provide guidance to applicants for changes in organization and reorganization; to assist staff in the formulation of recommendations to the LAFCO; and to assist members of the Commission in making their determinations.

This revision to the Guide is to fully implement the requirements of AB 2838 (Hertzberg) as signed into law by the Governor on September 26th, 2000, and to reflect changes made by the legislature. In the event of a conflict between the government code and this guide, the government code shall take precedence. However this Guide shall be the official "rules" under which projects are processed and under which the Commission shall operate.

The LAFCO is required to apply the policies and provisions of the Cortese-Knox-Hertzberg Reorganization Act of 2000 to its decisions regarding annexations, incorporations, reorganizations, and other changes of government organization. These policies, standards and procedures have been adopted pursuant to the authority contained in the Cortese-Knox-Hertzberg Act (Government Code Section 56375) to assist in the implementation of its provisions. Specifically, these standards are designed to:

- Provide guidance to applicants for changes of organization as to the information the LAFCO needs in order to make appropriate determinations concerning an application.

- Provide applicants for changes of organization with explicit guidance as to the criteria the LAFCO will utilize in approving, disapproving, amending, or conditionally-approving applications for changes in organizations;

- Ensure consistency in the LAFCO's decision-making process;

- Facilitate better and more effective communication among local agencies in the region;

- Provide elected officials, governmental staff, and members of the general public information and notice as to the standards and procedures that the LAFCO will utilize in evaluating applications;

- Provide for more coordination in the preparation and review of the environmental documentation through a policy whereby LAFCO is a "co-lead" agency which enhances and expedites the review process. The intent is to work with the primary lead agency on a parallel track, to provide better coordination, and to streamline the process. It is also the intent of the Commission to have CEQA documents meet LAFCO standards and therefore potentially avoid having to prepare additional documents or litigate inadequate documents.

- Minimize any adverse social, economic and environmental impact of growth.

- Provide for more effective and efficient government and governmental services.

- Require that all local agencies subject to the Cortese-Knox-Hertzberg Reorganization Act 2000 provide accountable information to the public with regard to their levels of service and their capacity to provide adequate services.

B. THE LEGISLATIVE CREATION OF LAFCOs

LAFCOs are intra-local agencies that were created by State legislation and are designed to ensure that changes in governmental organization occur in a manner which provides efficient and quality services and preserves open space land resources. The creation of LAFCOs was a legislative response to actions by local jurisdictions in the 1940's and 1950's that incorporated or annexed large, irregular portions of land in a manner which resulted in irrational urban boundaries and "stranded" populations without efficient services and/or with no services at all. In 1963, the Legislature established Local Agency Formation Commissions in each county and gave them regulatory authority over local agency boundary changes. Additional legislation in the 1960's extended LAFCO's authority, and in the 1970's the Legislature recognized the connection between decisions concerning government organization and the issues of urban sprawl and loss of prime agricultural land. In response to these concerns, LAFCOs were charged with implementing changes in governmental organization in a manner which preserved agricultural and open space land resources, as well as provided for efficient delivery of services. The Legislature and the Courts have also required LAFCOs to implement the California Environmental Quality Act (CEQA) as it applies to LAFCO actions. The last significant legislation affecting LAFCOs was AB 1335 (Gotch) which became effective January 1, 1994. The most recent and perhaps the most significant change in many years is AB 2838 (Hertzberg).

C. LEGISLATIVE MILESTONES

The most recent significant change affecting LAFCO was the passage of AB 1458, approved July 21, 2008.

Emerging from the work and findings of the Commission on Local Governance, Assemblyman Hertzberg introduced AB 2838 to address many facets of the LAFCO's functions. Effective January 1, 2001, the changes enacted through the Hertzberg bill will become effective, and would be implemented by all LAFCO's statewide, including the Imperial LAFCO. In fact one of the changes required by AB 2838 required the Commission to update and adopt this Guide. (See Gov. Code Section 56300)

Prior to the passage of AB 2838, the Cortese-Knox Local Government Reorganization Act of 1985 was the result of several years of cooperative effort between Assemblyman Dominic Cortese, Chairman of the Assembly Committee on Local Government, and the California Association of Local Agency Formation Commissions (CALAFCO). The new law, which went into effect on January 1, 1986, consolidates the three major laws used by California's local governments for boundary changes into a single, unified law.

Three laws governed changes in the boundaries and organization of cities and special districts in California:

1. The Knox-Nisbet Act of 1963, which established Local Agency Formation Commissions (LAFCO's) and gave them regulatory authority over local agency boundary changes.

2. The District Reorganization Act of 1965 (DRA), which combined the separate laws governing special district boundaries into a single statute.

3. The Municipal Organization Act of 1977 (MORGA), which consolidated various laws on city incorporation and annexation into one law.

These three laws contained many parallel and duplicative provisions. However, similar procedures varied slightly from one law to another, and the procedures necessary for one type of boundary change were found in widely separated sections of the three laws. Although MORGA was the most current revision of city annexation statutes, many cities in the state were required to use DRA so that areas being annexed could be simultaneously detached from special districts. All three laws contained application and hearing procedures for LAFCOs, but there were inconsistencies between them. This situation made city and district boundary changes unnecessarily confusing and complicated for local agencies and LAFCOs, as well as for residents and property owners.

In June 1981, the CALAFCO Executive Board established a subcommittee of LAFCO staff representatives to draft legislation for consolidation of the three laws. The subcommittee spent three years rewriting the law. In February 1984, Assemblyman Cortese agreed to introduce legislation, which would carry out the consolidating effort. He also determined that the bill would be limited to consolidating procedural requirements and would not include changes in legislative policy. Assemblyman Cortese introduced the final draft of the consolidated law in December 1984 as Assembly Bill 115 (Cortese). The bill, after several minor amendments, was approved by the Legislature on August 22, 1985 signed by Governor Deukmejian on September 9, and chaptered as Chapter 541, Statutes of 1985.

Several other bills approved in the 1985 Legislative Session amended the sections of the Government Code affected by AB 115. Assembly Bill 558 (Cortese) served to conform these other bills to the new Local Government Reorganization Act and also to add to the new law the name of former Assemblyman John Knox, co-author of the original Knox-Nisbet Act which established LAFCOs.

AB 558 (Chapter 1599) was approved by the Legislature on September 13, 1985, the last day of the legislative session, and was signed by the Governor on October 2, 1985, completing the "Cortese-Knox Local Government Reorganization Act of 1985," to be operative on January 1, 1986. (Sections have been added, amended, or repealed in 1986, 1987, and 1988, and 1989). AB 1335 (Gotch), was added by the Legislature during 1993.

D. THE LEGISLATURE'S POLICY DIRECTION TO LAFCO

The Legislature has charged the LAFCO with carrying out changes in governmental organization to promote specified legislative policies now codified in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. The Cortese-Knox Act commences with Section 56000 of the State of California Government Code. Some of the major policy statements are as follows:

- ***The LAFCO is to <u>encourage</u> orderly growth and development essential to the social, fiscal, and economic well being of the State. (Government Code Section 56001);***

- ***The LAFCO is responsible for encouraging the logical formation and determination of boundaries while discouraging and eliminating "islands". This also requires influencing land use decisions by requiring for the "pre-zoning" of land prior to annexations. (Government Code Section 56375);***

- ***The LAFCO must exercise its authority as an independent agency, to ensure that affected populations receive efficient and quality governmental services. (Government Code Section 56668); and***

- ***The LAFCO is required to exercise its authority to guide development away from open space and prime agricultural land uses unless such actions would not promote planned, orderly and efficient development. (Government Code Section 56377).***

E. LAFCO JURISDICTION

Proceedings for changes of organization of special districts or cities must be approved by the Local Agency Formation Commission (LAFCO), pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000, et. seq.). There is one LAFCO in each County of California, except San Francisco.

Changes of organization mean any of the following (Government Code Section 56021):

1. A city incorporation;
2. A district formation;
3. An annexation to, or detachment from, a city or special district;
4. A disincorporation of a city;
5. A special district dissolution;
6. A consolidation of cities or special districts;
7. A merger or establishment of a subsidiary district;
8. An authorization of a special district to exercise one of its latent powers or to extend the area over which a latent power is exercised; or
9. A reorganization involving two or more of the above-listed changes of organization.

The following local government agencies are specifically excluded from LAFCO jurisdiction (Government Code Section 56036):

1. A school district or community college district;
2. A special assessment or improvement district;
3. An air pollution control district or an air quality maintenance district;
4. A bridge or highway district;
5. A transit or rapid transit district;

6. A water agency;

7. A metropolitan water district;

8. A community facilities district formed pursuant to the Mello-Ross Community Facilities Act; or

9. A permanent road division formed pursuant to Section 1160 of the Streets and Highways Code.

Additionally, some changes in fire protection districts organized under Section 13800 of the Health and Safety Code may also be exempt from LAFCO jurisdiction.

In order to carry out the legislative policies identified above, LAFCO has the power to approve or disapprove applications, or to impose reasonable conditions thereupon. However, the LAFCO may not exercise direct land use authority. Under the new law, LAFCOs shall require that land proposed for annexation shall be pre-zoned and that such pre-zoning may not be changed for a period of two years thereafter. LAFCO may disapprove an application for an annexation to a city because it would create an area that is difficult or impossible to serve, or because it would cause the premature conversion of agricultural land. However, the LAFCO could not carry out the same policies by requiring re-zoning land from residential to agricultural use, or by other direct exercise of land use authority through the zoning or subdivision process.

F. THE LAFCO COMPOSITION AND LEGISLATIVE MANDATE

LAFCOs are intra-local agencies created by the Legislature to implement policies which the Legislature determined must be addressed with a regional perspective. The Cortese-Knox-Hertzberg Act established this intra-local mandate for the LAFCOs in two ways:

1. The Legislature's policy mandates are regional in perspective; and

2. The Commission's composition is representative of the region's governmental agencies, by providing for city, county, special district and public membership.

The Imperial LAFCO Commissioners are selected from the groups most affected by its decision: the public, cities, and the County. The Imperial LAFCO currently is composed of five members, each of whom serves four-year terms.

The expiration date of the term of office for each member is the first Monday in May, in the year the term expires. These members include:

- Two (2) City Council members appointed by a committee consisting of the mayor from each of the cities within Imperial County (commonly known as the City Select Committee);

- Two (2) County Board of Supervisors appointed by the Imperial County Board of Supervisors;

- One (1) Public Member appointed by the City and County members of LAFCO.

In addition, each member category has one alternate appointed. Each of these individuals brings to the Commission the diverse experience and perspective of his or her appointing body or sector.

In addition the Imperial LAFCO has actively sought the representation of the special districts for many years, but has thus far been unsuccessful. With the passage of AB 2838 district representation has been emphasized.

Through the particular interests and expertise that each member brings to LAFCO, LAFCO has both the local and regional perspective necessary to implement the policies of the Cortese-Knox-Hertzberg Act. Decisions relating to the most efficient form of local government and the preservation of agricultural land inherently involve the balancing of potentially competing interests of jurisdictions because applications for change in organization may involve the interests of the County, a City, and/or one or more Special Districts. In addition, such determinations usually affect the public at large because of various options for the delivery of services. The legislative direction to LAFCO Commissioners is to bring their experience and perspectives to bear in a manner, which carries out the best policy from a regional perspective. **Commissioners are not selected merely to cast the vote of their appointing agencies; in fact to the contrary, they are expected to bring the unique perspective of their appointing agencies, or the public, to decisions, which carry out the regional mandate of the Cortese-Knox-Hertzberg Act**. It is for this reason that the Cortese-Knox-Hertzberg Act specifically authorizes members of LAFCO to vote on issues, which may affect their jurisdictions. Since these members are appointed to carry out objective and approved policies concerning regional issues, it is assumed that their combined participation will benefit the majority rather than the minority or any special interest group.

Existing law sets forth the powers and duties of the Local Agency Formation Commissions, including among others, the adoption of procedures for the evaluation of proposals regarding any change of organization and reorganization of local government.

The Davis Legislation, (SB 1057, Jan. 1 1990), mandated LAFCOs statewide to adopt written policies and procedures for the evaluation of proposals and for implementation of the Cortese-Knox-Hertzberg Act, and requires that any standards adopted for this purpose are to be in writing.

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CHAPTER II: LAFCO ADMINISTRATION

A: RULES FOR TRANSACTION OF BUSINESS BY COMMISSION

The Commission shall conduct its meetings and transact its business under the following rules:

1) The Commission shall hold its regular meetings on the fourth Thursday of every month, except that a meeting need not be held unless the Commission has business to conduct, and then only if a properly noticed agenda has been published by the Executive Officer.

2) The Commission will hold its meetings, (to the extent scheduling permits) in the Imperial Irrigation District's Board Chambers, located at 1285 Broadway, El Centro, CA. The Commission may hold its meetings at various locations through the County, however such meetings shall always be held in a public auditorium to provide ready access, including access to the disabled.

3) The Commission shall only conduct business with a quorum of its members present. A quorum shall mean that three (3) of the five (5) regular or respective alternates are present.

4) The Commission may take an action to approve or deny with a majority of the Commission only. A majority of this Commission shall be 3 if there are 5 commissioners or 4 if there are 7 commissioners. The Commission must approve or deny a project on a vote of 3 affirmative votes if the Commission consists of five members or 4 affirmative votes if the commission consists of 7 members. A Commissioner shall not be counted as being present for purposes of this rule if he or she has entered on the record that he or she has a conflict of interest and will therefore not participate in the vote on the matter before the Commission.

5) The Commission shall at the beginning of each calendar year elect a Chairman and a Vice-Chairman. Said Chairman and Vice-Chairman shall serve for one year. If the Commission does not elect a Chair and Vice-Chair during their first meeting of the year, the current Chair and Vice-Chair shall continue to serve in their respective positions until an election is held.

6) The alternate Commissioners shall only be allowed to fill in for an absent regular commissioner within their category of appointment, and only for the public portion of the meeting.

7) In the event a quorum of Commissioners is unavailable or present for any scheduled and noticed meeting, any item so scheduled shall

automatically be continued to the next regularly scheduled meeting or to a "special meeting" for which a quorum can be obtained. The Executive Officer shall announce the date and time to which such agenda or project item is continued. No further notice shall then be required for any such projects.

8) The Executive Officer may schedule special meetings, including workshops, as necessary to conduct the business for the Commission. Any special meetings (not workshops) shall however be approved by the Chairman.

9) Each Commissioner shall serve on the Commission, as a **LAFCO Commissioner** reflecting the position and the intent behind the goals and policies of LAFCO, and **NOT** the views of their respective Board or Council.

10) The Commission has adopted and each of the Commissioners shall follow "disclosure rules" which are contained in "Appendix II". In the event a Commissioner has a conflict, he/she shall disclose said conflict at the beginning of the meeting or at least before the item is called. In the event a Commissioner states that he/she has a conflict, said Commissioner shall leave the podium; however the Commissioner may remain in the room provided said Commissioner does not comment on the project.

11) The "disclosure rules" shall also apply to the Executive Officer. In the event the Executive Office has a conflict with regard to a specific project, he/she shall notify the Chairman at such time that an application is received and accepted by the LAFCO. The Chairman with the assistance of the Executive Officer shall then select and appoint an "Interim Executive Officer" for that single project, and the Executive Officer shall not in any way participate in the review or analysis of the project report.

B: Disclosures Required

The Commission has adopted standards and rules for the disclosure of or reporting of ex-parte contacts, contributions and other matters pertaining to their function on the Commission. To the extent applicable, the Commissioners shall also strictly adhere to the reporting requirements under the Fair Political Practice Act. (Reference Appendix II for a resolution adopted pursuant to AB 2838.)

C: Executive Officer

The Executive Officer to LAFCO shall serve as the primary "independent" staff to the Commission, shall be appointed by resolution and shall have such powers and duties as assigned to the position by the Commission through resolution and/or contained in this Guide. (See Appendix III.)

The Executive Officer shall manage the day to day business of the LAFCO, which shall include but not be limited to processing applications, attending meetings, attending CALAFCO conferences, working with local jurisdictions, making public presentations, and maintaining the budget. This also includes hiring and/or firing staff, provided however that the Executive Officer may only hire staff to the extent that such positions, (part or full time) are included in the budget.

The Executive Officer shall at all times represent the views and direction of the Commission and shall be authorized to present such views on behalf of the Commission.

The Executive Officer shall be appointed by the Commission by name, and not by position or title. (The appointment of the Executive Officer by Resolution is contained in "Appendix III".)

The appointment of an Executive Officer shall be during a public meeting of the Commission and shall be by resolution.

Compensation (including salary and benefits) for the Executive Officer shall be established by the LAFCO, through the adoption of a resolution and may be adjusted during any regular budget adoption process where the salary is listed as a line item. A copy of the resolution (or budget resolution) shall be forwarded to the LAFCO accounting office responsible for payment of LAFCO expenses.

D: LAFCO Clerk/Accountant

To the extent necessary the LAFCO Executive Officer shall have the authority to hire, appoint, or terminate LAFCO staff as authorized by the Commission and budgeted.

E: LAFCO Analyst(s) or Extra Help

The Executive Officer may also hire or fire such other staff as is necessary to carry out the functions and duties of the LAFCO. This may be in the form of full or part time employees, which will be referred to as Analysts or Extra Help. The Executive Officer may, in lieu of hiring staff, contract for such services with the County, a City or an independent consultant. The Executive Officer may only hire or contract for such services if (a) it is budgeted, and/or (b) the cost associated with such service is fully reimbursed by the project proponent.

Extra help may be used to assist staff to carry out their normal duties in a timely manner. Extra help may also be used for building maintenance purposes.

F: Office of the LAFCO

The LAFCO shall have the authority to select its own quarters, its own staff, including the Executive Officer, Legal Counsel, and other support services in order to conduct its business in a completely independent fashion. LAFCO currently owns its own building located at 1122 State Street, Suite D, El Centro, CA.

G: Budget of LAFCO

The LAFCO shall prepare and operate under its own independent budget, which shall be prepared by the Executive Officer no later than April, approved by LAFCO no later than June and sent to the County Auditor on or before June 15, of each year. The process of establishing a budget shall be a fully independent process by the Commission. Certainly the Commission shall exercise prudent and conservative budgeting; however the Commission shall also consider the mandates of law and establish a sufficient budget to carry out the directives of the legislation under which the LAFCO operates. (Government code section 56381).

The Executive Officer shall prepare a draft budget for the Commission to consider as a draft, on or before April 30th, of each year.

The Commission shall review the draft budget and adopt it in concept. The Executive Officer shall then transmit and/or post to the webpage a copy of the draft budget to each jurisdiction, including a statement indicating the approximate share attributable to that jurisdiction. Each jurisdiction shall have 30 days to comment and respond back to the Executive Officer.

The Executive Officer shall then place the budget on their LAFCO agenda for discussion and adoption during their May meeting or earlier in order to have a final budget presented to the County Auditor by June 15 of each year.

Once adopted, it shall be the responsibility of the County Auditor to assure that the funds from the respective jurisdictions, including the County, have been collected and forwarded to the LAFCO c/o accountant.

Effective July 1 of each year (fiscal year) the LAFCO budget shall be deemed funded, whether or not the Auditor has completed the task of collection and allocation. In the element the auditor has not collected sufficient funds for LAFCO to operate, the County shall lend LAFCO adequate funds if necessary.

The Executive Officer shall prepare a semi-annual budget report and present same to the Commission. After the Commission has considered the report it shall make a finding that the accounting is in compliance with standard accounting practices or if not, direct the Executive Officer to make the necessary corrections and report back at the next meeting.

Billing costs shall be established as follows:

a) If the Executive Officer contracts with a private law firm to contract for legal services, the costs incurred for services provided by legal, shall be as billed by contract

b) No costs incurred for services provided by the County Auditor shall be billed to the LAFCO.

c) Cost incurred by the Executive Officer for all activities that are billable, including but not limited to Time and Material Projects (T/M), shall be the hourly rate equal to that of the County's Planning & Development Services Director, as established by the Maximus study performed for the Planning & Development Services Department, or as otherwise established by the LAFCO through a resolution.

d) Costs incurred through the use of "on call" consultants acting as an extension of staff shall not exceed the contract amount negotiated by the Executive Officer and the Consultant on an annual basis. To start with this, cost shall not exceed $120 per hour.

e) Costs incurred for "special consultants" shall be as per the contracts negotiated between the Executive Officer and the Consultant, after having been provided approval from the applicant.

f) Costs incurred by any LAFCO support staff shall be calculated at the actual cost for salary plus benefits as calculated for a similar level position in the county personnel system.

g) All funds recovered from fees or other sources, aside from the costs billed to the County/Cities, shall be deposited into a LAFCO trust account(s). The funds from this trust account may be used to pay "on call" consultant costs for which fees or costs have been billed. Any funds remaining in this account at the end of the fiscal year may be used to offset a portion of the operating costs for the following year and may be used for special studies for which LAFCO generates no revenues, or they may be carried over as contingency funds to be used as determined by the Commission.

H: Hearing Location(s) and Notices

The LAFCO shall conduct to the extent possible its public hearings by using the Imperial Irrigation District's Board Chambers. However this shall not prevent the Commission from holding public hearings at other locations, such as City Council Chambers, Chamber of Commerce Auditorium, General or Multi-Purpose Public Auditorium, etc., except all such facilities shall allow public access including access for the disabled, and be equipped or capable of being equipped with an adequate sound system and recording system.

All such locations shall be duly noticed at least 21 days in advance of a hearing to allow the general public sufficient time to become aware of and participate in the hearings.

Notice of public hearings shall be published and posted pursuant to the Cortese-Knox-Hertzberg Reorganization Act, and at a minimum shall include publication in the Holtville Tribune, posting on the Imperial LAFCO webpage, posting at the LAFCO Office, and direct mail to affected property owners to the extent required.

I: Personnel Policies

1. Introduction

The Imperial LAFCO is an independent public agency formed to regulate the boundaries and creations of cities and special districts throughout Imperial County. As a public agency, LAFCO is responsible for providing a service to all members of the public. LAFCO has prepared this policy manual to provide all employees the summary of its policy and benefits. This policy manual is not intended to be an exhaustive list of all employee requirements and regulations. Furthermore, these policies may be changed at any time following a duly noticed public hearing, by the commission. LAFCO, however, strives to improve its policies, the services that it provides and to provide positive relations with its employees. All employees are encouraged to bring suggestions for the improvements of the functions of the LAFCO to the attention of the Executive Officer. It is the intent of LAFCO that by working together, the commission and its employees will share a sincere pride in the services that are being provided.

These rules apply to all employees who have been a) appointed by and serve the commission or b) appointed by the Executive Officer and serve at the Executive Officer's direction.

2. Recruitment and Hiring

A. *Equal Opportunity Commitment:* LAFCO believes that equal opportunity is a fundamental principle and that all persons are entitled to equal employment opportunities. LAFCO does not discriminate against its employees or any applicants because of race, color, religion, sex, pregnancy, national origin, ancestry, age, sexual orientation, marital status, physical or mental disability, medical condition or any other grounds prohibited by state or federal law. An equal opportunity shall be extended in all aspects of the employer/employee relationship including recruitment, hiring, upgrading, training, promoting, transferring, disciplining, layoffs, recalls and terminations. Employment decisions made by the LAFCO shall therefore comply with all applicable state and federals laws prohibiting discrimination and employment.

B. *Immigration Law Compliance:* LAFCO intends to comply with all state and federal immigration laws.

C. *Hiring Policy and Procedure:*

1. Recruitment of and selection of an Executive Officer shall be by the full Commission. The Commission may select and appoint an independent Executive Officer as a contract employee or as a full staff position. The recruitment for an Executive Officer may be done by the Commission, with or without a recruitment firm.

2. For any position under the Executive Officer, the Executive Officer shall recruit, interview and select the top candidate for any open position. It shall be the sole responsibility of the Executive Officer to recruit and hire staff to the extent such staff is authorized and allocated in the budget, by the commission. The Commission hereby authorizes in addition to the Executive Officer, a clerk and an accountant. All positions are subject to funding being approved within the budget. Staff Analyst(s) or Extra Help may also be required and/or hired by the Executive Officer provided such funding is included in the budget as approved by the Commission. At any time that the budget cannot support the staffing, the Commission may terminate any position it deems necessary.

3. Hiring procedures shall follow to the extent possible, the standards adopted by the County of Imperial Human Resources Department; however, it shall not be the responsibility of the County, nor shall the County or a City or a District have involvement in the process.

D. *Separation from Service:*

1. The Executive Officer shall serve and report to the full Commission.

2. Termination of the Executive Officer may be by:

   a. *Retirement/Resignation:* Voluntary retirement/resignation offered by the Executive Officer provided such notice is provided at least 30 days in advance of the final working day to the Chairman of the Commission;

b. *Termination for Cause:* Termination by the Commission for "cause" provided, however, that the Executive Officer shall have the opportunity to address the Commission in executive session or in public session as determined by the Executive Officer and provided further that notice be provided to the Executive Officer at least 72 hours in advance of the commission hearing during which such action is contemplated;

c. *Termination without Cause:* Termination by the commission without cause provided, however, that removal without cause requires a minimum four-fifths vote by the full commission. If it is the intent of the commission to terminate without cause, the executive officer shall be given written notice at least 72 hours in advance of the contemplated hearing date, and six months severance pay; or the balance of the time remaining under appointment made by Resolution for specified time.

d. *Compensation:* The compensation for each position approved and allocated by the commission shall be fixed by the commission and set at time of the budget adoption. The rate of compensation shall represent a total compensation in every form including insurance, retirement and reimbursement. The Executive Officer and all employees shall be paid on the same payment schedule as in effect by the County of Imperial. Payroll period shall be coincidental to and coincide with the payroll periods for the County of Imperial.

e. *Overtime:* LAFCO does not authorize the payment of overtime to the Executive Officer. Staff serving the Executive Officer shall be paid overtime in accordance with applicable federal fair labor standards and the County of Imperial's personnel policies. If overtime is paid, it is to be calculated at 1-½ times the employee's regular hourly rate for hours worked, in excess of 40 hours in any one work week.

3. Outside Employment: Provided there is no legal conflict with his or her assigned regular LAFCO duties, LAFCO employees, including the Executive Officer may be employed outside of LAFCO subject to the information being made available to the Commission.

E. *Performance Evaluation:*

Purpose of the Evaluation: LAFCO provides employees with feedback regarding their performance in order to constantly improve the agency's overall operation and to better serve the public. The Commission shall provide a written performance evaluation of the Executive Officer at least once each year. All other employees shall be evaluated on an annual basis by the Executive Officer.

F. *Salary and Salary Adjustments:*

1. Upon hiring, the base salary of the Executive Officer shall be established by the commission through resolution. Any increase in salary may be done during the budget review process, by including the new amount within the Salary Line Item.

2. The salary of any full time employee serving the Executive Officer shall also be established by the commission through a resolution.

3. Merit increases are intended to reflect favorable overall performance and are not to be construed as a guarantee by the Commission. Such adjustments shall not be made in excess of twice or two times on an annual basis. Employees are to understand that merit increases are not guaranteed or granted automatically, but only as a result of demonstrative performance documented by the performance evaluation. The commission shall consider a merit increase for the Executive Officer on an annual basis; however, such increase shall be at the sole discretion of the commission.

   Merit increase for staff shall be at the determination of the Executive Officer, again, on the basis of demonstrative performance and the annual performance evaluation. Employees are not to consider merit increases as a guarantee. The total annual adjustment of any merit increase shall not exceed 10 percent annually.

G. *Paid Benefits:*

1. *Temporary Employees:* Temporary employees are not eligible for benefits. Temporary employees are considered employees hired by the Executive Officer on a temporary basis to carry out a particular function or duty for a limited duration.

2. *Health Insurance:* LAFCO will contribute toward the employee's health insurance premium per policy of LAFCO.

3. *Vacation:* Vacation benefits are provided to the Executive Officer and staff as provided by LAFCO policy.

    a. Vacation time may not accumulate in excess of the number of hours.

    b. Vacation shall be scheduled in advance and shall be scheduled as not to interfere unnecessarily with the business of LAFCO. Executive Officer shall determine when such vacations are to be taken.

    c. Earned vacation days not used upon termination will be paid to an employee at the time of separation.

4. *Holidays:* LAFCO recognizes the same holidays as those recognized by the County of Imperial.

5. *Sick Leave:* Sick leave for the Executive Officer and any staff serving the commission shall be per LAFCO policy.

6. *Workers Compensation:* The LAFCO shall contribute to the workers compensation insurance plan under which the Executive Officer and staff are operated in the manner required by law.

7. *Retirement:* LAFCO shall provide all employees with retirement benefits as required by law and shall contribute to the employee's retirement plan as per the County of Imperial's retirement system/plan, or in the alternative shall contribute to Federal Social Security or an equivalent plan.

8. *Mileage:* LAFCO shall provide a car mileage allowance for authorized travel within and outside of Imperial County, provided it is strictly for LAFCO business. Reimbursement shall be made for actual mileage driven at the rate following IRS rules

9. *Jury Duty:* Jury duty, in accordance with law, a leave of absence shall be granted for jury duty and LAFCO shall not prohibit its employees for complying with jury duty requirements.

10. *Medical Coverage:* Executive Officer and any authorized staff serving LAFCO shall be provided with medical coverage, commensurate with the coverage provided by the County of Imperial. If a LAFCO employee is a concurrent County employee, LAFCO shall contribute its fair share to that employee's benefit plan based on the additional salary received for LAFCO services.

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CHAPTER III DESCRIPTION OF THE LAFCO PROCESS

This chapter contains a summary description of the LAFCO's decision-making process, including the LAFCO hearing and evaluation process. It also describes the steps that the LAFCO and concerned local agencies must take when the LAFCO approves a proposal in order for an organizational change to become effective.

This chapter is intended to assist applicant(s) in preparing for and understanding the change of organization process. It provides a general chronology of events during the LAFCO hearing and evaluation process and it describes post-approval steps taken regarding applications by the LAFCO.

A. THE LAFCO EVALUATION AND HEARING PROCESS

This section describes in some detail the steps the LAFCO and its staff will take to ensure that proposals meet legal requirements and comply with LAFCO standards and policies.

1. Receipt and Acceptance of Applications

It is the policy of LAFCO to encourage and, in certain instances, to require a "pre-application" consultation with the Executive Officer. The purpose behind this process is to assure the applicant and the appropriate jurisdictions have a full understanding of the requirements and the process of LAFCO.

Upon receipt of an application, the Executive Officer shall give notice to all parties specified under government code section 56658 (b).

A. The Executive Officer shall (except when LAFCO is lead agency for purpose of CEQA pursuant to PRC 21067) determine **WITHIN 30 DAYS OF RECEIVING** an application whether the applicant has provided all appropriate required information and materials. (Government Code Section 56658) et esq. (Reference also, Government Code Sections 56652, 56653, 56654, and 56700).

1. If an application is determined not to be complete, the Executive Officer shall inform the applicant, specifying those parts of the application that are incomplete and the manner in which they can be made complete. An application, which is incomplete, shall not be accepted for filing. (Government Code Section 56658(h))

2. If the application is deemed to be sufficient for processing, and it is an application for a change of organization requiring a detachment from a City, it shall be forwarded to the City for its review and direction pursuant to Gov. Code section 56751. Said City shall have a maximum of 60 days within which to advise LAFCO of its decision. Upon receipt of the City's position, the Executive Officer shall take the necessary steps to "accept" or "terminate" the application.

3. If the Executive Officer determines that the proposal is complete within 30 days of receipt of the application, and it does not require that the application be sent to a City, the application shall be deemed **ACCEPTED** for filing, only if the Commission is the Lead Agency pursuant to CEQA, and only if a "tax sharing agreement" has been reached between agencies. If the Commission is not the lead agency, then only a conditional Certificate of Filing will be issued.

4. If the "Lead Agency" for the preparation of CEQA documentation is other than LAFCO, the application may be accepted for processing purposes, but shall not be deemed complete and a "Final" Certificate of Filing shall not be issued until the appropriate environmental documents have been prepared, and submitted in a manner acceptable to the Executive Officer. The Executive Officer may file a "conditional" Certificate of Filing to acknowledge the start of a project, however this shall not be considered for purpose of limiting the time within which to provide notice or within which to complete a project. After all of the conditions applied in a "conditional" Certificate have been met, a final Certificate of Filing will be filed by the Executive Officer.

5. If the LAFCO is the "Lead Agency" under CEQA, or the "co-lead agency" the LAFCO must cause environmental documents to be prepared according to the requirements of CEQA. To accomplish this task the Executive Officer may use the County Environmental Evaluation Committee (EEC), as the hearing agency to make a recommendation to the Executive Officer on the type of CEQA document to be prepared.

B. Before an application is deemed complete, the Executive Officer shall determine whether or not LAFCO will need or will require the use of special experts or special consultants in order to properly process the application. If determined necessary by the Executive Officer, the Executive Officer shall so notify the applicant and said notification shall

constitute a rejection of the application until a response from the applicant is made to the Executive Officer. The Executive Officer shall include in the notice the estimated cost for said service and the applicant shall be responsible for said costs incurred by LAFCO. If the applicant is in agreement with the Executive Officer's notice and estimated costs he/she shall provide a deposit in the amount of 50% of the estimate to commence retention of said services. The Executive Officer may use "on call" consultants to act as an extension of staff, without consulting with the applicant if in the opinion of the Executive Officer the use of such consultant is necessary to process the application in a timely manner and will not add significant costs to the project.

C. After determining an application as complete, the Executive Officer will provide mailed notice, to the affected agencies including the "subject" city or district whose boundary will change and all "interested" agencies which provide facilities or services in the affected territory with the proposal's description and the territory it affects. (Government Code Section 56658(b)) The Executive Officer shall not issue a Certificate of Filing until at least 20 days after mailing such notice. (Government Code Section 56658(e))

D. When an application is accepted as complete, including the environmental documents, the Executive Officer shall issue a **Certificate of Filing** to the applicant and all interested agencies and individuals requesting notice. (Government Code Section 56658(g))

E. Notification of the Certificate of Filing shall include the applicant(s), the County Administrative Officer, the Clerk of the Board of Supervisors, the County Public Works Director, the Tax Assessor, the Auditor Controller, the LAFCO Legal Counsel, the City Clerk of the city affected, the City Manager of the city affected, the District Manger of the district affected, the General Manager of the Imperial Irrigation District, the Sheriff, the Highway Patrol, the County Fire Chief, the City Fire Chief of the city affected and anyone having requested such notices. This list shall be deemed as providing adequate notice. All of the above, except for County Officers and Offices shall be sent via regular mail.

(Certain exceptions may be made to the above procedures as provided for in Government Code Section 56658 of the Cortese-Knox-Hertzberg Act, or as approved by the Commission.)

2. Technical Studies/Information from Other Agencies

In order to fully analyze a project and comply with the intent of Government Code 56000 et. Seq., the Executive Officer shall have the authority to request technical as well as statistical information from any local agency. The local agency shall provide this information to the Executive Officer in a timely manner and at no cost to LAFCO. In the event such information is not made available to the Executive Officer, the Executive Officer shall be authorized to request the same under the "Freedom of Information Act" if necessary, or any other means reasonably at the disposal of the Executive Officer.

City staff shall provide the Executive Officer with all applicable land use related applications, staff reports, and CEQA documents, in order for the Executive Officer to prepare the necessary staff report.

3. Staff Report Preparation

A. The Executive Officer shall review each application and shall prepare a report on the application that includes recommendations to LAFCO. The report shall be completed not less than (20) twenty days prior to the date specified in the Notice of Hearing. (Government Code Section 56665)

B. If the Executive Officer requires additional information to complete his or her evaluation of the proposal, he or she will notify the applicant. The applicant shall submit a response within 30 days of receiving such notice, which may include an amendment to the application. The amendment should state the reason, or reasons, for the amendment and provide evidence regarding how the amendments would correct problems identified by the Executive Officer. The Executive Officer will then review the amendment to determine if the changes address or correct the problem(s) identified. If required documentation is not provided the Executive Officer shall proceed to hearing with a recommendation for denial.

C. Upon completion of the report, the Executive Officer shall furnish copies of the report to (Government Code Section 56833):

1. Officers, entities, or persons designated in the application;

2. Each local agency, including the County, whose boundaries, service responsibilities, revenue authorities, or Sphere of Influence would be changed by the proposal or recommendation; (Police, Sheriff, Fire, Public Works, School District, Imperial Irrigation District, etc.)

3. Each affected local agency, group, or person which has filed a request for a report with the Executive Officer;

4. The LAFCO Executive Officer of any other affected county when a portion of a district is or will be located in that other county;

5. Each affected city, via the City Manager, or in their absence the City Clerk, and the County via the County Executive Officer (CEO) or the Clerk to the Board of Supervisors;

6. The Board of Supervisor member representing the district in which the project site is located.

The report **shall** evaluate the application and make recommendations **based upon compliance with the Cortese-Knox-Hertzberg Act** and Imperial LAFCO "policies and standards", information and data provided in the application, and other related information and data that the LAFCO may gather.

4. Property Tax Exchange

If the proposal includes incorporation or the formation of a new district, the Commission shall determine the amount of property tax revenue to be exchanged by the affected local agencies, pursuant to Government Code Section 56810 of the Cortese-Knox Act. As part of that determination, the Commission will:

A. Estimate the total amount of sales tax revenue and user fees, service charges and other revenue transferred;

B. Estimate the value of any agreements included in the proposal, which may be designed to compensate for fiscal inequities;

C. Estimate the cost to the current service provider of performing those services which will be transferred to the new city or district if the proposal is approved; and

D. Based upon the above calculations and estimations, the Commission will determine the fiscal effect of the proposal.

5. Administrative Hearing by Executive Officer

Under certain conditions and only for specified projects, the Executive Officer through delegation of authority from the Commission has the authority to consider, approve or deny a project. (Government Code Section 56133 (d))

A. Specified Project(s)

1. Extension of new or extended water service by a city or district to an entity other than another city or district within the Sphere of Influence of the city/district limit and provided there are twenty (20) or fewer connections.

2. Extension of new or extended sewer service by a city or district to an entity other than another city or district within the Sphere of Influence of the city/district limit and provided there are twenty (20) or fewer connections.

3. Extension of solid waste service by a city/district to a city or district within the Sphere of Influence of the city/district limit and provided there are twenty (20) or fewer users.

The full Commission shall only consider projects not meeting the above criteria.

B. Applications Required

1. A city or district proposing to provide services by contract or agreement outside of its jurisdictional boundaries (and within its Sphere of Influence) shall file an application (request for approval) with the Executive Officer.

2. Along with the application, the city/district shall also provide the CEQA documentation if so required under CEQA.

NOTE: In the event the city/district does not prepare CEQA documentation and the Executive Officer determines that the application constitutes a project under CEQA, LAFCO shall then be the lead agency and prepare the appropriate CEQA documentation.

3. The application shall also include a copy of the proposed contract/agreement and a map to show the location of the service facilities, if any, and the service boundary.

4. The application shall include the required fee(s). (See Fee Schedule in Appendix "V".)

C. Administrative Hearing

1. Upon receipt of an application for service extension(s) the Executive Officer shall review the application within twenty (20) working days and determine if it is adequate for processing.

2. If application is not accepted, the Executive Officer shall notify the applicant in writing and state the reasons.

3. If application is accepted and is determined to be a specified project for "administrative" action, the Executive Officer shall notify the applicant, all affected agencies, the property owners receiving the service and all property owners within 500 feet of the new service boundary. The notice shall describe the project, the location, and set a date and time for the administrative hearing.

4. If the application requires a hearing by the Commission, the Executive Officer shall schedule the project for the next available hearing date.

5. Upon completion of the administrative hearing the Executive Officer shall notify the applicant of his/her decision.

D. Appeal

The decision of the Executive Officer may be appealed to the Commission provided a written appeal accompanied with the requisite filing fee is presented to the Executive Officer within ten (10) calendar days of the Executive Officer's decision. The Executive Officer shall schedule said appeal for the next available LAFCO hearing date.

6. Commission Hearing of the Proposal

A. Following the issuance of the Certificate of Filing, the Executive Officer shall set the proposal for a public hearing before the Commission on a date not more than 90 days after the issuance of an "unconditional" Certificate of Filing.

If the Executive Officer files a "CONDITIONAL" Certificate of Filing, the hearing date will be determined at the time the condition is deemed to have been met by the Executive Officer.

B. With certain other exceptions specified in Government Code Sections 56663 and 56664 of the Cortese-Knox-Hertzberg Act, the Commission shall not make any determinations upon any proposal, plan of reorganization, or report and recommendation of a reorganization committee until after a public hearing has been held on that proposal, plan, or report and recommendation.

C. The tentative hearing date will be included as part of the Certificate of Filing. The hearing date will be further publicized, in accordance with Government Code Sections 56660 and 56661 of the Cortese-Knox Act. In summary, such notice shall include:

1. Publication at least 21 days prior to the hearing date in one or more newspapers of general circulation within affected territories or agencies (Government Code Sections 56151-56160);

2. Notice posted at least 21 days prior to the hearing date on or near the doors of the meeting room of the legislative body or commission or upon any official bulletin board used for posting public notices pertaining to the legislative body or commission; and

3. Mailed notice, first class, postage prepaid, at least 21 days prior to the hearing date to:

   a. Each affected local agency;

   b. The chief petitioners, if any;

   c. Each person who has filed a written request for special notice with the Executive Officer;

d. Each city within two miles of the subject territory's boundaries, if the proposal is for an annexation or detachment, or for a reorganization which includes the formation of a new district;

e. The County, if the proposal includes incorporation of a new city or formation of a new district;

f. All owners of parcels directly affected;

g. Surrounding landowners within 300 minimum feet of the project site boundaries.

D. Hearing packages shall be distributed to the Commissioners, the applicant, and LAFCO Staff. Alternate Commissioners, cities, county, and other interested parties will receive a digital copy of the packages (unless otherwise requested). Hearing packages will be distributed *at least 10 days before the scheduled hearing date.*

E. The hearing shall be held on the date and at the place and time specified in the notice. The hearing may be continued by the LAFCO, but not more than 70 days after the originally scheduled hearing date.

F. At the hearing, the Commission shall receive, ***through an open public hearing,*** any oral or written protests, objections, or evidence, which shall be made, presented, or filed, and ***the Commission shall*** consider the report of the Executive Officer.

7. Commission Actions

A. The LAFCO has the power to review and **approve or disapprove**, with or without amendment, wholly, in part, or conditionally, proposals for changes in organization or reorganization, with limited exceptions described in Government Code Section 56375 of the Cortese-Knox-Hertzberg Act.

B. In most instances, any LAFCO amendment of an application will only affect proposed boundaries. However, the LAFCO may condition its approval of a proposal upon a much wider variety of factors. Such factors may include: (Government Code Section 56886)

1. Payment of a fixed or determinable amount of funds for acquisition of any agency's real or personal property;

2. Levying, or fixing, and collecting taxes, assessments, service charges, rentals and/or rates for the purpose of funding any payment required by condition;

3. Acceptance of liability for repayment of any authorized or outstanding bonds, contracts, or other obligations, including such revenue measures as may be appropriate to fund those liabilities;

4. The formation of a new improvement district, or the annexation or detachment of territory to or from, any existing improvement district;

5. The incurring of new indebtedness by, or on behalf of, all or any part of any local agency, including territory being annexed to any local agency.

6. The issuance and sale of any bonds by a local agency or by that agency's designated successor;

7. The acquisition, improvement, disposition, sale, transfer, or division of any property, real or personal;

8. The disposition, transfer, or division of any moneys or funds, including cash and any receivables;

9. The fixing and establishment of priority of use, or right of use, of water, or capacity rights in any public improvement or facilities, or of any other real or personal property;

10. The establishment, continuation, termination, transfer, consolidation, or separation of any office, department or board or any function of an office, department or board;

11. The employment, transfer, or discharge of employees, the continuation, modification, or termination of existing employment contracts, civil service rights, seniority rights, retirement rights, and other employees benefits and rights;

12. The designation of a city, district or county as the successor to any local agency which is dissolved as a result of any change of organization or reorganization;

13. The designation of the method of selection and/or the number of members of the legislative body of a district if the proceedings include a consolidation or formation of a new district, and the method of selection and/or number of those members has not been decided upon;

14. The initiation, conduct, or completion of proceedings on a proposal made pursuant to the Cortese-Knox-Hertzberg Act;

15. Any terms or conditions required or authorized by the principle act with respect to any change of organization;

16. The continuation or provision of any service provided at that time, or previously authorized to be provided by an official act of the local agency;

17. The levying of assessments, including the imposition of a fee pursuant to Government Code Sections 50029 or 66484.3, or the approval by the voters of general or special taxes;

18. The continuation of any previously authorized charge, fee, assessment, or tax by a successor local agency; and,

19. The transfer of authority and responsibility for the administration, levying, and collecting of special tax and assessment districts.

C. The Commission, in order to coordinate multiple proposals for the same geographical areas, may as a condition of its approval, hold further action in abeyance until all projects are ready for hearing, and require that elections for different proposals be held on the same date, before, or after the date of any other election regarding a change of organization

D. Finally, the Commission may require that voters consider questions of annexation and district reorganization, or questions of incorporation and district reorganization at the same time, through use of a single ballot question. (Government Code Section 56885(d))

8. Reconsideration

A. Any person or affected agency may file with the Executive Officer, a written request for reconsideration of a Commission resolution within 30 days of the LAFCO's adoption of a resolution making determination and prior to the completion of the Conducting Authority's proceedings. (Government Code Section 56895)

B. The written request for reconsideration shall precisely and specifically describe the basis for the request, and shall include the requisite processing fees. Without a detailed request, stating all reasons or conditions upon which the request is made, the Executive Officer shall not schedule a request for reconsideration. The only requests for reconsideration that the LAFCO will consider are as follows:

1. Compelling new evidence exists, including significant and previously unavailable evidence that might alter the LAFCO's decision;

2. There are elements which were previously overlooked, or have changed, such as the repeal of an applicable federal, state or local law that might alter LAFCO's decision; and/or;

3. Item(s) of procedure are found to be legally in error. *(This determination shall require a written legal opinion by the LAFCO Legal Representative.)*

C. If the written request is timely (not more than 30 calendar days after resolution), the Executive Officer will schedule the matter for the next regularly scheduled Commission meeting, at which time staff will present the request.

D. At the meeting, the spokesperson that is appointed or designated to represent those requesting the reconsideration will formally present the request before the Commission and be available for questioning. In addition, a spokesperson from the opposition, if there is any, also will have an opportunity to address the request and answer questions. *Testimony at this hearing shall be limited to one spokesperson for the proponent, one for an opponent and the Executive Officer and Legal Counsel.*

E. The Commission will discuss the request and decide as follows:

1. Approve or deny the request for reconsideration without further notice or hearing, or;

2. Provide notice for hearing at a later date, at which hearing the Commission may deny or approve the request for reconsideration.

F. The Commission's determination upon these matters is final and conclusive. No person or agency shall make any further request for the same or substantially similar change, as determined by the Commission.

B. USE OF CONSULTANTS BY LAFCO

1. In order to carry out the duties, functions, and responsibilities of the Commission, the Commission finds that the Executive Officer shall have the ability and authorization to retain technical experts.

2. The Executive Officer shall have, and is herewith granted full authorization from the Commission to retain technical experts (consultants) for such services as: CEQA compliance, legal services, economic/financial analysis, engineering analysis, and/or such other expertise as may be required from time to time. For this purpose the Executive Officer is authorized to use funds from the "contingency" funds set aside in the budget. The Commission shall at all times attempt to maintain a minimum of $100,000.00 in the contingency.

3. To the extent feasible, LAFCO shall at all times utilize the services of the County Engineer and the County Surveyor in the review of LAFCO boundary maps. In the event that the County Engineer is unable or unwilling to provide assistance to LAFCO, the Executive Officer shall have the ability/authority to solicit engineering services from a qualified firm.

4. The authority hereby granted to the Executive Officer shall be subject to the following procedure:

   A. If LAFCO is the lead agency (or the co-lead agency) under CEQA and an Environmental Impact Report (EIR) or Environmental Impact Study (EIS) is required for a special project, the Executive Officer may retain a qualified firm to prepare said documentation, as follows:

      1. The Executive Officer may, but shall not be required to prepare a Request for Proposals (RFP), but may select a firm that meets the requisite qualifications, as determined by the Executive Officer.

      2. The Executive Officer may, but shall not be required to obtain bids or estimates, for professional services.

3. The Executive Officer shall advise the applicant in writing of his intended selection and the estimated cost. The applicant shall have 70 days to submit a deposit as required by the Executive Officer or show in writing why the selected firm should not be used.

4. Under no condition shall the applicant be allowed to prepare or have prepared his/her own CEQA/NEPA document. **For the purpose of this section, LAFCO will not accept an EIR or EIS prepared by a City or District acting as lead agency if that City or District is the applicant or a co-applicant on, or has taken an action to sponsor the application on behalf of a development project.**

5. In the event of a dispute on the selection of a consultant, LAFCO shall be the final decision.

6. The LAFCO (Executive Officer) shall adhere to the CEQA procedures established by the LAFCO through "The Rules to Implement CEQA".

B. If the LAFCO is a responsible (not Lead) agency on a project for which an EIR or EIS has been prepared, and the Executive Officer determines that assistance for the review of said documentation, either in whole or in part is necessary to adequately prepare the review, the Executive Officer shall have the ability to retain such expertise subject to the following:

1. The Executive Officer shall notify the applicant of his intent to require the services of an outside consultant to assist in the processing of the application.

2. The Executive Officer shall provide a written notice to applicant of the proposed/selected firm and the estimated cost. The applicant shall then have 30 days to remit the deposit required or file a written statement why the proposed firm is not qualified.

3. The Executive Officer may, but shall not be required to obtain bids, or use the RFP process unless he determines it is absolutely necessary.

C. LAFCO COMPLETION OF ACTIONS

1. The LAFCO Executive Officer shall prepare and record a **Certificate of Completion** after the LAFCO adopts a resolution ordering a change of organization without election, or after the LAFCO confirms an order for a change after confirmation by the voters, unless the LAFCO resolution is not in compliance with the boundaries, modifications and conditions specified by the LAFCO. (Government Code Section 57100)

   The Certificate of Completion shall contain:

   A. The name of each newly incorporated city and newly formed district, and/or the name of each existing local agency for which a change of organization or reorganization was ordered and the name of the county within which any new or existing local agencies are located;

   B. A statement of each type of action ordered;

   C. A legal description of the boundaries of the new city or district or of any territory affected;

   D. Any terms and conditions of the action; and

   E. The date of adoption of the Conducting Authority's resolution ordering the change without an election, or the date of adoption of the Conducting Authority's resolution confirming an order for the change after confirmation by the voters.

2. The Executive Officer shall record a certified copy of the Certificate of Completion with the County Recorder and file a copy with the Clerk of each legislative body of each local agency subject to the change. (Government Code Section 57202)

3. The Executive Officer shall file the Certificate of Completion, resolutions, legal descriptions, and annexation boundary maps with the following:

   1. The Board of Equalization;

   2. The County Assessor;

   3. The County Auditor;

   4. The County Surveyor; and

5. The Secretary of State, if the LAFCO action involves a change of organization or reorganization of a city. (Government Code Section 57205)

4. A **Statement of Boundary Change** shall be submitted to the State Board of Equalization and upon the acceptance of the action as completed (by the State Board of Equalization), the action is deemed **Completed.**

5. The effective date of the action is the **Recordation Date** at the County Recorders Office, of the Certificate of Completion.

D. SUMMARY OF PROCESS (annexation to a city)

1. Pre-application meeting or consultation with Executive Officer. (Optional).

2. Application is filed with Executive Officer either concurrent with or prior to filing with the Executive Officer the land use permit applications are to be filed with a city. (If it is a change to a city boundary.)

3. Executive Officer submits a CONDITIONAL Certificate of Filing, along with supporting documentation, to all required agencies, including county offices charged with supporting the review process.

4. City submits a full copy of the applications filed with the city if the change is for a boundary change. If the city does not provide a full copy of all documents filed or if a city does not update the Executive Officer on the progress of the application, the Executive Officer may terminate the application upon informing the applicant. *(**NOTE:** In order to adequately review a project and to do so in a timely manner at no added cost to the applicant or the LAFCO, this step is critical.)*

5. With City concurrence, the CEQA process is commenced under a "co-lead" arrangement. If there is no co-lead process, then LAFCO is under no obligation to accept the Final EIR (FEIR) or final CEQA document and may require additional CEQA documentation prepared, including but not limited to a full EIR. Also, the LAFCO processing time cannot be established until after the CEQA documentation is certified. *(**NOTE**: it is the intent of LAFCO to work in concert with a "lead" agency in the form of being "co-lead" thereby minimizing delays, reducing potential disagreements on the adequacy of a CEQA document and generally having better coordination and communication between applicant and cities.)*

6. Concurrent with the CEQA review process, the County Assessor, Auditor, Tax Collector and CEO review and provide the necessary tax information to the Executive Officer prior to the LAFCO hearing.

7. City provides notice of all land use hearings in a timely manner to allow LAFCO to participate if necessary.

8. City submits to LAFCO certified resolutions of ALL approvals granted to the project.

9. Executive Officer prepares the staff report and schedules the project for the Commission hearing. Since a 21 day minimum noticing is required, the hearings are typically between 45 and 75 days after the documents are received from the City.

10. LAFCO conducts its hearing at a duly noticed date, time and location.

11. The Executive Officer sends the LAFCO resolutions to the City and the applicant; thereby, requiring them to comply with the terms and conditions set by LAFCO.

12. Upon receipt of all documents from the City and the applicant including fees, the Executive Officer then prepares the Notice of Completion and submits all required documents to the County Recorder's office.

13. Upon receiving the recorded documents from the Recorder's office the Executive Officer transmits the required forms and fees to the State Board of Equalization. At the same time, the Executive Officer transmits the revised boundary maps to the various agencies including law enforcement and emergency services.

14. Upon receipt of the final documents from the State Board of Equalization, the Executive Officer submits a final copy to the city and applicant and closes out the file.

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CHAPTER IV GENERAL POLICIES OF LAFCO

This chapter presents the general policies that will apply to all LAFCO considerations of any application for changes in organization and Sphere of Influence determinations. These policies are general in nature. In certain situations, the application of one policy may conflict with the application of another; in that case, the LAFCO will exercise its discretion to balance policies in a manner consistent with the Cortese-Knox-Hertzberg Act and the standards contained in this document.

The Imperial Local Agency Formation Commission has adopted the following General Policies, which apply to all proposals.

1. The LAFCO will encourage participation in the decision-making process. To do this, the LAFCO shall publish notice, and mail notice to landowners of a project site, and may provide mailed notice to surrounding landowners within 300 feet, or to landowners beyond 300 feet if determined necessary by Executive Officer.

2. The LAFCO will coordinate and facilitate, to the maximum extent feasible, communication on actions among the County, Cities and Special Districts.

3. The LAFCO encourages projects that result in the provision of urban services in densely developed and populated areas, rather than in uninhabited or sparsely inhabited territories.

4. The LAFCO <u>will</u> protect agricultural and open space lands from premature conversion as required under State Law, and in particular agricultural conservation land such as lands in the Williamson Act.

5. The LAFCO encourages projects that will provide urban services in areas with high growth potential rather than in areas with limited potential for future growth.

6. CEQA requires that LAFCO assess the environmental consequences of its decisions, and actions to avoid or minimize projects with significant adverse environmental impacts. To comply with CEQA, the LAFCO will take one of the following actions:

    A. At its discretion, approve a project without changes if environmental impacts are insignificant;

    B. Require an applicant to modify a project;

C. Establish mitigating measures as a condition of its approval of the proposal; or

D. Deny the proposal because of unacceptable, significant adverse environmental impacts.

7. The LAFCO encourages those applications that do not shift the cost for services and infrastructure benefits to other service areas.

8. The LAFCO will discourage proposals that have potential for significant adverse social, economic or other impacts that cannot be mitigated.

9. The LAFCO encourages the use of service providers, which are governed by officials elected by the citizens.

10. The LAFCO policy is that community needs are met most efficiently and effectively by governmental agencies which are already in existence, by agencies which are capable of coordinating service delivery over a relatively large area, and by agencies which provide more than one type of service to the territory which they serve.

    The LAFCO encourages, in descending order, the following forms of organizational change:

    A. Annexation to an existing city;

    B. Annexation to an existing district, which has an independent governing body (an independent district);

    C. Annexation to an existing service area or district of which the Board of Supervisors is the governing body (a dependent district);

    D. Formation of a County Service Area or dependent district, which provides multiple services;

    E. Formation of a County Service Area or dependent district, which provides a single service;

    F. Formation of a new independent (Community Service) district, which provides multiple services;

    G. Formation of a new independent single service district; and

    H. Incorporation of a new city.

11. The approval of proposals by LAFCO must be conditioned to mitigate the following adverse impacts to a level considered less than significant:

    A. Any threat to the public health and safety;

    B. Any reduced or eliminated service availability;

    C. Any unacceptable reduction of service quality;

    D. Any loss of economics of scale;

    E. Any duplication of service capacity or facilities;

    F. Any proposal that exceeds the service provision capability as outlined in the Service Area Plan; and

    G. Any double taxation for provision of a service.

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CHAPTER V GENERAL STANDARDS

The Imperial LAFCO has established general standards for the evaluation of proposals and the actions of the Commission. The LAFCOs ***will*** *use these general standards in conjunction with applicable policies as part of its decision-making process. This chapter presents Imperial LAFCO's general standards.*

LAFCO may, at its discretion, make exceptions to the requirements of these standards only if the following findings can be made:

1. It is necessary due to unique circumstances not generally applicable to other similar situations; and

2. Results in improved quality or lower cost of service available to the affected parties or the jurisdiction; and

3. There exists no feasible and logical alternative. (The burden of proof in demonstrating such necessity lies with the applicant.)

A. SPHERE OF INFLUENCE BY APPLICATION

Under the provisions of the Cortese-Knox-Hertzberg Reorganization Act of 2000, LAFCOs are now required to review the Sphere of Influence of the various jurisdictions at least once every five (5) years. This will require the LAFCO to initiate the process if no request for an amendment has been filed within this period of time. In addition, the sphere of influence plans must be consistent with the service area plan, (SAP), called the Municipal Service Review Plan (MSRP) under Cortese-Knox-Hertzberg.

Amendments & Updates by application:

1. LAFCO ***may*** approve an application for a change in organization only if the proposal is consistent with an approved Sphere of Influence Plan for the affected agency or agencies. Sphere of Influence Plans will not generally be amended concurrently with an action of any application. However, if such a concurrent Sphere of Influence Plan amendment is deemed appropriate, it will necessitate an Initial Study and potential further CEQA review. Sphere of Influence amendments will ordinarily take longer to process than applications for a change of organization. Agencies are encouraged to keep their Sphere of Influence Plan up to date so that the individual applications for changes in organization are not burdened with Sphere of Influence Plan amendment requirements. Amendments to Sphere of Influence Plans occasioned by individual applications for changes in organization, which would render the Sphere of Influence internally inconsistent or inconsistent with the other policies, or standards herein <u>will not be approved.</u>

2. Sphere of Influence Plans are the primary planning tool for LAFCO. The LAFCO has developed standards related to the Service Area Plan of any agency's Sphere of Influence Plan. *Agencies must have an updated "Service Area Plan" on file with the Executive Officer* addressing at a minimum the following standards; otherwise the LAFCO shall not approve a change in the sphere of influence. (Reference Exhibit "D")

   A. Demonstrates that adequate services will be provided within the time frame needed by the inhabitants of the area included within the proposal boundary;

   B. Identifies existing land use and a minimum five-year projection of land use and land use controls, which would occur if the proposal was approved and proceedings were completed;

   C. Presents a map that clearly indicates the location of existing and proposed facilities, including a plan for timing and location of facilities;

   D. Describes in detail the nature of each service to be provided (water, sewer, police, fire protection, etc.);

   E. Describes the service level capacity from the service provider's facilities;

   F. Identifies the anticipated and expected service level to be provided;

   G. Describes any actions, improvements, or construction necessary to reach required service levels, including costs and financing methods;

   H. Discusses any conditions which may be imposed or required within the affected territory, such as, but not limited to, improvement or upgrading of structures, roads, and sewer or water facilities;

   I. Provides copies of district enabling legislation pertinent to the provision of services and annexations;

   J. Is consistent with the "Service Area Plan" of the Sphere of Influence of any overlapping jurisdiction;

3. The LAFCO **shall** require that any agency proposing an action through LAFCO have an up to date Service Area Plan as part of its Sphere of Influence Plan. The LAFCO will approve a proposal only if the proposed service provider is the most logical and *efficient* provider of services with an acceptable cost, as demonstrated in the provider's Service Area Plan. This is not to be construed that an existing service provider is the best option or that no other provider, including a new district, may be allowed adjacent to an existing provider, if and only if, the Commission can find that the new provider is an equal or better option.

4. LAFCO is not required to approve a Sphere of Influence as requested, by a City or District even if it determines that the request is appropriate, and meets the intent of law. The Sphere of Influence boundary must however meet the standards of the Cortese-Knox-Hertzberg Reorganization Act and the policies of LAFCO. LAFCO has sole digression to approve, amend or reject a change. *The LAFCO shall adopt a Sphere of Influence for every City or District as the LAFCO determines appropriate.*

B. CONFORMANCE WITH APPLICABLE GENERAL & SPECIFIC PLANS

1. LAFCO may approve changes in organization only if the proposal is consistent with the General Plan and any Specific Plans of the local planning jurisdiction.

2. For purpose of this standard, the applicable planning jurisdiction is as follows:

   A. For annexations to a City, the applicable jurisdiction is the City to which annexation is proposed;

   B. For applications for annexation to or detachment from a district, all of whose territory lies within the City Limits, the General Plans of the City;

   C. For an application for annexation to a special district for lands outside City Limits, the Imperial County General Plan or an adopted Area Plan;

   D. For an application for annexation or detachment from a district whose territory lies in both the City and County, the General Plan applicable to the subject land.

3. For purposes of this standard, the proposal shall be deemed consistent if the proposed use is consistent with the applicable General Plan designation, the applicable General Plan is legally adequate and internally consistent, and the anticipated types of services to be provided are appropriate to the land use designated for the area.

4. The initial determination of consistency shall be the responsibility of the governing body of the applicable planning jurisdiction. LAFCO shall retain discretion to determine the consistency issue with respect to its jurisdiction to approve, disapprove or condition changes in organization and may require additional information if necessary. LAFCO will not approve a proposal in the absence of such certification by the jurisdiction.

C. BOUNDARIES

1. LAFCO will not accept as complete any application for a proposal unless it includes boundaries that are definite, certain and fully described, including a "metes and bounds" legal description.

2. The LAFCO will encourage applications with boundaries that do the following:

   A. Seek to correct illogical boundaries within the affected agency's Sphere of Influence;

   B. Follow natural or man-made features and include logical service areas; or

   C. Provide for a mixture of revenue producing and non- or limited-revenue producing properties.

3. The LAFCO will discourage and may not approve applications with boundaries that do the following:

   A. Result in islands, corridors or peninsulas of incorporated or unincorporated territory or otherwise cause or further the distortion of existing boundaries;

   B. Create areas, which are difficult to provide services;

   C. Split parcels;

   D. City limits fall within the road right-of-way;

   E. Make road islands of county maintained roads; and

   F. Are drawn for the exclusive purpose to encompass revenue-producing territories.

D. AGRICULTURAL LAND CONSERVATION

LAFCO **shall** exercise its power to conserve and preserve agricultural land pursuant to the following standards:

1. LAFCO **may** approve a change in organization which will result in the conversion of prime agricultural land in open space use to other uses only if the Commission finds that the proposal will lead to the planned, orderly and efficient development of an area. For purposes of this standard, a proposal lends to the planned, orderly and efficient development of an area only if the Commission finds that all of the following criteria are met:

   A. The land subject to the change in organization is contiguous to either existing developed lands or lands, which have received all General Plan, zoning and subdivision map or use, permit approvals for such development.

   B. The proposed development of the subject lands is consistent with the Sphere of Influence Plan, including the "Service Area Plan" of the affected agency or agencies.

   C. Development of all or a substantial portion of the subject land will occur within five (5) years. In the case of very large developments, it may approve annexation if all or a substantial portion of the subject land is likely to develop within 10 years, and appropriate assurance is made to LAFCO.

   D. Insufficient vacant non-prime lands exist within the applicable Sphere of Influence plan, accessible and developable for the same general type of use.

   Note: The County of Imperial adopted the Williamson Act in September 2000, which provides for the protection of agricultural lands. However, the County has now terminated participation. The Cortese-Knox-Hertzberg Reorganization Act also has added language to the conversion of Williamson Act land. Therefore the LAFCO will adhere to the standards of the government codes sections that are applicable.

2. LAFCO may approve a change in organization, which would result in the conversion of prime agricultural land in open space use to non-open space use(s) only if the Commission finds the proposal will have no significant adverse effect on the physical and economic integrity of other agricultural lands. In making this determination, LAFCO will consider the following factors:

   A. The agricultural significance of the subject and adjacent areas relative to other agricultural lands in the region.

   B. The use of the subject and the adjacent areas.

C. Whether public facilities related to the proposal would be sized or situated so as to facilitate the conversion of adjacent or nearly agricultural lands, or will be extended through or adjacent to, any other agricultural lands, which lie between the project site and existing facilities.

D. Whether natural or man-made barriers serve to buffer adjacent or near by agricultural land from the effects of the proposed development.

E. Applicable provisions of the General Plan open space and land use elements, applicable growth-management policies, or other statutory provisions designed to protect agriculture.

3. The LAFCO will comment upon, whenever feasible, Notices of Preparation (NOP) for Environmental Impact Reports which propose the pre-emption of large tracts of open space and agricultural lands and that are not scheduled for urbanization within a five-year period. Potential adverse impacts related to the loss of open space or agricultural land also will be commented upon by LAFCO.

4. LAFCO will discourage the conversion, (particularly the premature conversion) of agricultural lands to non-agricultural (urban) planned uses in or around areas that are not planned for urban uses by the County General Plan. LAFCO will also evaluate and discourage the conversion of "prime agricultural land" or land of "state wide significance" if the City or District has other lesser "quality" agricultural lands available that would be compatible with urban uses and that could just as equally be serviced by the City or District.

E. APPLICATION OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

The California Environmental Quality Act (CEQA) requires that LAFCO assess the environmental consequences of its determinations and exercise its authority in such a manner as to avoid or minimize adverse environmental impacts. The following standards will apply to the compliance with CEQA in reviewing requests for changes in organization.

1. In reviewing applications for changes in organization, LAFCO shall by definition of CEQA, at a minimum function either as a Lead Agency or a Responsible Agency; however Imperial LAFCO prefers to work with Lead agencies on a "co-lead" basis. Essentially this is a partnership whereby the CEQA documents are prepared with input and direction by both agencies concurrently to minimize duplication, delay, and redundancy. Furthermore this assures that the document meets the requirements of both agencies. However, LAFCO still has the option to prepare its own document should it

find that the lead agency document does not comply with CEQA or LAFCO standards.

A. The determination as to Lead Agency shall be made pursuant to Sections 21067 and 21069 of CEQA and Sections 15367, 15381, 15050(c), 15053, and 15023(f) of the CEQA Guidelines. In general, LAFCO will function as a Lead Agency in situations where:

1. LAFCO is the first agency in time to act;

2. The primary decision relates to a change in organization;

3. The applicant agency is unable to act as the Lead Agency; and

4. There are no underlying land use approvals or discretionary decision involved.

LAFCO will act as Lead Agency in reviewing and revising Sphere of Influence boundary adjustments, city incorporation's or annexations where no prior or concurrent land use approval has been undertaken by another land use jurisdiction prior to LAFCO approval. LAFCO may also act as lead agency for CEQA if LAFCO determines that a previously prepared document from another lead agency is not adequate.

B. LAFCO will act as a "co-lead" agency if at all possible, or a Responsible Agency in all other situations. Typically, LAFCO is a Responsible Agency in reviewing an application for annexation to a city where pre-zoning has occurred.

2. In cases where LAFCO is a Lead Agency, the Executive Officer will make a determination on the initial study. If no significant adverse impacts will result from the proposed change, a Negative Declaration will be issued. If a significant adverse impact may be caused, an Environmental Impact Report (EIR) will be prepared. The Executive Officer shall have the authority to prepare or to cause to be prepared the appropriate environmental documentation.

LAFCO will not act upon any proposal for a change in organization until environmental documentation has been completed, which adequately addresses the statutory requirements of CEQA and the applicable requirements in LAFCO's "Policies and Standards".

3. When LAFCO is the Responsible Agency pursuant to CEQA, LAFCO shall:

A. Comment on the Notice of Preparation of Draft/Final EIRs, informing the Lead Agency of the specific environmental issues

pertinent to LAFCO jurisdiction, which should be addressed in a project environmental documentation;

B. Comment upon the environmental documents; and

C. Utilize, if possible the environmental documents in rendering its decision on the proposal.

4. If the Lead Agency fails to prepare environmental documentation, which adequately addresses the environmental issues relevant to LAFCO jurisdiction, LAFCO will undertake one of the following courses of action pursuant to the provisions of CEQA:

   A. Assume the Lead Agency role and correct the deficiencies of the environmental documentation; or

   B. Prepare a subsequent EIR;

   C. File suit challenging the adequacy of the environmental documentation prepared by the Lead Agency;

   D. Waive objections if it determines that none of the above courses of action are practicable and that LAFCO possesses substantially all of the environmental information necessary to render a decision.

   E. If the LAFCO Executive Officer, after consultation with legal counsel, determines that the CEQA documents prepared by the LEAD AGENCY are inadequate for use by LAFCO, the Executive Officer shall so notify the LEAD AGENCY. Unless LAFCO then receives or it prepares corrected or adequate documents, the Executive Officer shall recommend that LAFCO deny the project.

5. LAFCO shall use its authority to comment on the Notice of Preparation and the EIR to ensure that an EIR prepared by another agency on a project, which LAFCO will review, complies with standard number 7 listed below. If the Lead Agency fails to notify LAFCO through the Notice of Preparation of a Draft/Final EIR or provide substantially equivalent notification, LAFCO may refuse to accept the application for change in organization as complete and may then require the preparation of supplemental environmental documentation as provided in this standard.

   Applicants for projects, which will require LAFCO approval, are encouraged to consult with LAFCO early in the regulatory process and independently notify LAFCO of the initiation of environmental review.

6. In preparing an Initial Study for a project for LAFCO review, the project will generally be considered to have the potential to

significantly affect the environment if one or more of the following situations exist:

A. Any of the circumstances referred to in Appendix G of the State CEQA Guidelines exist;

B. If build out of the project may result in the capacity of any public service or facility being exceeded or substantially affected. For purposes of this provision, public facilities or services include, but are not limited to: sewage disposal, water service, flood control facilities, drainage facilities, law enforcement, fire protection, school, parks, libraries, gas and electric service and solid waste disposal. A public service or facility shall be considered "substantially affected" if the additional demand generated by the project would exceed 110 percent of its design capacity, or 120 percent of the available capacity;

C. If the project is inconsistent with the approved Sphere of Influence Plan or would involve the amendment of a Sphere of Influence;

D. If the project encourages or fosters growth in an area. For purposes of this provision, encouraging or fostering growth includes, but is not limited to, establishing a precedent of allowing growth in an area not currently experiencing urban growth.

E. If the project, in conjunction with other past, present and reasonable foreseeable future projects would result in cumulative significant environmental impacts;

F. If the project would result in "leap-frog" or non-contiguous urban development, and/or

7. If an EIR is completed on a project subject to LAFCO review, it shall contain a discussion of the following topics:

A. It shall be the Lead Agency's responsibility to incorporate adequate discussion of regional or cumulative impacts which concern the LAFCO into the environmental document. These include, but are not limited to:

1. Project impacts on the viability of the regional transportation network;

2. Regional or sub-regional impacts on flooding, drainage, air quality and water and groundwater quality and supply; and

B. A description of the range of reasonable alternatives to the project, or to the location of the project, which could feasibly

attain the basic objectives of the project. The range of alternatives to be considered shall include, at a minimum, the "no-action" alternative and alternative boundary locations.

8. Where an EIR has been completed which identifies one or more significant effects of the proposal, LAFCO shall make one or more of the following written findings for each of those significant effects, accompanied by a statement of facts supporting each finding:

   A. Changes or alternatives have been required in or incorporated into the project, which mitigate or avoid the significance of environmental effects thereof as identified in the Final EIR.

   B. Such changes or alternatives are within the responsibility of another public agency and not the agency making the finding. Such charges have been adopted by such other agency or can and should be adopted by such other agency.

   C. Specific economic, social, or other considerations make it infeasible for mitigation measures or project alternatives identified in the Final EIR.

9. In order to comply with CEQA, LAFCO herewith adopts the "Rules to Implement CEQA" as proposed and adopted by the County of Imperial and herewith includes said Rules as Appendix A.

   LAFCO shall utilize the latest edition of said Rules, and when the County enacts a revision or update it shall automatically be incorporated and adopted by LAFCO.

F. NEED FOR SERVICES

The LAFCO may determine that a need for service exists or any of the following situations are present:

1. The growth rate and density pattern indicates that the subject area will be developed for urban use within five years.

2. The subject territory has been pre-zoned, or is designed for urban uses in the appropriate land use authority's General Plan.

3. Other evidence of impending urbanization is presented, including the following:

   A. Tentative or final land use entitlement has been granted;

   B. Building permits have been issued;

   C. Service assessment districts have been created; or

D. Other evidence of impending urbanized development exists.

G. STANDARDS FOR ANNEXATION TO AND DETACHMENT FROM AGENCIES

These standards govern LAFCO determination regarding annexations and detachments.

1. An application to LAFCO for an annexation or detachment requires the submittal of an application form, supporting documentation, and fees, as set forth in Chapter II of LAFCO's policies, standards and procedures. In addition, the application shall be accompanied by a response to the applicable standards set forth in this section. On or after May 1, 1991, no application for an annexation shall be accepted as complete by LAFCO in the absence of a Sphere of Influence Service Area Plan approved by LAFCO as provided in these LAFCO standards.

2. The annexation or detachment must be consistent with LAFCO's adopted policies and standards applicable to all changes of organizations.

3. The annexation or detachment must be consistent with the Sphere of Influence boundary. The land subject to annexation shall lie within the existing Sphere of Influence boundary of the annexing city or district.

4. The annexation must be consistent with the applicable Service Area Plan. An annexation shall be approved only if the Service Area Plan of the affected agency demonstrates that adequate services will be provided within the time frame needed by the inhabitants of the annexed area. Proposed annexations for land areas that lie outside of the current and next five-year increments of projected service delivery in the Services Area Plan are presumed not to comply with this standard unless the applicant clearly establishes that special and unique circumstances exist, which ensure the provision of quality services during the applicable time frame for the affected area consistent with the other standards.

5. Applications to annex unincorporated islands may be approved by the LAFCO. Annexation proposals to annex lands mostly surrounded or within a Sphere of Influence which otherwise correct illogical distortion of boundaries, maybe approved unless they would violate another provision of these standards.

6. Annexation of Cities shall reflect logical allocations of existing roads and rights-of-way. Boundaries of annexations shall be set as follows:

A. Annexations to Cities shall include the full road width and right-of-way of any/all roads, railroads, canals, and similar, adjacent to the parcel(s) proposed for annexation. Streets shall be annexed where there are isolated sections of County roads, which will result from an annexation.

B. Annexation boundaries must be drawn so that city limits do not fall within the road or right-of-way, road islands are not made from county-maintained roads, islands of road are not caused by annexations on both sides of the road, nor are a road annexed as a strip.

H. DETERMINATION OF COSTS

1. Service cost identification and measurement for purpose of determining revenue impacts and for purposes of assessing financial feasibility should be based on the actual cost of service provided. If actual costs cannot reasonably be identified and measured, costs should be allocated based upon the measure which most accurately reflects the level of service received. The LAFCO will rely upon current service providers to estimate service costs, so long as costs are estimated in compliance with these standards.

2. When calculating property tax revenues to be transferred in the case of incorporation or the formation of a district, the LAFCO must identify the proportion of County Property Tax Revenue to County General Purpose Revenue, as well as the portion of the cost of services which is funded through general purpose revenue.

3. The information provided by the State Board of Equalization will determine the amount of sales tax revenue and state subventions generated within the subject territory as part of the determination of financial impact.

4. The LAFCO will, pursuant to the Cortese-Knox-Hertzberg Act, mitigate with the intent of neutralizing financial impacts by any of the following means:

   A. Waiver of detachment from an existing service provider, or alternatively, a fund exchange agreement in compensation for the potential adverse impact caused by such detachment;

   B. Agreement between agencies to annex the subject territory to a different service provider;

   C. Agreement to enter a Joint Powers Agreement with another service provider;

D. Modification of the proposal (e.g., changed boundaries) which eliminated the harmful impact, or reduces the harmful impact to an acceptable level; or

E. Tax sharing, lump sum payments, or payments over a fixed period of time.

5. The LAFCO may at its discretion, determine and consider the various measures of costs when reviewing a proposal.

A. Fixed or capital costs such as hookup;

B. Charges for service, such as rates;

C. Costs of potential environmental damage; and

D. Any other project specific costs.

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CHAPTER VI SPECIFIC STANDARDS BY TYPE OF ACTION

The Imperial Local Agency Formation Commission has adopted specific standards for its actions to ensure that it renders fair and consistent decisions in accordance with State law. The LAFCO will use these specific standards, as well as the applicable policies and general standards, during its decision-making process.

A. ANNEXATIONS TO CITIES AND DISTRICTS

1. The State Legislature has provided LAFCO with a tool, in the form of Spheres of Influence, to use in shaping logical and orderly development and coordination of local government agencies. LAFCO will apply this tool by adhering to the following standards:

    A. The LAFCO may approve an application for annexation only if the proposal conforms to and lies wholly within the approved Sphere of Influence boundary for the affected agency;

    B. The LAFCO will encourage proposals and actions that are a part of an orderly, phased annexation program by an agency for territory within its Sphere of Influence Plan; and

    C. An annexation must be consistent with a City or District's "Service Area Plan" of its Sphere of Influence Plan; and

    D. The LAFCO encourages the annexation to each City of all islands of unincorporated areas located within the City's boundaries.

2. The LAFCO will not permit proposals in which boundaries are not contiguous with the existing boundaries of the City to which the territory will be annexed, unless the area meets **all** of the following requirements:

    A. Does not exceed 300 acres;

    B. Is owned by a City;

    C. Is used for municipal purposes; and

    D. Is located within the same County as the City.

3. The LAFCO encourages cities to annex streets where adjacent municipal lands will generate additional traffic and where there are isolated sections of county road that will result from an annexation proposal. This shall also allow a city to annex a street or street intersection that extends beyond the adjacent property to be annexed, if the Commission determines that for the public purpose of maintaining roads adequately, the roads should be included. If such a road annexation surrounds property that is not being annexed, it shall not be deemed to have formed an "island" provided the area is less than 200 acres in size and at least 300 feet of property on the opposite side of the road remains unincorporated.

4. An annexation may not result in islands, corridors or peninsulas of incorporated or unincorporated territory or otherwise cause or further the distortion of existing boundaries unless findings are made that annexation as proposed is necessary for orderly growth.

5. The LAFCO will also consider densification of existing incorporated land, revitalization of land within the city that could be used or re-used with better land use, and number as well as size of existing vacant lands within the city. The burden of proof that a new project, especially a new housing project cannot be accommodated within the existing city is the applicants.

B. INCORPORATIONS AND DIS-INCORPORATIONS

1. LAFCO may approve an incorporation or disincorporation only if it finds that the proposal complies with the general policies and standards applicable to all changes in organization.

2. LAFCO may approve a proposal for incorporation only if the Commission finds that the applicant has demonstrated a significant unmet need for services or need for improved services within the territory for which incorporation is proposed. In determining whether an unmet need for services or improved services exists, the Commission will base its determination on:

   A. Current levels of service in the area to be incorporated;

   B. Existing and projected growth rate and density patterns in the area to be annexed; and

   C. The Sphere of Influence Plans for the jurisdictions currently providing services to the area.

3. The LAFCO Commission may approve a proposal for incorporation only if it finds that incorporation will result in an entity with the capability to provide the most efficient forms of urban services to the affected population.

4. The LAFCO may not approve an application for incorporation, unless the incorporation proposed can demonstrate that the proposed city will be able to fund municipal services and remain financially solvent.

5. The LAFCO requires that an applicant for incorporation prepare a financial feasibility study. The applicant shall provide the required information and evaluation that will be reviewed by the LAFCO staff for accuracy and content.

6. An applicant for incorporation may request a review of the financial feasibility studies by an independent consultant who is agreeable to LAFCO and the applicant. The applicant must pay all related costs for the consultant.

7. The proposed incorporation must not have significant adverse social and economic impacts upon any particular communities or groups in the incorporating area or affected unincorporated area.

8. The boundaries of the incorporated area must be defined and certain as per the boundaries section within the "General Standards" chapter of this guide.

9. The boundaries of areas to be incorporated should not be drawn in a way, which would create areas that would be difficult to provide with municipal services.

10. The LAFCO will require, as part of the incorporation portion, a Sphere of Influence Plan for a proposed incorporating City.

11. The LAFCO will require a Service Area Plan of the Sphere of Influence Plan as part of the application requirement for an incorporation proposal.

12. The LAFCO may not approve an incorporation unless applicable general plans, specific plans or area plans based on realistic population and growth projections demonstrate the need for urbanization of the affected area.

13. The area proposed for incorporation should be urbanized, or substantially surrounded or contiguous to urbanized land. No vacant agricultural land without a "real" proposed project shall be annexed.

14. The LAFCO is the Lead Agency for all incorporation proposals in the County.

15. If a City becomes insolvent or is unable to provide services, then the LAFCO will consider the approval of an application for disincorporation. If services are required, the LAFCO will consider the provision of services by another provider.

C. DISTRICT FORMATION AND DISSOLUTIONS

1. The LAFCO will encourage special district formations in areas that demonstrate a need for unmet or improved level of services due to the inadequate level or quality of services currently being provided.

2. The LAFCO will require that all applicants for the formation of a special district prepare a "Service Area Plan" of the Sphere of Influence Plan.

3. The LAFCO will require that all applicants for the formation of a Special District develop a definite Sphere of Influence map, plan and boundaries.

4. The LAFCO may not approve any District formation application that is not consistent with the General and Specific Plans of all affected land use authorities.

5. The LAFCO may not approve an application for district formation unless the district can demonstrate it can fund the services it intends to provide.

6. If a district becomes insolvent, or is unable to provide services, then the LAFCO may approve an application for dissolution. If services are required, the LAFCO will condition the project in such a manner as to ensure that services will be available, as required.

7. District boundaries must conform with the standards outlined in the general standards section of this guide.

D. SPHERE OF INFLUENCE PLANS

A Sphere of Influence Plan is a plan for the probable, physical boundaries and service area of a local agency. This section of the LAFCO "Policies and Standards" sets forth the required contents of a Sphere of Influence Plan, the procedures for submittal and approval of Sphere of Influence Plans and amendments thereto, and the use of Sphere of Influence Plans in LAFCO determinations.

1. The Sphere of Influence Plan for all governmental agencies within the LAFCO jurisdiction shall contain the following:

    A. A map defining the probable ultimate boundary of its service area including a metes and bounds legal description of the same;

    B. A statement of the present and planned land uses in the area, including agricultural and open space lands;

C. The present and probable need for public facilities and services in the area;

D. The present capacity of public facilities and adequacy of public services which the agency provides or is authorized to provide; and

E. The existence of any relevant social or economic communities of interest in the area.

2. With respect to all cities, sewer districts, water districts, community service districts, and other multi-purpose districts within the jurisdiction of Imperial LAFCO, a "Service Area Plan" is required as defined in paragraph H.3. below. (Other agencies may prepare a "Service Area Plan").

3. A Service Area Plan shall contain the following:

The Service Area Plan shall first and foremost be consistent with the intent of the Cortese-knox-Hertzberg Reorganization Act of 2000 and the “guidelines” promulgated by the State of California. In addition it shall provide the following minimum information;

A. A projection of the geographic extent of service capabilities during the next 20 years delineated in 5-year increments, or concurrent with the projections of the General Plan of the City, provided the projections are not less than ten years. In the case of cities, a shorter time frame may be appropriate if the applicable general plan has a shorter planning period. In the case of Special Districts, this may be reduced to 5 year plans.

B. Projected level of service capabilities in the same time frames and geographical areas.

C. Actual and projected costs of services to consumers. This shall include a statement of actual and projected allocation of the cost of services between existing and new residents.

D. The "Service Area Plan" shall contain sufficient information concerning current and projected capital programs, revenues, costs, rate structures and financing, and other information necessary to support the projected service capabilities and areas set forth in the Plan.

E. A land use inventory of existing vacant sites within the city as well as an inventory of land within the city that is in need of urban renewal, or that could benefit from urban renewal.

4. LAFCO will adopt, amend, or revise the Sphere of Influence Plans after a public hearing and pursuant to the procedures set forth in section 56427 and 56428 of the Cortese-Knox Act. Sphere of Influence Plans shall be revised as necessary.

5. All cities, sewer districts, water districts, community service districts and other multipurpose districts shall submit to LAFCO a proposed "Services Area Plan". LAFCO shall review and adopt such service plans pursuant to these "standards and procedures".

6. LAFCO shall accept a "Service Area Plan" or other Sphere of Influence Plan revision if the Commission finds that the Sphere of Influence Plan, as amended, contains all of the components required by these standards; that the projections of areas and levels of service contained therein are accurate, adequate and complete; and the Sphere of Influence Plan complies with CEQA. If LAFCO rejects a proposed Sphere of Influence amendment or proposed "Service Area Plan", the Commission shall state the reasons therefore, direct staff to provide assistance on requests to correct deficiencies, and upon re-submittal promptly reconsider the amendment or element.

7. LAFCO may approve a proposal for a change in organization only if the proposal is consistent with the Sphere of Influence Plan.

8. In the case of a Sphere of Influence Plan which contains a "Service Area Plan", if the Plan projections demonstrate that an agency is unable to provide an adequate level of service within a portion of its ultimate service area boundaries, the Sphere of Influence Plan shall be amended pursuant to the procedures for periodic review such that the ultimate service boundaries are consistent with the "Service Area Plan". If the "Service Area Plan" projections demonstrate an adequate level of service beyond the ultimate service boundary, the Sphere of Influence Plan may be amended accordingly.

E. AMENDMENTS TO SPHERES OF INFLUENCE

1. The LAFCO will generally treat a proposed amendment to an agency's Sphere of Influence similarly to an application for annexation to the agency. The LAFCO's policies will be applied to applications for amendment to a Sphere of Influence as if it were an annexation planned for the mid- to long-range future. For that reason, each of the following sets of policies will apply to applications for amendments to Spheres of Influence:

   A. General policies;

   B. Specific policies for annexations to Cities and Special Districts; and

C. Specific policies for amendments to Spheres of Influence.

2. The Sphere of Influence "Service Area Plan" must be current before additions to a Sphere of Influence will be approved by LAFCO.

3. The Sphere of Influence amendments shall precede applications for annexations.

4. Amendment proposals must be consistent with an updated Sphere of Influence Service Area Plan.

5. An application for amendment to a Sphere of Influence must demonstrate a projected need for service.

6. Amendment proposals, which contain prime agricultural land, may not be approved by the LAFCO if there is sufficient alternative land available for annexation within the existing Sphere of Influence, or within an alternate amendment to the Sphere of Influence.

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CHAPTER VII SUMMARY OF SPECIAL DISTRICT PRINCIPAL ACTS

The following sections (A-T) represent a synopsis of the various types of "DISTRICTS" that may be formed, may exist and are subject to LAFCO. For a full review of any one-district type, reference the State Code Sections.

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A. AIRPORT DISTRICT

(Section 22001-22979, Public Utilities Code)

Governing Body

The governing body, which is established by law to administer operation of an airport district, is composed of a five-member board of directors. This board must be elected by voters within the proposed district or be appointed to their position by the incumbent airport district's board of directors. (Public Utilities Code Sections 22401 & 22406)

Functions

The specific powers that the board of directors may exercise are to provide and maintain public airports and landing places for aerial traffic.

In addition to this specific power, the board of directors also may hire employees, acquire property, levy, and collect taxes, establish rules governing airport operations, enter into contracts, etc. These are general powers granted to the board of directors of all special districts. However, for a listing of these general powers, it is advisable to review Sections 22551-22557 of the Public Utilities Code.

Formation

The board(s) of supervisors of each county desiring to form or join in forming a district shall adopt a resolution initiating formation of a district. Each resolution shall contain (Public Utilities Code Sections 22151-22153):

1. Statement of intention to form a district;
2. District boundaries;
3. Name of district;
4. Time and place for hearing objections to the formation of the district or to its extent; and,
5. Name of the newspaper in which the resolution shall be published.

After the formation proceedings have been initiated, LAFCO must conduct a noticed public hearing. After hearing public testimony, the Commission may either approve, modify or deny the proposed formation. If it is approved, the Commission also will adopt terms and conditions for the formation and establish a sphere of influence for the new district. Then the proposed formation is sent to the conducting authority where no further modifications may be made. The concerning authority proceedings for the formation of the airport district may be terminated by the board of supervisors following the hearings, or the board of supervisors may override any protests or objections filed with it and call for an election to form the district (Public Utilities Code Sections 22201-22204). If a majority of the qualified voters within the proposed district votes approval of the district, the district shall be formed (Public Utilities Code Section 22256).

Boundaries of a proposed airport district may include the following territory:

1. Land located in one or more counties.

2. Incorporated or unincorporated areas and/or portions of both.

Noncontiguous territory may not be included (Public Utilities Code Section 22006).

Annexation

After the district has been formed, the boundaries of the district may be altered and outlying incorporated or unincorporated, contiguous territory in the same or adjoining county annexed to the district (Public Utilities Code Section 22006). Proceedings for annexation are initiated pursuant to Sections 56000 et seq. of the Government Code.

B. CALIFORNIA WATER DISTRICT

(Sections 34000-38500, Water Code)

Governing Body

The governing body, which is established by law to administer the operation of a California Water District, is composed of a five-member elected board of directors, each of whom must be a landowner within the district. At any time after four years from the date of the district's formation, the board may, by resolution, increase the number of directors from 5 to 7, 9 to 11, and may designate the first additional members to serve on the enlarged board (Water Code Section 34700 et seq.).

Functions

The specific powers that the board of directors may exercise are the acquisition and operation of works for the production, storage, transmission, and distribution of water for irrigation, domestic, industrial, and municipal purposes, and any drainage or reclamation works connected with such undertakings. The board of directors may also acquire and operate facilities and services for the collection, treatment and disposal of sewage, waste and storm waters.

In addition to these specific powers, the board of directors of the district has the power to perform all acts necessary or proper to carry out fully the provisions of this division. These are general powers granted to the board of directors of all special districts. However, for a listing of these general powers, it is advisable to review Sections 35400-35409 of the Water Code.

Formation

The formation process is initiated by a petition to the principal county by holders of title to a majority of land which is capable of using water beneficially for irrigation, domestic, industrial, or municipal purposes and which can be services from common sources of supply and by the same system of works. If noncontiguous land is included, the petition shall be signed by holders of title to a majority of the assessed value of land within each of the noncontiguous areas proposed to be included within value of land within each of the noncontiguous areas proposed to be included within the district.

After the formation proceedings have been initiated, LAFCO must conduct a noticed public hearing. After hearing public testimony, the Commission may either approve, modify or deny the proposed formation. If it is approved, the Commission also will adopt terms and conditions for the formation and establish a sphere of influence for the new district. Then the proposed formation is sent to the conducting authority where no further modifications may be made.

At the conducing authority stage, the conducting authority shall make an order doing the following (Water Code Section 34306):

1. Establishing and describing the district boundaries; and,

2. Naming the proposed district.

After making the order, the board shall call and give notice of an election, at which the following are entitled to vote (Water Code Section 34400):

1. Only holders of title to land in the proposed district may vote. Their vote may be in person or by proxy. (Rules for voting by proxy are set forth in Section 35005 of the Water Code).

2. Each voter shall have one vote for each dollar's worth of land to which he holds title (Water Code Section 35003).

If, after the election, a majority of all the votes cast favor the formation of the district, the territory shall be formed as a district (Water Code Section 34500).

Pertaining to the proposed boundaries of the California Water District, the following territory may be included (Water Code Section 34153):

1. Land located in one or more counties;

2. Noncontiguous areas may be included if portions of the proposed district are separated by land under the control of a state hospital, or the boundary of each portion of the proposed district is within two miles of the boundary of another portion of the proposed district (Water Code Section 34153); or

3. Land situated in other distinctive district agencies of the state, including other water agencies organized under the provisions of this division having different plans and purposes and the object of which is not the same (Water Code Section 34157).

Annexation

After the district has been formed, the boundaries of the district may be altered adding contiguous or noncontiguous, incorporated or unincorporated territory. Proceedings for annexation are initiated pursuant to Sections 56000 et seq. of the Government Code.

C. CEMETERY DISTRICT

(Section 8890-9225, Health and Safety Code)

Governing Body

The governing body, which is established by law to administer the operation of a cemetery district, is composed of three or five trustees, as specified in the petition for the formation of the district. These trustees are appointed by the board(s) of supervisors. However, the governing body may instead be composed of the board of supervisors, by its resolution, after public hearings are held (Health and Safety Code Section 8950-8950.3).

Functions

The specific powers that the trustees may exercise are to maintain a cemetery or cemeteries or acquire and maintain a mausoleum built prior to May 1, 1937. In addition to these specific powers, the district may do all acts necessary or proper for the carrying out of the purposes of this part (Health and Safety Code Section 8961-8969.5).

Formation

The formation process is initiated by a petition, signed by 50 or more citizens who own land within the proposed district, and filed with the LAFCO of the County in which a majority of the acreage of the proposed district is situated.

After the formation proceedings have been initiated, LAFCO must conduct a noticed public hearing. After hearing public testimony, the Commission may either approve, modify or deny the proposed formation. If it is approved, the Commission also will adopt terms and conditions for the formation and establish a sphere of influence for the new district. Then the proposed formation is sent to the conducting authority where no further modification may be made. The Commission shall order the formation subject to confirmation by election, and subject to the protect provisions at the conducting authority hearing.

At the conducting authority hearings, the proceedings themselves may be terminated if protested by 10% of the registered voters living within the district or protested by the owners of more than 10% of the total assessed valuation of the land; or order the election. (The registered voter protest is based upon obtaining 10% of the number of votes cast for the Office of Governor at the last preceding gubernatorial election [Health and Safety Code Section 8925 - 8930]).

If the election is called and two-thirds of the qualified voters of the district vote in its favor, the district shall be formed (Health and Safety Code Section 8938).

With respect to the proposed boundaries of a cemetery district, the following territory may be included upon formation:

1. Territory located in one or more counties (Health and Safety Code Section 8890).

2. Incorporated and/or unincorporated territory.

Annexation

After the district has been formed, the boundaries of the district may be altered and outlying incorporated or unincorporated territory in one or more counties may be annexed to the district (Health and Safety Code Section 9025). Proceedings are to be initiated pursuant to Sections 56000 et seq. of the Government Code.

D. COMMUNITY SERVICES DISTRICT

(Sections 61000-61934, Government Code)

Governing Body

The governing body, which is established by law to administer the operation of a community services district, is composed of a three or five-member board of directors, as set forth in the petition for formation, who are registered voters residing within the proposed district. However, the petition for formation may state as an alternative that the board of supervisors shall constitute the board of directors (Government Code Sections 61102.5, 61200).

Functions

The specific powers that the board of directors may exercise are (Section 20681 of the Public Contract Code):

1. Supply inhabitants of the districts with water for domestic, irrigation, sanitation, industrial, fire protection, and recreation use;

2. Collection, treatment or disposal of sewage, waste and storm water;

3. Collection and disposal of garbage or refuse matter;

4. Protection against fire;

5. Public recreation and parks, playgrounds, golf courses, etc.;

6. Street lighting;

7. Mosquito abatement;

8. Police and lifeguard protection;

9. Library buildings and library service;

10. Street improvement, maintenance and repair (subject to consent of governing body of city and county in which improvements are made);

11. Construction and improvement of bridges, culverts, curbs, gutters, and drains (subject to the consent limitations of item 10, above);

12. Conversion of overhead electric and communication facilities to underground locations, when such facilities are owned and operated by a "public utility" or "public agency," subject to consent of the public utility or public agency responsible for such facilities;

13. Contract for ambulance service if majority of the voters in the district voting in an election thereon, approve;

14. Provide and maintain public airports and landing places for aerial traffic;

15. Improvement district (Government Code Section 61710).

After formation, should the district's board of directors determines by resolution that it is feasible, economically sound, and in the public interest, for the district to exercise its powers for additional purposes not designated in the original formation petition, the board may submit to the voters of the district the question of whether the district should adopt such additional purposes (Government Code Section 61601).

Formation

The formation process is initiated by presenting a petition, signed at least 10% of the registered voters within the proposed district, to LAFCO. If the district lies in more than one county, separate petitions shall be addressed to the LAFCO of each county. Upon receipt of the petitions, said LAFCO's shall fix a time and place for the hearing (Government Code Sections 61100-61103).

After the formation proceedings have been initiated, LAFCO must conduct a noticed public hearing. After hearing public testimony, the Commission may either approve, modify or deny the proposed formation. If it is approved, the Commission also will adopt terms and conditions for the formation and establish a sphere of influence for the new district. Then the proposed formation is sent to the conducting authority where no further modifications may be made.

If the proposal is approved, LAFCO shall direct the conducting authority to call an election to determine whether or not the district is to be formed. After the election has been completed and if a majority of the qualified voters favor formation, the district shall be formed (Government Code Sections 61114, 61127).

If the board of supervisors determines that 80% of the registered voters within the proposed district have signed the petition, and no protests have been received or offered at the hearing, the board may order the formation without an election and declare the district duly organized, describe its boundaries and designate the members of the board of directors. If one or more written or oral protests are made at the conducting authority hearing, the board of supervisors shall review the protest(s) and determine if there should be an election or if they should declare the district is formed without an election. (The board shall not waive election when the proposed district would encompass territory in more than one county) (Government Code Section 61114).

Annexation

Pertaining to the proposed boundaries of a community services district, only contiguous, unincorporated territory may be included in the formation boundaries.

After the district has been formed, the boundaries of the district may be altered and contiguous or noncontiguous unincorporated territory may be annexed to the district. Incorporated territory, which is contiguous to the district, may be annexed to the district with the consent of the affected city (Government Code Section 61800). Proceedings for annexation are initiated pursuant to Section 56000 et seq. of the Government Code.

E. COUNTY SANITATION DISTRICT

(Section 4700-4859, Health and Safety Code)

Governing Body

The governing body, which is established by law to administer the operation of a county sanitation district, is composed of a Board of Directors of not less than three members. The makeup of the Board of Supervisors is as follows:

1. If the district includes no territory that is within cities or sanitary districts, then the County Board of Supervisors is the Board of Directors (Health and Safety Code Section 4730);

2. If the territory of the district lies wholly within a city, the legislative body of said city is the Board of Directors of the district (Health and Safety Code Section 4730); or

3. If the district includes territory within a city or other sanitation district or public agency, then the Board of Directors shall be composed of the presiding officer of each agency's legislature (Health and Safety Code Section 4730.1).

Functions

The specific powers that the Board of Directors may exercise are as follows:

1. To acquire, construct and complete sewage collection, treatment, and disposal works (Health and Safety Code Section 4741);

2. To construct, maintain and operate a refuse transfer or disposal system (refuse collection is prohibited) (Health and Safety Code Section 4741);

3. To make provision for street cleaning and street sweeping services upon the roads and streets within the boundaries of the district (Health and Safety Code Section 4742.5); and

4. To acquire, construct, control, operate, and maintain waterworks, conduits, reservoirs, storage sites and other works and facilities for the production, treatment, storage, and distribution of a water supply (Health and Safety Code Section 4767).

In addition to these specific powers, the Board of Directors may exercise certain other general powers in the operation of the district. For a listing of these general powers, it is advisable to review Sections 4741-4767 of the Health and Safety Code.

Formation

The formation proceedings can only be initiated by the passage of a resolution of intention by the Board of Supervisors. The resolution shall contain, among other things, the district boundaries and the name of the district.

After the formation proceedings have been initiated, LAFCO must conduct a noticed public hearing. After hearing public testimony, the Commission may either approve, modify or deny the proposed formation. If it is approved, the Commission also will adopt terms and conditions for the formation and establish a sphere of influence for the new district. Then the proposed formation is sent to the conducting authority where no further modifications may be made.

At the conducting authority hearing, proceedings shall be terminated by the Board of Supervisors if written protests are submitted by owners of more than one-half of the total assessed value of real property within the proposed district (Health and Safety Code Sections 4714, 4714.5,4715).

An election on the formation of the proposed district is not required unless written objection, signed by 5% of the voters registered in the district if the district contains less than 2,001 registered voters is received. However, the written objection, in either event must contain at least 100 signatures. If such written protest is presented to the Board of Supervisors, the Board either abandons the formation proceedings or calls an election. At the called election if a majority of the qualified electors vote in favor of formation, the district is formed (Health and Safety Code Section 4715).

With respect to the proposed boundaries of a county sanitation district, the following territory may be included:

1. Contiguous or noncontiguous territory (Health and Safety Code Section 4711.5).

2. Unincorporated and/or incorporated territory (however, the city's consent is required if only a part of its boundaries is included in the proposed district) (Health and Safety Code Section 4711).

3. Territory of a district formed for similar purposes may not be included except with the consent of such district and the Board of Supervisors (Health and Safety Code Section 4711).

Annexation

After the district has been formed, the boundaries of the district may be altered and the following territory may be annexed to the district:

1. Any territory not in any other sanitation district or district formed for similar purposes;

2. Contiguous or noncontiguous territory, except only contiguous territory in another county may be annexed; or

3. Unincorporated and/or incorporated territory.

Proceedings for annexation are initiated pursuant to Sections 56000 et seq. of the Government Code.

F. COUNTY SERVICE AREA

(Section 25210.1 - 25211.33, Government Code)

Governing Body

The governing body, which is established by law to administer the operation of a county service area, is the Board of Supervisors. The original intent of the county service area law was to give an alternative method for providing municipal type governmental services by counties within unincorporated areas (Government Code Section 25210.1).

Functions

A county service area may be established to provide any one or more of the following types of extended services within an unincorporated area (Government Code Sections 25210.4[a] - 25210.4[c]):

1. Extended police protection;

2. Structural fire protection;

3. Local park, recreation or parking facilities and service;

4. Extended library facilities and services;

5. Television translator station facilities and services; and

6. Any other governmental services which the county is authorized by law to perform and which the county does not also perform to the same extent on a countywide basis both within and outside city boundaries. These other governmental services shall include but not be limited to the following:

    a. Water Service;

    b. Sewer service;

    c. Pest or rodent control;

    d. Street and highway sweeping

    e. Street and highway lighting;

    f. Refuse collection;

    g. Garbage collection; and

    h. Ambulance service.

In Imperial County, these services include street lighting only at this time.

The County Board of Supervisors governs the service areas and provides by resolution, the service activities of each service area. Formation of service areas or the additions of service to existing areas are initially requested by property owners or by the Board of Supervisors when they find that such services are necessary or convenient to the public.

Overall responsibility for the administration of County Service Areas in Imperial County lies with the Department of Public Works. The Director of Public Works with the aid of other county departments determines the budget and is responsible for the coordination of services within each service area.

With the co-operation of the Imperial Irrigation District providing poles and lights and supplying electricity, the present county service area, is possible.

To maintain services in county service areas, the Board of Supervisors may acquire, rent or lease property within any services area. Bonds are permitted and zones may be created within any service area with tax rates varying with the extent of benefit to the property within each zone. County funds may also be borrowed and the Board shall set the rate of interest upon repayment.

Formation

The formation process may be initiated by: (1) resolution of the Board of Supervisors on its own initiative by a written request signed by two members of the board, or a resolution adopted by a majority of members of the governing body of any city in a county; or (2) a petition, submitted to LAFCO, signed by not less than 10% of the registered voters residing within the area. After receipt of the written request or petition, LAFCO shall fix a time and place for a public hearing on the establishment of the service area (Government Code Section 25210.11).

After the formation proceedings have been initiated, LAFCO must conduct a noticed public hearing. After hearing public testimony, the Commission may either approve, modify or deny the proposed formation. If it is approved, the Commission also will adopt terms and conditions for the formation and establish a sphere of influence for the new district. Then the proposed formation is sent to the conducting authority where no further modifications may be made.

LAFCO may authorize the conducting authority to form a county service area without notice, hearing, or an election, if the Commission has received written consent to the formation signed by all of the landowners within the proposed service area (Government Code Sections 56837, 25210.14).

At the conducting authority hearing, the Board of Supervisors shall terminate the proceedings if citizens living in the proposed district present a written protest signed by 50% or more of the registered voters or signed by the owners of one-half or more of the value of the land and improvements in the proposed district (Government Code Sections 25210.71[a], 25210.18). Otherwise, the board may choose to either terminate the proceedings or establish the county service area by resolution.

However, if within 60 days from the adoption of such resolution a petition, signed by 10% or more of the registered voters, is filed with the board, the board, after reconsidering the resolution, must either rescind the resolution or call for an election of the voters residing in the proposed service area. At this election, a majority of the qualified voters must vote in favor of the issue for the service area to be formed (Government Code Sections 25210.21, 25210.22).

Pertaining to the boundaries of a county service area, the following territory may be included:

1. Contiguous or noncontiguous territory (Government Code Section 25210.80).

2. Unincorporated or incorporated territory (incorporated territory may be included only if the city legislative body consents by resolution) (Government Code sections 25210.10, 25210.10[a]).

Annexation

After the county service area has been formed, the boundaries of the service area may be altered and the following territory may be annexed (Government Code Sections 25210.80, 25210.80[a]):

1. Both contiguous and noncontiguous territory.

2. Unincorporated and incorporated territory (incorporated territory may be annexed only if a majority of the city legislative body consents by resolution).

Proceedings for annexation are initiated pursuant to Sections 56000 et seq. of the Government Code.

G. COUNTY WATER DISTRICT

(Section 30000 - 33900, Water Code)

Governing Body

The governing body, which is established by law to administer the operation of a county water district, is composed of a five-member Board of Directors. These Directors, whether appointed or elected shall be voters of the district (Water Code Section 30500).

Functions

The specific powers that the Board of Directors may exercise are the following:

1. Furnish sufficient water in the district for any present or future beneficial use. To accomplish this purpose, the district has the power for storage and conservation of water and water rights, and the operation of waterworks (Water Code Sections 31020 - 31022);

2. Generate and sell electric power in connection with a water conservation project (Water Code Sections 31149.1 - 31149.2);

3. Acquisition, construction and operation of facilities for the collection, treatment and disposal of sewage, waste and storm water. A district may also provide the services under this section to inhabitants outside its boundaries provided it does not provide services to inhabitants of any other public agency without the consent of that agency expressed by resolution or ordinance (Water Code Section 31100);

4. Drainage and reclaiming lands within the district (Water Code Section 31033);

5. Provide fire protection (Water Code Sections 31120 - 31121); and

6. Acquire, construct, maintain and operate facilities appropriate or ancillary to the recreational use of water, provided that recreational use of water shall be subject to approval of the public health authority having jurisdiction (Water Code Section 31130).

In addition to these specific powers, the Board of Directors of the district has the general powers to perform acts necessary or proper, to carry out the provisions of this division. For a listing of these general powers, it is advisable to review Sections 31000 - 31187 of the Water Code.

Formation

The formation process is initiated by a petition to LAFCO signed by 10% of the number of voters registered 30 days prior to the petition filing date. However, if incorporated territory is included in the proposed district, the petition must be signed by 10% of the voters of the unincorporated area and 10% of the voters of each municipal area or part thereof, with the 10% representing the votes cast at the last general election (Water Code Sections 30202 - 30203).

After the formation proceedings have been initiated, LAFCO must conduct a noticed public hearing. After hearing public testimony, the Commission may either approve, modify or deny the proposed formation. If it is approved, the Commission also will adopt terms and conditions for the formation and establish a sphere of influence for the new district. Then the proposed formation is sent to the conducting authority, where no further modifications may be made.

At the conducting authority stage, the Board of Supervisors may terminate further formation proceedings or, if the Board determines that the proposed district is in the public interest, it shall call an election on the next established election date on the issue of the formation of the district. If at the election a majority favorable vote is cast by the registered electors, the district shall be formed (Water Code Sections 30264.1, 30291, 30297).

Pertaining to the proposed boundaries of a county water district, the following territory may be included (Water Code Section 30200):

1. Incorporated and/or unincorporated territory.

2. Contiguous territory.

3. Two or more contiguous counties.

Annexation

After the district has been formed, the boundaries of the district may be altered and the following territory annexed (Water Code Section 32400):

1. Incorporated or unincorporated territory.

2. Contiguous or noncontiguous territory.

3. Land in any county contiguous to the county wherein the district was formed.

Proceedings for annexation are initiated pursuant to Sections 56000 et seq. of the Government Code.

H. COUNTY WATERWORKS DISTRICT

(Section 55000 - 55991, Water Code)

Governing Body

The governing body, which is established by law to administer the operation of a county waterworks district, is the Board of Supervisors. Under former law, the Board of Supervisors was required to appoint a separate Board of Directors under certain conditions. The Board of Supervisors may now appoint, and at any time, dissolve a Board of Directors governing a county waterworks district. Where the district becomes a subsidiary district of a city pursuant to the Cortese/Knox Local Government Reorganization Act, the City Council of the city is the governing Board of the district (Water Code Sections 55301,55302).

Functions

The specific powers that the Board of Supervisors may exercise are as follows (Water Code Sections 55330-55336):

1. The supplying of water for irrigation, domestic, industrial, or fire protection purposes and for the development and conservation of water supplies for those purposes (Water Code Section 55331);

2. Acquisition, purification, treatment, and reclamation of saline water or sewage, or both (Water Code Section 55335); and

3. Construction, maintenance, and operation of sewage collection and treatment facilities (Water Code Section 55335.5).

Formation

The formation process is initiated by presenting a petition to LAFCO signed by not less than 25% of the residents within the district or not less than 25% of the landowners resident and non-resident including not less than 15% of such resident landowners (Water Code Section 55103).

After the formation proceedings have been initiated, LAFCO must conduct a noticed public hearing. After hearing public testimony, the Commission may either approve, modify or deny the proposed formation. If it is approved, the Commission also will adopt terms and conditions for the formation and establish a sphere of influence for the new district. Then the proposed formation is sent to the conducting authority where no further modifications may be made.

At the conducting authority stage, the Board of Supervisors shall terminate proceedings if protests have been made by more than 50% of the assessed value of real property within the proposed district or by the owners of more than 50% of total acreage within the district (Water Code Section 55162). Otherwise the Board may declare the district formed (Water Code Section 55161) or set the matter for an election (Water Code Section 55180).

If at the election a majority of all the votes cast are in favor of the formation of the district, the Board of Supervisors shall declare the district formed (Water Code Section 55186).

The following territory may be included within the boundaries of a proposed county waterworks district (Water Code Sections 55100-55200):

1. Any portion of a county containing unincorporated territory.

2. The whole or any portion of one or more incorporated cities and contiguous unincorporated territory.

3. Two or more noncontiguous parcels but no parcel under ten acres.

Annexation

After the district has been formed, the boundaries of the district may be altered and the following territory annexed:

1. Incorporated and unincorporated territory.

2. Contiguous or noncontiguous territory.

Proceedings for annexation are initiated pursuant to Sections 56000 et seq. of the Government Code.

I. FIRE PROTECTION DISTRICT

(Sections 13801-13999, Health and Safety Code)

Governing Body

The governing body, which is established bylaw to administer the operation of a fire protection district may be composed of one of the following alternatives, as set forth in the petition or resolution proposing the formation of the district (Health and Safety Code Section 13831).

1. The supervising is the governing body (the Board of Supervisors is the supervising authority unless the district consists wholly of incorporated territory, in which case the City Council, or in the case of two cities, the City Council of the city with largest population is the supervisory authority);

2. The governing body may be a five-member Board of Directors appointed by the supervising authority;

3. A five or eleven-member board of directors appointed by and from the Board of Supervisors and the City Council included within the district; or

4. An elected Board of Directors composed of three or five members.

The elected board may be increased from three to five members in the following manner:

1. If by unanimous resolution of the Board, it is proposed to increase the number of Directors from three to five, the district must call a special election (Health and Safety Code Section 13833); or

2. If by petition of 50 or more voters, it is proposed to increase the number of Directors, the Board must do one of the following;

    a. Call a special election; or

    b. Publish a notice and call a public hearing, transmit the petition to the Board of Supervisors with the Directors' recommendation, then the Board of Supervisors may make an order appointing the new Directors (Health and Safety Code Section 13834).

Election by Division

Where the Board of a fire protection district is elected, it may, by resolution, be submitted to the voters at any district election the question of whether Directors shall be elected by divisions. Establishment of divisions shall be determined by population and each Director shall be resident of the division from which he or she is elected (Health and Safety Code Sections 13841.7, 13841.8).

Functions

The specific powers that the Board of Directors or its appointees may exercise are (Health and Safety Code Section 13854, 13869, and 20811 Public Contract Codes):

1. Establish equipment and operate a fire department in order to provide and maintain any and all special service functions necessary for the prevention of fire and for the protection of life and property from fire and panic, including the investigation of fire and prosecution of crimes of arson (Public Contract Code Section 20811 ([h]);

2. Acquire and construct facilities within the district for the development, transmission, storage, and distribution of water where necessary for the purpose of providing fire protection (Public Contract Code Section 20811 [i]);

3. Purchase, maintain, and operate ambulances or ambulance services inside or outside the district (Health and Safety Code Section 13853); and

4. Establish, equip, maintain, and operate rescue and first-aid services inside and outside the district (Health and Safety Code Section 13854).

In addition to these specific powers the district board has general powers necessary to carry out the purposes and intent of these powers as set forth in Section 20811 of the Public Contract Code.

Formation

The formation process is initiated by one of the following methods (Health and Safety Code Section 13825):

1. A resolution of intention is adopted by the supervising authority;

2. Presentation to LAFCO of a petition signed by the register voters in the proposed district equal to at least 25% of all the votes cast for governor at the last gubernatorial election;

3. A petition of LAFCO signed by the registered voters in the proposed district equal to at least 51% of the votes cast for governor at the last gubernatorial election. (If this type of petition is presented to the Board, the district may be formed, after holding public hearings, without an election.); or

4. A petition to LAFCO signed by owners of a least 51% of the assessed valuation of the real property in the proposed district. (If this type of petition is presented to the Board, the district may be formed, after holding public hearings, without an election).

After the formation proceedings have been initiated, LAFCO must conduct a noticed public hearing. After hearing public testimony, the Commission may either approve, modify or deny the proposed formation. If it is approved, the Commission also will adopt terms and conditions for the formation and establish a sphere of influence for the new district. Then the proposed formations sent to the conducting authority where no further modifications may be made.

During the conducting authority hearings the formation proceedings may be terminated if written protests signed by the owners of the majority of assessed value of real property are filed with the conducting authority. At the conclusion of public hearings, the conducting authority may exercise one of the following alternatives:

1. If the conducting authority finds that the project is not feasible, economically sound and for the public interest, it shall terminate the proceedings (Government Code Section 58105);

2. If a petition signed by 25% of the registered votes has been presented to the conducting authority and it has found, after public hearings that the proposed district is feasible, economically sound and for the public interest, it shall call for an election (Health and Safety Code Section 13825);

3. If the conducting authority has adopted a resolution of intention and after holding a public hearing, has found that the proposed district is feasible, economically sound, and the public interest, it shall call for an election (Health and Safety Code Section 13825); or

4. If a petition is either signed by 51% of the registered voters in the proposed district or signed by owners of at least 51% of the assessed valuation of the real property in the proposed district, has been presented to the conducting authority, and after public hearings, the Board has found that the proposed district is feasible, economically sound, and in the public interest, it may, by resolution, declare the district formed without recourse to an election (Health and Safety Code Section 13825).

If an election is called and a majority of the qualified voters within the proposed district vote favorably on the formation, the district shall be formed (Government Code Section 58132).

Pertaining to the proposed boundaries of the fire protection district, the following territory may be included:

1. Incorporated and/or unincorporated territory, not including timbered, brush or grass covered lands declared to be the responsibility of the State for fire protection. (Section 13821 of the Health and Safety Code should be reviewed prior to initiating any proceedings, as certain counties are exempt from specific parts of the Code).

2. Contiguous or noncontiguous portions of unincorporated territory may be included within district governed by the Board of Supervisors or its appointees (Health and Safety Code Section 13822).

Annexation

After the district has been formed, the boundaries of the district may be altered, and outlying contiguous or noncontiguous (in case the of districts governed by the County Board of Supervisors), incorporated, or unincorporated territory may be included within districts (refer to 13821 for restrictions on state responsibility lands). Proceedings for annexation are initiated pursuant to Sections 56000 et seq. of the Government Code.

J. GARBAGE DISPOSAL DISTRICT

(Section 49100-49195, Public Resources Code)

Governing Body

The governing body, which is established by law to administer the operation of a garbage disposal district, is the Board of Supervisors (Public Resources Code Section 49120).

Functions

The specific powers that the Board of Supervisors may exercise are the following (Public Resources Code Section 49120):

1. The collection and disposal of garbage and other refuse matter in the district (Public Resources Code Section 49017); and

2. The operation and maintenance of a garbage and refuse disposal site (Public Resources Code Section 49130).

In addition to these specific powers, the Board of Supervisors also has the general power to perform all acts necessary or proper to accomplish the purposes of this chapter. For a review of this law and other general powers granted to the governing body, it is advisable to review Sections 49120-49131 of the Public Resources Code.

Formation

The formation process is initiated only by the adoption of a resolution by the Board of Supervisors. Upon the submission to LAFCO of such a resolution, the Commission shall fix a time and place for a hearing on the matter of the formation of the district (Public Resources Code Section 49111).

After the formation proceedings have been initiated, LAFCO must conduct a noticed public hearing. After hearing public testimony, the Commission may either approve, modify or deny the proposed formation. If it is approved, the Commission also will adopt terms and conditions for the formation and establish a sphere of influence for the new district. Then the proposed formation is sent to the conducting authority where no further modifications may be made.

At the conducting authority stage, the Board of Supervisors shall either terminate further formation proceedings, or order the matter submitted to the registered voters of the proposed district (Public Resources Code Section 49010).

If, at the election, a majority of all those voting upon the question of creation of the district and a majority of those voting thereon in each city is in favor of formation of the district, the territory shall be formed into a district (Public Resources Code Section 49016).

Pertaining to the proposed boundaries of the garbage disposal district, the following territory may be included (Public Resources Code Section 49005):

1. Any portion or portions of one county.

2. Any contiguous or noncontiguous territory if such territory is a full subdivision but in no case contains less than 10 privately owned acres.

3. Any unincorporated or incorporated territory. However, if incorporated territory is included, the unanimous consent of the governing body of the city must be obtained if only a portion, rather than the total city, is in the proposed district.

Annexation

After the district has been formed, the boundaries of the district may be altered and the following territory annexed (Public Resources Code Section 49050):

1. Unincorporated or incorporated area.

2. Contiguous territory or noncontiguous territory which contains 10 acres or more of privately owned land.

Proceedings for annexation are initiated pursuant to Sections 56000 et seq. of the Government Code.

K. HOSPITAL DISTRICT

(Section 32000 - 32490.9, Health and Safety Code)

Governing Body

The governing body, which is established by law to administer the operation of a hospital district, is composed of an elected five member Board of Directors. This five-member board of directors may be increased to seven members in any district which provides at least 225 hospital beds, if such measure is approved by a majority of the registered voters of the district (Health and Safety Code Sections 32100, 32100.01).

Functions

The specific powers that the Board of Directors may exercise are to establish, maintain and operate one or more hospitals, situated within the territorial limits of the district, to acquire, maintain and operate ambulances or ambulance services inside and outside the district and to establish a nurses' training school in connection with the hospital (Health and Safety Code Section 32121).

In addition to these specific powers, the Board of Directors of the district has the general powers to perform acts necessary or proper to carry out the provisions of this division. For a listing of these general powers, it is advisable to review Sections 32121 - 32137 of the Health and Safety Code.

Formation

The formation process is initiated by a petition signed by registered voters residing in the proposed district equal to 12% of the voters registered within the boundaries of the proposed district 30 days prior to the filing of the petition. There is no provision for initiation by resolution (Health and Safety Code Section 32003). No hearing upon the petition to form a hospital district shall be held until it has been certified with the appropriate voluntary area health planning agency.

After the formation proceedings have been initiated, LAFCO must conduct a noticed public hearing. After hearing public testimony, the Commission may either approve, modify or deny the proposed formation. If it is approved, the Commission also will adopt terms and conditions for the formation and establish a sphere of influence for the new district. Then the proposed formation is sent to the conducting authority where no further modifications may be made.

The conducting authority proceedings for the formation of a hospital district may be terminated by the Board of Supervisors or by protest by the majority of the registered voters residing in the proposed district (Health and Safety Code Section 32002, 32003 & Government Code Section 58105.1).

If an election is called and a majority of the qualified voters of the district vote in its favor, the district shall be formed (Health and Safety Code Section 32003). The County Board of Supervisors appoints the first board members.

The following territory may be included within the proposed boundaries of a hospital district (Health and Safety Code Section 32001):

1. Contiguous or noncontiguous territory, but territory of a city may not be divided.

2. Unincorporated or incorporated territory.

Annexation

After the district has been formed, the boundaries of the district may be altered and the following territory may be annexed to the district:

1. Contiguous or noncontiguous land.

2. Unincorporated or incorporated territory.

Proceedings for annexation are initiated pursuant to Section 56000 et seq. of the Government Code.

L. IRRIGATION DISTRICT

(Section 20500 - 25627, Water Code)

Governing Body

The governing body, which is established by law to administer the operation of an irrigation district, is composed of a three or five-member Board of Directors elected at large or by divisions of the district (Water Code Sections 20721, 21550).

Functions

The specific powers that the Board of Directors may exercise are to supply water for beneficial purposes; provide for any and all drainage made necessary by the irrigation provided for by the district; purchase or lease electric power and provide for the acquisition, operation and control of plants for the generation, transmission, etc. of electric power; acquire and operate an airport or aviation school; provide, maintain and operate flood control works in districts having 200,000 acres or more; reclaim waste water for beneficial use; sewage disposal if approved by majority at election (see Section 22171 of the Water Code); construct, maintain, and operate recreational facilities in connection with dams, reservoirs or other work owned and constructed by the district (Water Code Sections 22075 - 22825).

Formation

The formation process is initiated by a petition to LAFCO by a majority of the property owners who also own a majority of value of the land in the proposed district; or by 500 petitioners, each of whom is a voter residing in the proposed district or a holder of title, which petition is signed by holders of title of not less than 20% in value of land therein. A copy of the petition is sent to the State Department of Public Works for a report on feasibility. There is no provision for initiation by resolution (Water Code Sections 20700, 20820 - 20822).

After the formation proceedings have been initiated, LAFCO must conduct a noticed public hearing. After hearing public testimony, the Commission may either approve, modify or deny the proposed formation. If it is approved, the Commission also will adopt terms and conditions for the formation and establish a sphere of influence for the new district. Then the proposed formation is sent to the conducting authority where no further modifications may be made.

At the conducting authority proceedings, the Board of Supervisors must call an election. If a majority of the qualified voters of the district vote in its favor, the district shall be formed (Water Code Section 20960).

Contiguous or noncontiguous territory may be included within the proposed boundaries of an irrigation district (Water Code Section 20701).

Annexation

After the district has been formed, the boundaries of the district may be altered and the following territory may be annexed to the district:

1. Contiguous or noncontiguous territory.

2. Incorporated or unincorporated territory.

Proceedings for annexation are initiated pursuant to Section 56000 et seq. for the Government Code.

M. LIBRARY DISTRICT

(Sections 19400 - 19532, Education Code)

Governing Body

The governing body, which is established by law to administer the operation of library district, a Board of Trustee consisting of three or five members. The County Board of Supervisors shall appoint the required number of library trustees from the district at large. Succeeding trustees will be elected (Education Code Section 19420).

Functions

The specific powers that the trustees may exercise are to establish, equip, and maintain a public library for the dissemination of knowledge of the arts, sciences and general literature. In addition to these specific powers, the district may do all acts necessary or proper for the carrying out of the purpose of this part (Education Code Section 19400).

Formation

The formation process is initiated by a petition signed by the registered voters equal to 5% of voters casting votes at the last election for governor within the proposed district, and presented to LAFCO of the principal county. The petition shall specify whether the proposed library district shall be governed by a three-member or five-member board of library trustees.

After the formation proceedings have been initiated, LAFCO must conduct a noticed public hearing. After hearing public testimony, the Commission may either approve, modify or deny the proposed formation. If it is approved, the Commission also will adopt terms and conditions for the formation and establish a sphere of influence for the new district. Then the proposed formation is sent to the conducting authority where no further modifications may be made.

At the conducting authority stage, the proceeding for formation of the library district may be terminated by written protest by the owners of the majority of land according to the assessed valuation. The proceedings may also be terminated by the Board of Supervisors or by written protest by the registered voters within the proposed district equal to at least 50% of the number of voters cast in the last election for governor (Education Code Section 19406 & Government Code Section 58103).

If an election is called and a majority of the qualified voters of the district vote in its favor, the district shall be formed (Government Section code 58132).

Annexation

The following territory may be included within the proposed boundaries of a library district (Education Code Section 19401):

1. Land located in one or more counties.

2. Unincorporated and incorporated territory if the city is not divided.

3. Contiguous parcels only.

After the district has been formed, the boundaries of the district may be altered to annex outlying incorporated or unincorporated contiguous territory in the same, or an adjoining county (Education Code Section 19401).

Proceedings for annexation are initiated pursuant to Sections 56000 et seq. of the Government Code.

N. MOSQUITO ABATEMENT AND VECTOR CONTROL DISTRICT

(Sections 2000-2093, Health and Safety Code)

Governing Body

The governing body, which is established by law to administer the operation of a mosquito abatement district, is composed of an at least five-member Board of Trustees. The make-up of the board shall be as follows:

1. If the district is situated in one or more counties and consists wholly of unincorporated territory, the Board or Board of Supervisors shall appoint the trustees; or

2. If the district is situated in one or more counties and consists of unincorporated and incorporated territory, the trustees shall be appointed by the Board or Board of Supervisors and the governing body of any city included.

The particular formula used to appoint trustees to the district's board, if more than one public jurisdiction is included within the district, is found in Section 2020 of the Health and Safety Code. Also contained in that section, is the procedure for increasing or decreasing the number of Trustees on the Board.

Functions

The specific powers that the district may exercise are the following (Health and Safety Code Section 2040):

1. The extermination of mosquitoes, flies or other insects either inside or outside the district;

Formation

The formation process is initiated by a resolution of intention adopted by the Board of Supervisors or a petition signed by registered voters in each unit of the proposed district, equal in number to 10% of the number of votes cast in each unit respectively for the office of governor at the last gubernatorial election. However, if city territory is included in the proposed district, the city's governing body must request its inclusion by resolution (Health and Safety Code Sections 2011, 2013).

After the formation proceedings have been initiated, LAFCO must conduct a noticed public hearing. After hearing public testimony, the Commission may either approve, modify or deny the proposed formation. If it is approved, the Commission also will adopt terms and conditions for the formation and establish a sphere of influence for the new district. Then the proposed formation is sent to the conducting authority where no further modifications may be made. The Commission may authorize the conducting authority to order the formation of the district without election.

O. MUNICIPAL UTILITIES DISTRICT

(Sections 11501 - 14509, Public Utilities Code)

Governing Body

The governing body, which is established by law to administer the operation of a municipal utilities district is composed of a five-member Board of Directors elected by the wards within the district (Public Utilities Code Section 11801).

Function

The specific powers the Board of Directors may exercise are to acquire, construct, own, operate, control or use, inside, or partly inside or outside, the district, works or parts of works for supplying the inhabitant of the district and public agencies therein, or some of them, with light, water, power, heat, transportation, telephone services or to other means of communication, or means for the collection, treatment, or disposition of sewage; and may do all things necessary or convenient to the full exercise of the powers herein granted (Public Utilities Code Section 12801).

Formation

The formation process is initiated by a petition filed with LAFCO signed by 100% of the voters within the proposed district, or by resolutions adopted by half or more of the public agencies to be included in the proposed district.

After the formation proceedings have been initiated, LAFCO must conduct a noticed public hearing. After hearing public testimony, the Commission may either approve, modify or deny the proposed formation. If it is approved, the Commission also will adopt terms and conditions for the formation and establish a sphere of influence for the new district. Then the proposed formation is sent to the conducting authority where no further modifications may be made.

Following the LAFCO proceeding, the Board of Supervisors must call for an election. If the majority of at least two-thirds of the qualified voters of the district vote in its favor, the district shall be formed (Public Utilities Code Section 11652).

1. Incorporated or unincorporated territory, through no public agency may be divided.

2. Contiguous or noncontiguous.

3. One or more counties.

Any territory in one or more counties, having a population of a least 100 inhabitants, may be organized as a mosquito abatement district (Public Utilities Code Section 2210).

Annexation

After the district has been formed, the boundaries of the district may be altered and the following territory annexed:

1. Contiguous or noncontiguous land (Public Utilities Code Section 2330).

2. Incorporated or unincorporated land.

Proceedings for annexation are initiated pursuant to Section 56000 et seq. of the Government Code.

P. MUNICIPAL WATER DISTRICT

(Sections 71000 - 73000, Water Code)

Governing Body

The governing body, which is established by law to administer the operation of a municipal water district, is composed of a five-member Board of Directors elected from divisions of the district (Water Code Section 71250).

Functions

The specific powers that the Board of Directors may exercise are to supply water for beneficial purposes; construct, improve and operate public recreational facilities appurtenant to any water reservoir operated or contracted to be operated by the district; acquire, construct and operate facilities for providing fire protection; emergency medical services, including ambulance and paramedic services (Water Code Section 71680); acquire waterworks or a waterworks system, waters or water rights, acquire, construct and operate sanitation facilities (Water Code Sections 71589 - 71689.27)

In addition, the district may construct facilities necessary for the generation, transmission or distribution of electricity and construct, maintain, improve and operate public recreational facilities appurtenant to any water reservoir owned or operated by the district (Water Code Sections 12817, 12850, 12851).

Formation

The formation process is initiated by a petition signed by voters equal to 10% of the number of voters in the proposed district 30 days before the petition is filed. If only a portion of a city is included, special provisions applicable to the petition are found in Section 71122 of Water Code (Water Code Section 71121). There is no provision for initiation by a resolution of the Board of Supervisors.

After the formation proceedings have been initiated, LAFCO must conduct a noticed public hearing. After hearing public testimony, the Commission may either approve, modify or deny the proposed formation. If it is approved, the Commission also will adopt terms and conditions for the formation and establish a sphere of influence for the new district. Then the proposed formation is sent to the conducting authority where no further modifications may be made.

Following the LAFCO proceedings, the Board of Supervisors must hold a conducting authority hearing and call for an election, If a majority of the district vote in its favor, the district shall be formed (Water Code Sections 71168 - 71190).

The following territory may be included within the proposed boundaries of a municipal utilities district (Water Code Section 11561):

1. Land located in one or more counties or cities.

2. Unincorporated and/or incorporated territory.

3. Contiguous or noncontiguous territory.

Annexation

After the district has been formed, the boundaries of the district may be altered. The following territory may be annexed to the district:

1. Contiguous or non-contiguous territory.

2. Unincorporated territory or an undivided city (Water Code Sections 71061-71081).

Proceedings for annexation are initiated pursuant to Sections 56000 et seq. of the Government Code.

Q. Public Utility District

(Sections 15501 - 18055, Public Utilities Code)

Governing Body

The governing body, which is established by law to administer the operation of a public utility district, is composed of a three or more member Board of Directors. However, the board must consist of an odd number of directors (Public Utilities Code Section 15951).

Function

The specific powers that the Board of Directors may exercise are to the acquire, construct, own, operate, control, or use, inside or outside or partly inside and partly outside the district, works for supplying its inhabitants with light, water, power, heat, transportation, telephone service, or other means of communication, or means for the disposition of garbage, sewage, or refuse matter, and may do all things necessary or convenient to the full exercise of the powers granted in this article (Public Contracts Code Section 20202.3).

A district may also acquire, construct, own, complete, use, and operate a fire department, street lighting system, public parks and recreation, and works to provide for the drainage of roads, streets, and public places (Public Contracts Code Section 20202.4).

Formation

The formation process is initiated by a petition signed by voters of the proposed district equal to 15% of all votes cast for all candidates for governor at the last general election at which the governor was elected. There is no provision for initiation by resolution (Public Utilities Code Section 15702).

After the formation proceedings have been initiated, LAFCO must conduct a noticed public hearing. After hearing public testimony, the Commission may either approve, modify or deny the proposed formation. If it is approved, the Commission also will adopt terms and conditions for the formation and establish a sphere of influence for the new district. Then the proposed formation is sent to the conducting authority where no further modifications may be made.

At the conducting authority stage, the Board of Supervisors either may terminate the proceedings for the formation of a public utility district or call for an election. There is no provision for majority protest (Public Utilities Code Sections 15736, 15738).

If an election is called and a majority of the qualified voters of the district vote in its favor, the district shall be formed (Public Utilities Code Section 15791).

The following territory may be included within the proposed boundaries of a public utilities district:

1. Contiguous or noncontiguous territory (Public Utilities Code Section 17301).

2. Unincorporated territory (Public Utilities Code Section 15701).

Annexation

After the district has been formed, the boundaries of the district may be altered and unincorporated, contiguous or noncontiguous territory of at least 10 privately owned acres lying within three miles of the closest district boundary may be annexed to the district (Public Utilities Code Sections 17301, 17362).

Proceedings for annexation are initiated pursuant to Sections 56000 et seq. of the Government Code.

R. RECREATION AND PARK DISTRICT

(Section 5780 - 5791, Public Resources Code)

Governing Body

The governing body, which is established by law to administer the operation of a recreation and park district, is composed of either: (1) the Board of Supervisors of the county in which lies the territory within the proposed district; (2) a five-person Board of Directors appointed by the Board of Supervisors and by the mayors of the cities included wholly or partly in the district; or (3) a five-person board which is elected or selected by a method specified in the petition or resolution of initiation (Public Resources Code Sections 5780.2 5781.4)

For appointment made by the Board of Supervisors, the procedures concerning the nature of the territory, or the number of cities involved, see Section 5781.4 of the Public Resource Code.

Functions

The specific powers that the Board of Directors may exercise are to organize and conduct programs of community recreation, establish systems of recreation and recreation centers, and to acquire, construct, maintain, and operate recreation centers inside or outside the district. For a listing of those general powers, see Sections 5782 - 5782.24 of the Public Resource Code. A district with all of the powers of a recreation and park district, except the power of eminent domain, may also be formed (Public Resources Code Section 5790).

Formation

The formation process may by initiated by resolution of the Board of Supervisors or by a petition presented to LAFCO signed by the registered voters equal to 25% of the number of votes cast within the boundaries of the proposed district in the last general election for governor. The Board of Supervisors or the City Council of each city proposed to be included within the district, or both, or the supervising authority, may request a feasibility report from the Director of Parks and Recreation (Public Resources Code Section 5781.3).

After formation proceedings have been initiated, LAFCO must conduct a noticed public hearing. After hearing public testimony, the Commission may either approve, modify or deny the proposed formation. If it is approved, the Commission also will adopt terms and conditions for the formation and establish a sphere of influence for the new district. Then the proposed formation is sent to the conducting authority where no further modifications may be made.

At the conducting authority stage, the proceedings for the formation of a recreation and park district may be terminated by the Board of Supervisors, or, if before the conducting authority adopts a resolution for formation, written protest is made by owners of real property within the proposed district who own more than 50% of the assessed valuation (Government Code Sections 58103, 58105.1).

If an election is called and a majority of the qualified voters of the district vote in its favor, the district shall be formed (Government Code Section 58132).

The following territory may be included within the proposed boundaries of a recreation and park district (Public Resources Code Section 5781.2):

1. Land located in one or more counties.

2. Contiguous or noncontiguous territory.

3. Incorporated or unincorporated territory.

4. Territory not included in another recreation and park district.

Annexation

After the district has been formed, the boundaries of the district may be altered and the following territory may be annexed to the district (Public Resources Code Section 5785):

1. Contiguous territory.

2. Incorporated or unincorporated territory.

3. Territory not included in another recreation and park district.

Proceedings for annexation are initiated pursuant to Sections 56000 et seq. of the Government Code.

S. RESOURCE CONSERVATION DISTRICT

(Sections 9151 - 9962, Public Resources Code)

Governing Body

The governing body of a resource conservation district may be appointed or elected and is composed of five members (Public Resources Code Sections 9182, 9242).

Functions

A resource conservation district may be formed for the control of runoff, the prevention or control of soil erosion, the development and distribution of water, and the improvement of land capabilities (Public Resources Code Section 9151).

Formation

The formation process may be initiated by petition of landowners. The petition shall describe the boundaries of the proposed district and shall propose a name for the district (Public Resources Code Section 9181). The petition must contain the signatures of not less than 100 landowners, or not less than a majority of the landowners if there are less than 200 landowners in the proposed district (Public Resources Code Section 9183). The petition is presented to LAFCO in the county which contains all or the greatest portion of the lands within the proposed district (Public Resources Code Section 9181).

After the formation proceedings have been initiated, LAFCO must conduct a noticed public hearing. After hearing public testimony, the Commission may either approve, modify, or deny the proposed formation. If it is approved, the Commission also will adopt terms and conditions for the formation and establish a sphere of influence for the new district. Then the proposed formation is sent to the conducting authority where no further modifications may be made.

LAFCO may order formation of the district without an election if the Commission finds that (1) a majority of the landowners owning a majority of private lands in the proposed district have signed the initiating petition, and (2) it is in the public interest to form the district (Public Resources Code Section 9183). Otherwise, the Commission shall order the conducting authority to call an election in the proposed district on the question of formation and for the election of the first Board (Public Resources Code Section 9241).

At the election, if a majority of the qualified voters within the proposed district vote in favor of formation, the district shall be organized (Public Resources Code Section 9255).

The following territory may be included within the proposed boundaries of a resource conservation district. (Public Resources Code Section 9152):

1. Those generally of value for agricultural including farm and range land useful for the production of agricultural crops or for the pasturing of livestock.

2. Those necessary for the control of runoff, the prevention of soil erosion, the development and distribution of water.

3. Those necessary for land improvement, and for fully accomplishing the purpose for which the district is formed (Public Resources Code Section 9152).

Annexation

Additional land may be annexed to the district in accordance with the provisions of the Cortese/Knox Local Government Reorganization Act of 1985, Sections 56000 et seq. of the Government Code. The land need not be contiguous but shall be susceptible to the same general plan or system for the control of runoff, the prevention or control of soil erosion, and the development and distribution of water, or land improvement (Public Resources Code Section 9481).

T. SANITARY DISTRICT

(Sections 6400 - 6830, Health and Safety Code)

Governing Body

The governing body, which is established by law to administer the operation of a sanitary district, is composed of a five-member elected Board of Directors and an Assessor (Health and Safety Code Section 6480).

Functions

The specific powers that the Board of Directors may exercise are the acquisition, maintenance, and operation of (Health and Safety Code Sections 6510 - 6550.1):

1. Garbage dump sites, garbage collection and disposal systems;

2. Sewers, drains, septic tanks, and sewage collection, and disposal systems, outfall treatment works, and other sanitary disposal systems; and

3. Storm water drains and storm water collection, outfall, and disposal systems, and water reclamation and distribution systems.

In addition to these specific powers, the Board of Directors also may exercise certain other general powers in the operation of the district. For a listing of these general powers, refer to Sections 6510 - 6550.1 of the Health and Safety Code.

Formation

The formation process is initiated only by a petition filed with LAFCO and signed by 25 persons living in the proposed district. If more than one county is included in the proposed district, 15 signers must live in the principal county and 10 signers from those living in the other county(ies) (Health and Safety Code Section 6420).

After the formation proceedings have been initiated, LAFCO must conduct a noticed public hearing. After hearing public testimony, the Commission may either approve, modify or deny the proposed formation. If it is approved, the Commission also will adopt terms and conditions for the formation and establish a sphere of influence for the new district. Then the proposed formation is sent to the conducting authority where no further modifications may be made.

At the conducting authority hearing, the Board may terminate further proceedings or it may call for an election (Health and Safety Code Sections 6440 - 6446).

At the election, if a majority of the qualified voters within the proposed district vote in favor of formation, the district shall be organized (Health and Safety Code Section 6465).

The following territory may be included within the proposed boundaries of a sanitary district:

1. Contiguous territory in one or more counties (Health and Safety Code Section 6830).

2. Incorporated and/or unincorporated territory.

Annexation

After the district has been formed, the boundaries of the district may be altered and outlying incorporated or unincorporated, contiguous or noncontiguous territory in the same or adjoining county(ies) may be annexed to the district. Proceedings for annexation are initiated pursuant to Sections 56000 et seq. of the Government Code.

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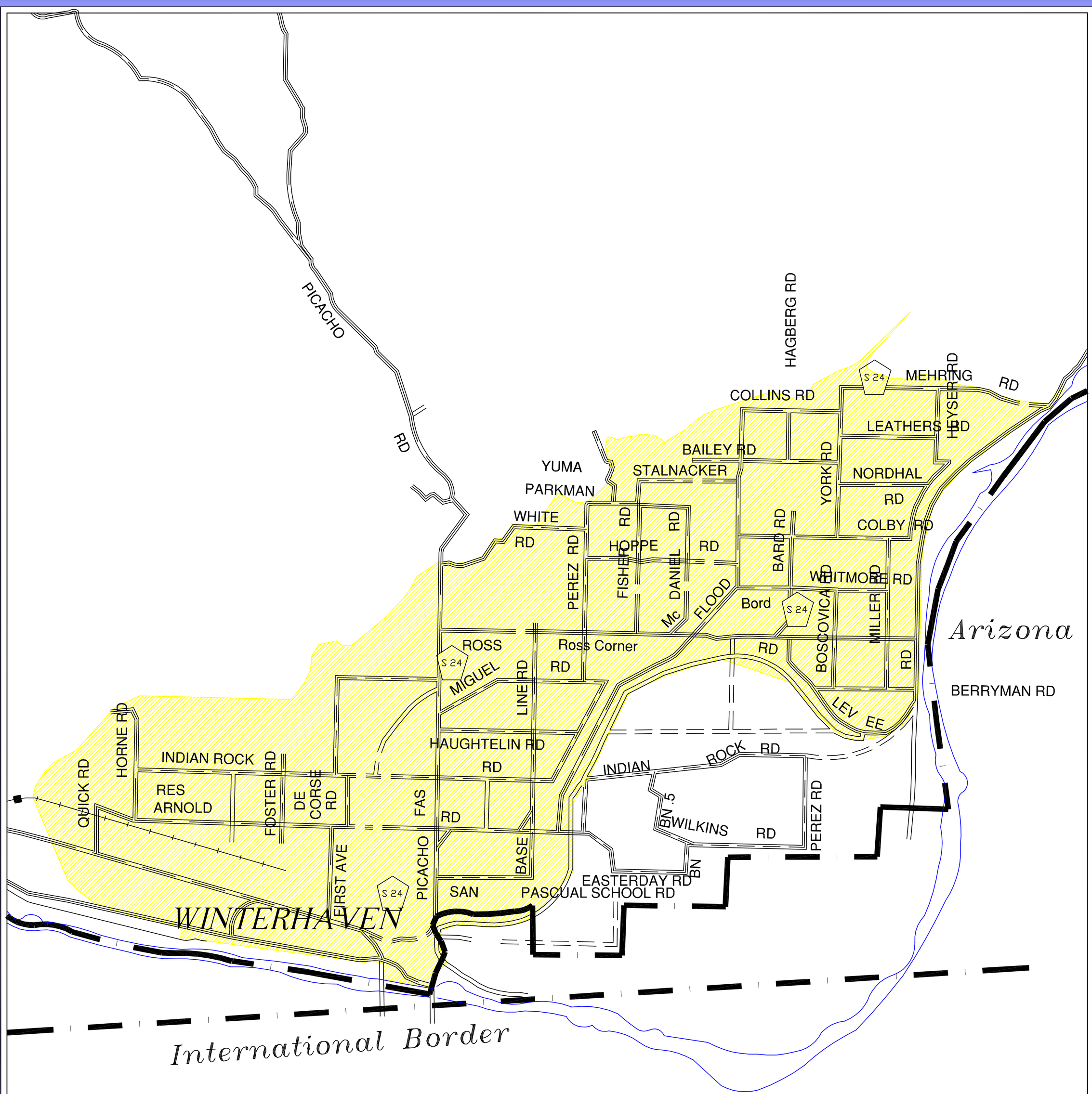
CHAPTER VIII SPECIAL DISTRICTS IN IMPERIAL COUNTY

The following is a summary of Special Districts currently in service in the County of Imperial. While all information was updated in April 2013, some names and/or telephone numbers may change.

SERVICE AREA:

BARD WATER DISTRICT

ADDRESS:	1473 Ross Road Winterhaven, CA 92283
CONTACT:	Ron Derma, General Manager *Phone:* (760) 572-0704 *Fax:* (760) 572-0183 *E-mail:* bardwater@aol.com
ENABLING LEGISLATION:	California Water Code Section 34000 et seq.
DATE OF FORMATION:	November 20, 1973
GOVERNING BOARD:	Board of Directors consists of five members elected at large to serve four-year terms. Members of the governing board must be a holder of title to land within the district. Vacancies are filled by the remaining members, for the unexpired term.
POWERS & FUNCTIONS:	May acquire, plan, construct, maintain, operate, and improve necessary works for the production, storage and transmission of water for domestic, irrigation, municipal or industrial purposes; may acquire construct, operate and maintain facilities and services for the collection, treatment and disposal of sewage, waste and storm waters; may provide reclaimed water for use.
PRESENT OPERATIONS:	Acts as distributor of water for domestic and irrigation purposes within the perimeters of the district. This district lies adjacent to the Colorado River north of Winterhaven. Technical advice is furnished by the Bureau of Reclamation in Yuma.
BOUNDARY:	*(See Attached Map)*



Bard Water District

local agency formation commission

EXHIBIT 1

SERVICE AREA:

BARD RESOURCES CONSERVATION DISTRICT

ADDRESS: P.O. Box 776
Bard, CA 92222

CONTACT: Ronald Hill, Chair
Phone: (760) 572-0704
Fax: (760) 572-2292
Email: hbardorian@aol.com

ENABLING LEGISLATION: California Public Resources Code Sections 9060-9360

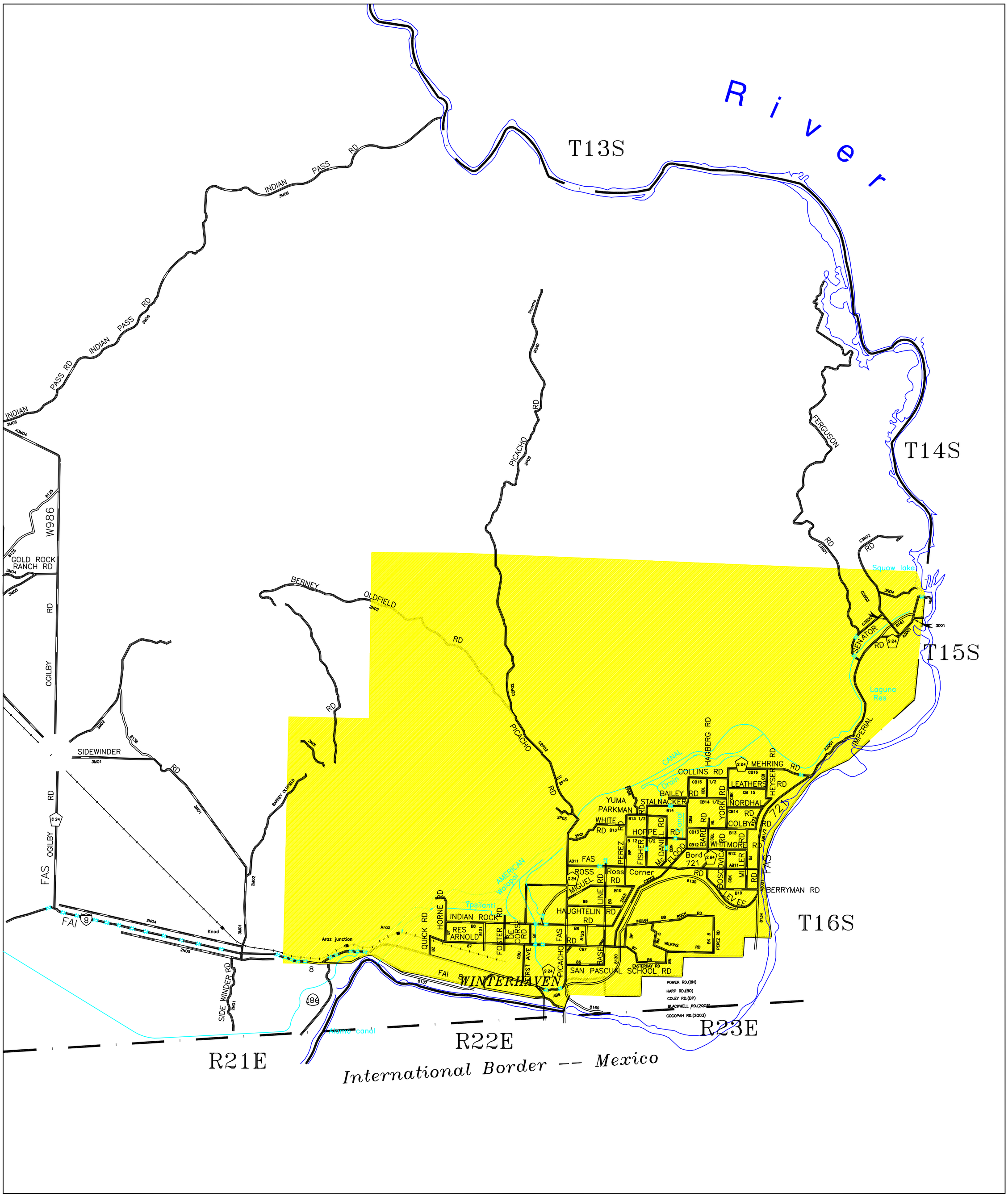
DATE OF FORMATION: June 15, 1953

GOVERNING BOARD: Board of Directors consists of five members elected to serve four-year terms. Vacancies of appointed directors are filled for the un-expired term by the Board of Supervisors. A vacancy in office of director who has been elected shall be filled pursuant to Section 1780 of the Government Code of the State of California.

POWERS & FUNCTIONS: To carry on a community-wide program under local control concerning soil and water conservation in the district; may enter into contracts or agreements with the State, the United States, any county or other district; may tax land; may sue or be sued; may acquire, lease and dispose of lands and property; will develop soil and water conservation plans.

PRESENT OPERATIONS: Formulates policies for the conservation of soil and water within the confines of the district; to conserve soil and water by direct assistance to farmers and ranchers and to urban areas when requested. The Bureau of Land Management assists with advice and technical expertise.

BOUNDARY: *(See Attached Map)*



Bard Resource Conservation District

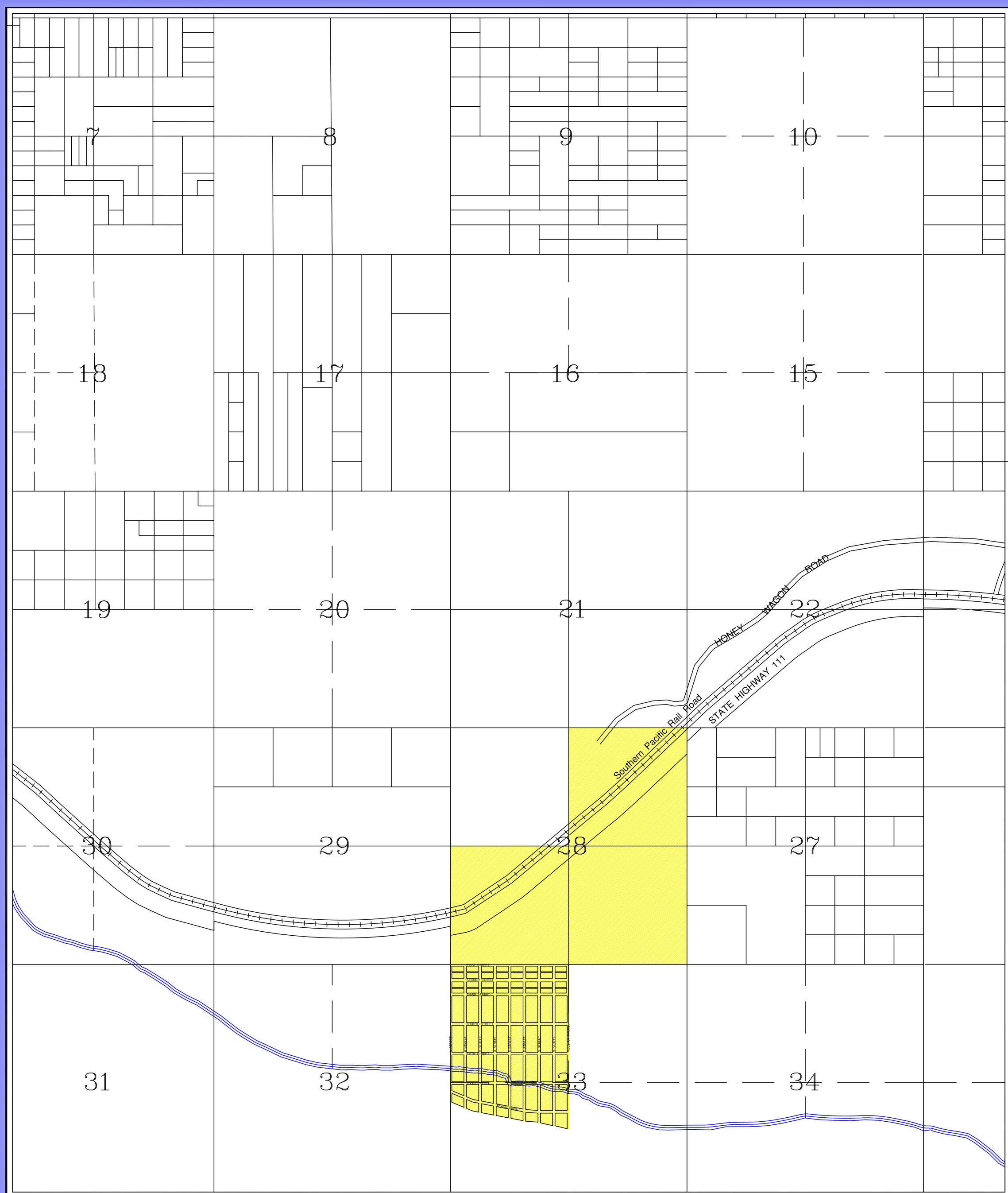
local agency formation commission

EXHIBIT 2

SERVICE AREA:

BOMBAY BEACH COMMUNITY SERVICES DISTRICT

ADDRESS:	9590 Avenue "C" Niland, CA 92257
CONTACT:	Frank Raymond, Treasurer *Phone:* (760) 354-1351 *Fax:* (760) 354-1812
ENABLING LEGISLATION:	California Government Code Section 61000, et seq. (Community Services District Law)
DATE OF FORMATION:	August 7, 1961
GOVERNING BOARD:	Board of Directors consists of five members elected at large. The directors serve alternating four-year terms. Vacancies in the office of director shall be filled by appointment by the remaining directors, subject to the provisions of Section 1780 Government Code of the State of California.
POWERS & FUNCTIONS:	To supply the inhabitants of the district with facilities for sanitation, industrial use, fire protection, recreation, sewage and storm water disposal; may acquire real and personal property to perform these functions; may incur bonded indebtedness.
PRESENT OPERATIONS:	Provides municipal type services for residents of the Bombay Beach area. Water for domestic use and irrigation is provided by the Coachella Valley Water District with main offices in Coachella, Riverside County.
BOUNDARY:	*(See Attached Map)*



Bombay Beach Community Service District

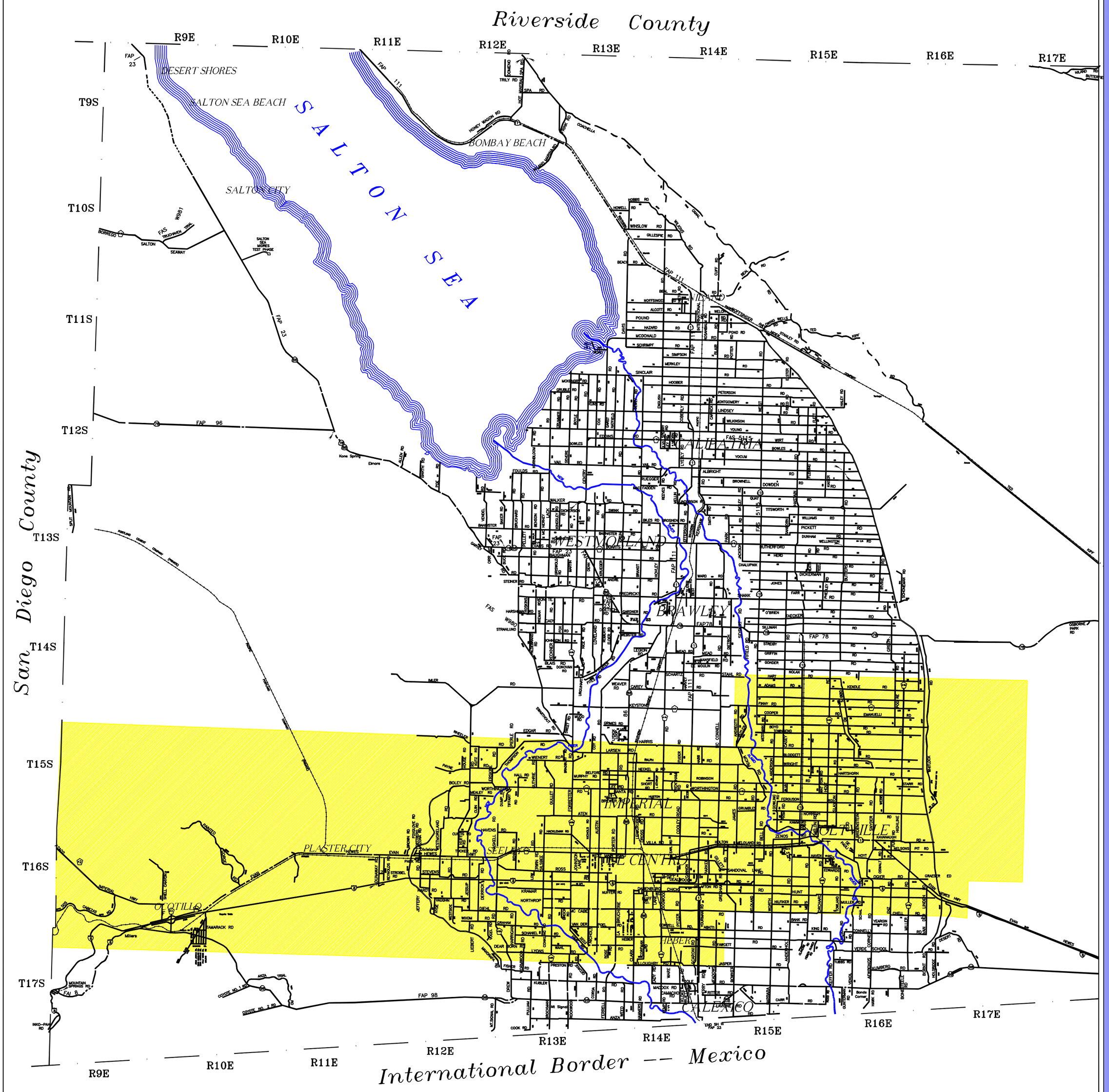
local agency formation commission

EXHIBIT 3

SERVICE AREA:

CENTRAL VALLEY CEMETERY DISTRICT

ADDRESS:	201 E. Gillett Road El Centro, CA 92243
CONTACT:	Chuck Jernigan, Superintendent *Phone:* (760) 352-1468 *Fax:* (760) 352-1505 *Email:* chuck.jernigan@gmail.com
ENABLING LEGISLATION:	Health & Safety Code Section 8890-9309
DATE OF FORMATION:	December 20, 1937
GOVERNING BOARD:	Board of Trustees consists of three members appointed to a four-year term by the Board of Supervisors. A vacancy shall be filled by a person selected by the Board of Supervisors.
POWERS & FUNCTIONS:	The district may sue or be sued. Maintain a cemetery or cemeteries, limited in use to burial in the ground of residents or taxpayers of the district or former residents or taxpayers of the district who purchased lots or plots while residents or taxpayers of the district or members of their families.
PRESENT OPERATIONS:	Maintain Evergreen Cemetery east of El Centro; Terrace Park Cemetery west of Holtville and Imperial Cemetery east of Imperial.
BOUNDARY:	*(See Attached Map)*



Central Valley Cemetery District

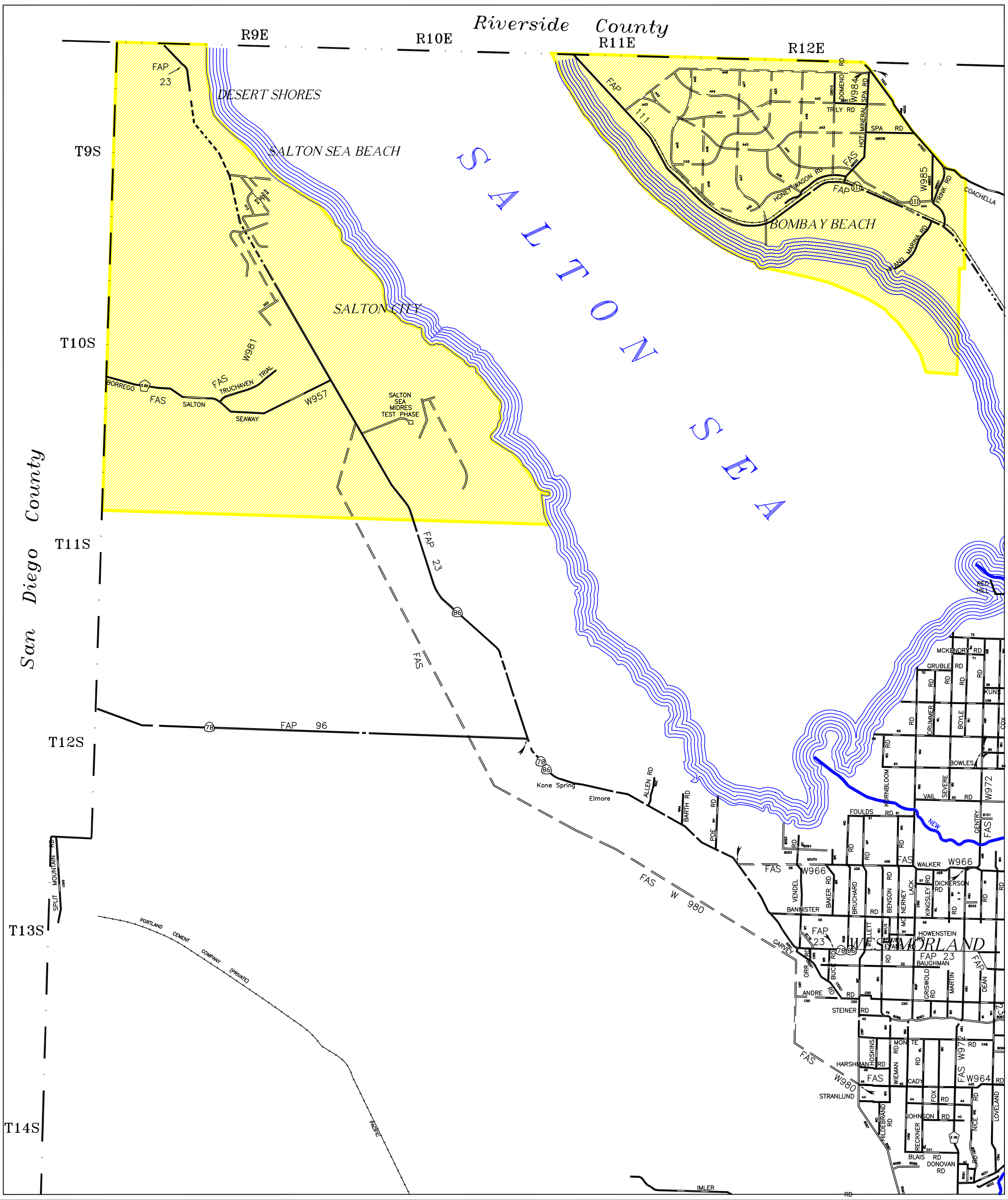
local agency formation commission

EXHIBIT 4

SERVICE AREA:

COACHELLA VALLEY WATER DISTRICT

ADDRESS:	P. O. Box 1058 Coachella, CA 92236
CONTACT:	Steve Robbins, General Manager *Phone:* (760) 398-2651 *Fax:* (760) 398-3711 *E-mail:* srobbins@cvwd.org
ENABLING LEGISLATION:	California Water Code Section 33100 et seq.
DATE OF FORMATION:	October 19, 1937 and Statutes of 1949, c. 274, p. 552.
GOVERNING BOARD:	Board of Directors consists of five members elected at large to serve four-year terms. Vacancies are filled by appointment of the remaining directors elected.
POWERS & FUNCTIONS:	To furnish water for present and future uses; to acquire water rights; store and conserve water; salvage storm and sewage water; operate sewage facilities and irrigation works; operate recreational and fire protection facilities; reclaim lands; form improvement districts; and in addition has all of the powers and duties of a storm water district as now or hereinafter provided in the Storm Water District Act of 1909.
PRESENT OPERATIONS:	The principal area of the District lies within Riverside County. The portion with Imperial County lies within the area of Desert Shores, Salton City and from Bombay Beach north to the county line. The present service is to provide potable water to the residents within that portion of the Imperial County.
BOUNDARY:	*(See Attached Map)*



Coachella Valley Water District

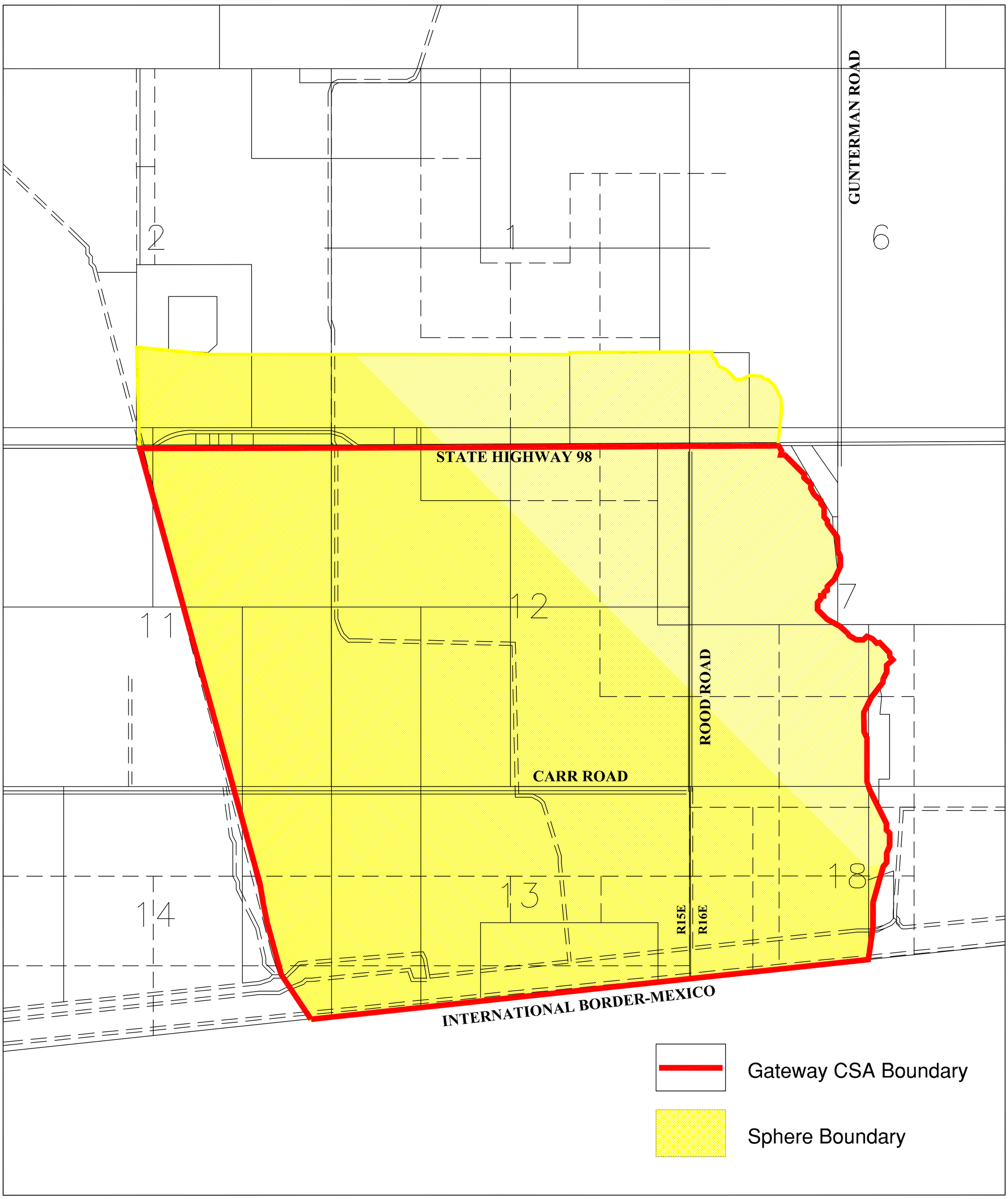
local agency formation commission

EXHIBIT 5

SERVICE AREA:

GATEWAY COUNTY SERVICE AREA

ADDRESS:	Imperial County Executive Office 940 West Main Street, Suite 208 El Centro, CA 92243
CONTACT:	Ralph Cordova, CEO *Phone:* (760) 482-4290 *Fax:* (760) 352-7876 *E-mail:* ralphcordova@co.imperial.ca.us
ENABLING LEGISLATION:	Government Code Sections 25210.10 et seq., 25210.1a, 25210.4a, 25210.18, 25210.19 Resolution 97-123 Resolution 98-001
DATE OF FORMATION:	1997
GOVERNING BOARD:	The governing body, which is established by law to administer the operation of a county service area, is the Board of Supervisors. The original intent of the county service area law was to give an alternative method for providing municipal type governmental services by counties within unincorporated areas (Government Code Section 25210.1).
POWERS & FUNCTIONS:	Can sue or be sued. To provide an entity that will be responsible for the management, construction and operation of the primary infrastructure in the area, including but not limited to, water treatment and wastewater facilities and related components, street lighting and maintenance of common areas.
PRESENT OPERATIONS:	To provide governmental services within the service area. The County Service Area consists of 1775 acres of land surrounding the new Port of Entry.
BOUNDARY:	*(See Attached Map)*



GATEWAY - County Service Area

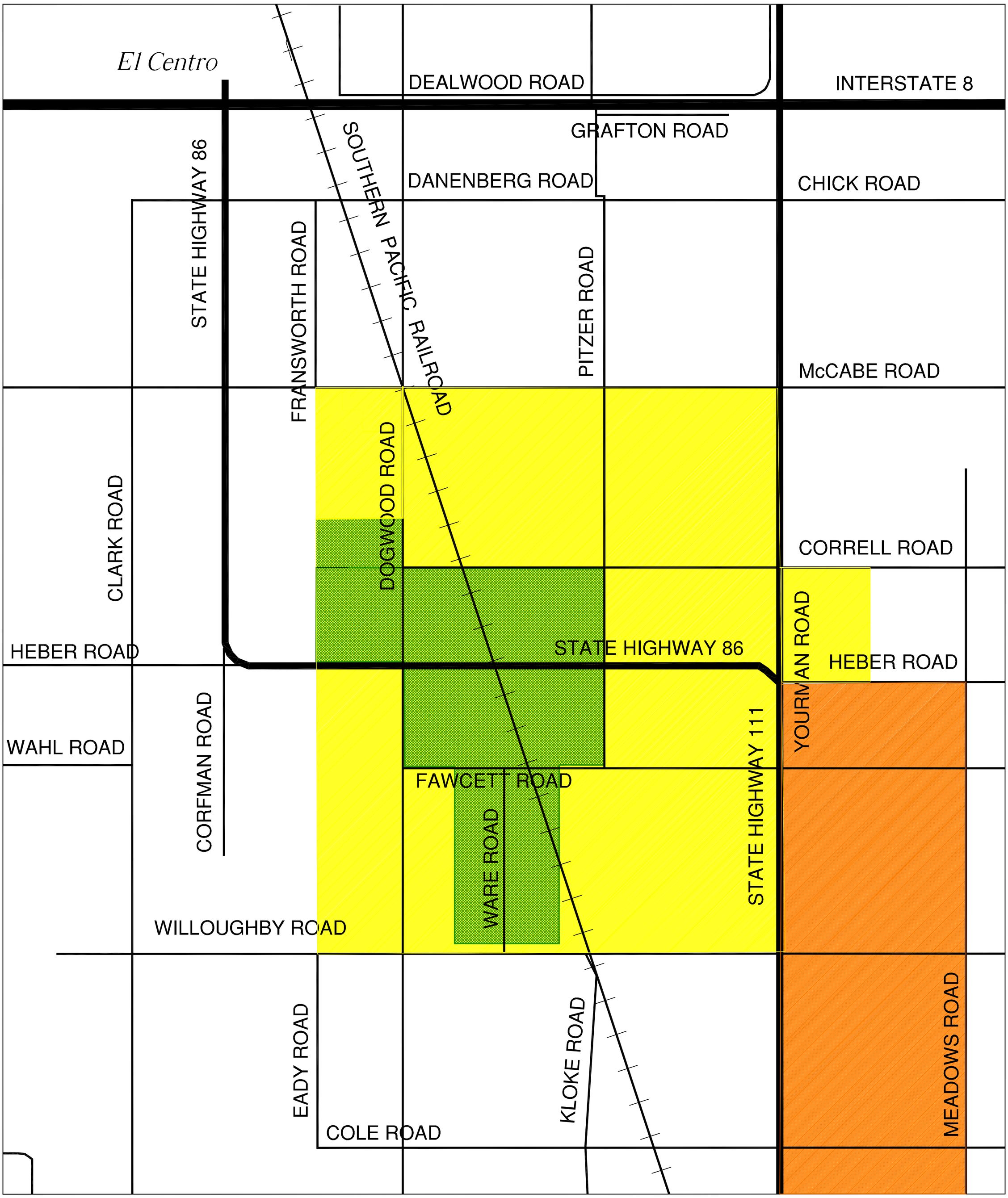
local agency formation commission

EXHIBIT 6

SERVICE AREA:

HEBER PUBLIC UTILITY DISTRICT

ADDRESS:	1078 Dogwood Road, Suite 103 Heber, CA 92249
CONTACT:	John Jordan, General Manager *Phone:* (760) 482-2440 *Fax:* (760) 353-9951 *E-mail:* jjordan@heber.ca.gov
ENABLING LEGISLATION:	Public Utility District Act of 1921 Public Utilities Code Sections 15532 et seq.
DATE OF FORMATION:	November 7, 1931
GOVERNING BOARD:	Board of Directors consists of a five-member board elected at large to serve four-year terms. Vacancies are filled by the remaining directors within 90 days of the vacancy or call for an election. If neither is done within the 90 days the board shall call for an election.
POWERS & FUNCTIONS:	To acquire, construct, own, operate, control or use works for supplying the inhabitants with light, water, power, heat, transportation, telephone service or other communication, or means for disposition of garbage, sewage or refuse matter. It may operate a fire department, public parks, public playgrounds, golf courses, public swimming pools, recreation buildings, and drainage projects.
PRESENT OPERATIONS:	At present operating a water works and sewage system to provide water to the inhabitants of the district and to provide sewage disposal.
BOUNDARY:	*(See Attached Map)*



Heber Public Utility District

local agency formation commission

EXHIBIT 7

HEBER SPHERE OF INFLUENCE

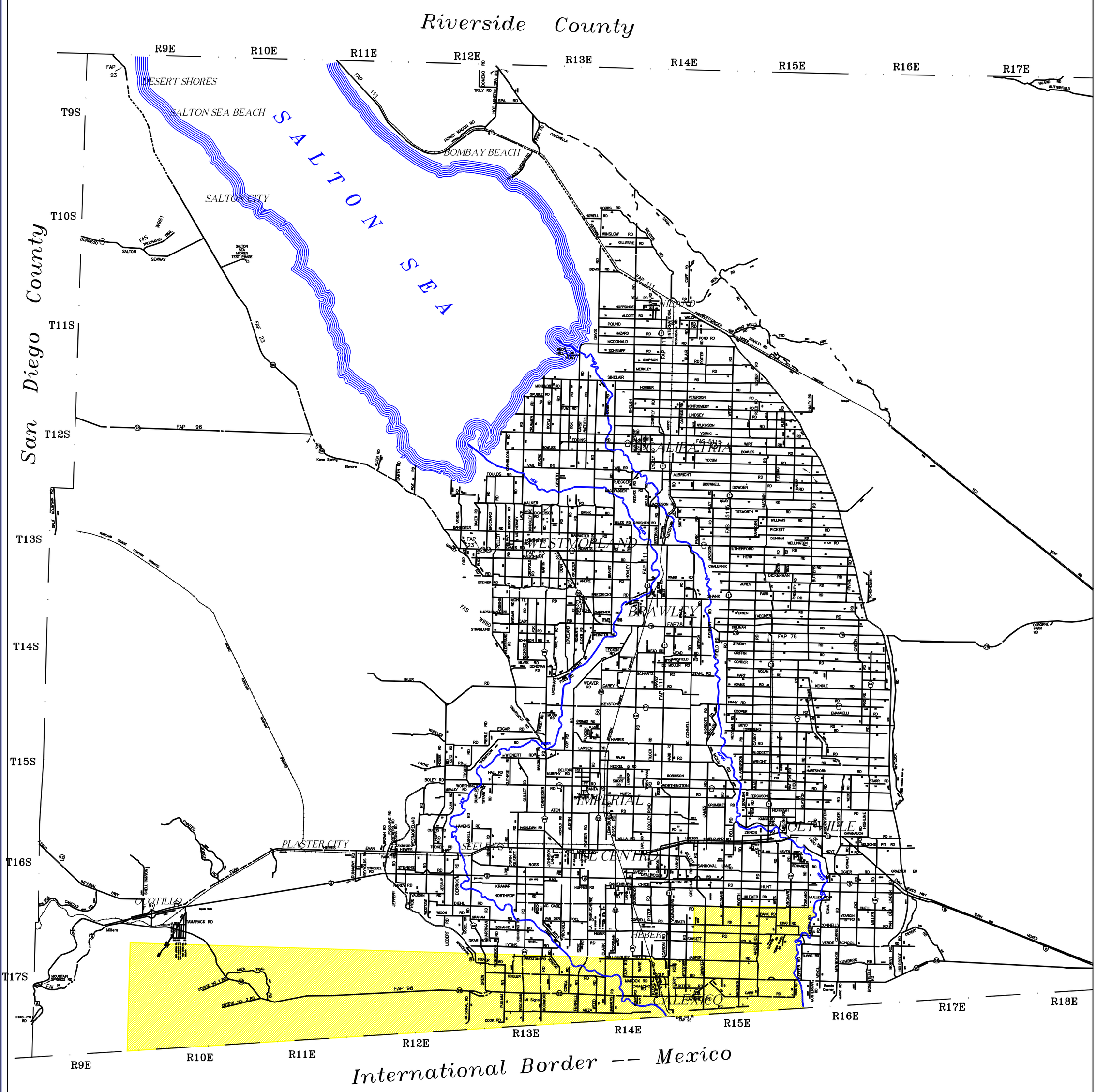
EXISTING PUBLIC UTILITY DISTRICT AREA

CALEXICO SPHERE OF INFLUENCE

SERVICE AREA:

HEFFERNAN MEMORIAL HOSPITAL DISTRICT

ADDRESS:	101 W Hacienda Drive Plaza, Suite 9 Calexico, CA 92231
CONTACT:	Norma M. Apodaca *Phone:* (760) 357-6566 *Fax:* (760) 357-0849
ENABLING LEGISLATION:	California Health & Safety Code Section 32000 et seq.
DATE OF FORMATION:	1947
GOVERNING BOARD:	Board of Directors consists of a five-member board elected at large to serve four years. Vacancies are filled by appointment of the remaining members of the board.
POWERS & FUNCTIONS:	May sue or be sued, purchase, lease, control, convey, encumber, property of every kind for benefit of the district; administer any trust declared or created for hospitals of the district; employ legal counsel; employ such officers and employees to carry on the business of the district; operate free clinics and health education programs; operate ambulance services and provide rules and regulations for medical staff.
PRESENT OPERATIONS:	Operating the Calexico Hospital.
BOUNDARY:	*(See Attached Map)*



Heffernan Memorial Hospital District

local agency formation commission

EXHIBIT 8

SERVICE AREA:

IMPERIAL IRRIGATION DISTRICT

ADDRESS: P. O. Box 937
Imperial, CA 92251

CONTACT: James C. Hanks, Board of Directors, President
Phone: (760) 339-9477
Fax: (760) 339-9392
Email: bjbrady@iid.com

ENABLING LEGISLATION: California Water Code 20700 et seq.

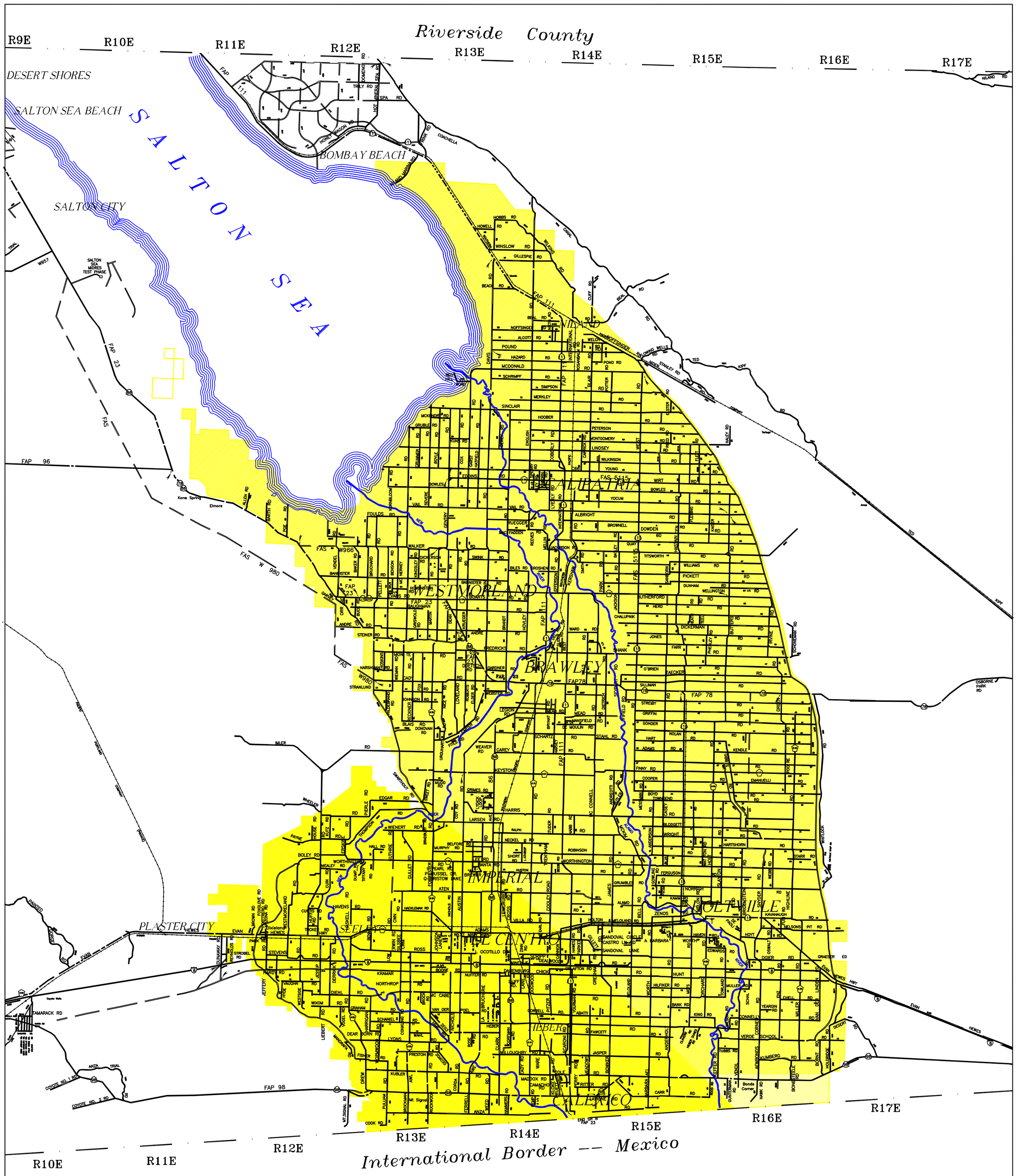
DATE OF FORMATION: 1911

GOVERNING BOARD: Board of Directors consists of five members elected at large to serve staggered four-year terms. Vacancies are filled pursuant to Section 1780 Government Code.

POWERS & FUNCTIONS: A district may control, distribute, store, spread, sink, treat, purify, recapture, and salvage any water including but not limited to sewage waters for the beneficial use or uses of the district or its inhabitants. Any district may purchase or lease electric power from any agency, public or private, and may provide for acquisition, operation and control plants for the generation, transmission distribution, sale, and lease of electric power, including sale to municipalities, public utility district, or persons.

PRESENT OPERATIONS: The Imperial Irrigation District includes 1,062,290 gross acres, including most of Imperial County and portions of San Diego and Riverside Counties (Coachella Valley Area). Operations are divided into a Water Division, which diverts and distributes Colorado River water to nine cities and nearly 500,000 acres of agricultural lands in Imperial Valleys and a Power Division responsible for generation and distribution of electrical power.

BOUNDARY: *(See Attached Map)*



Imperial Irrigation District

local agency formation commission

EXHIBIT 9

SERVICE AREA:

NILAND COUNTY SERVICE AREA NO. 1

ADDRESS: Imperial County Public Works
155 South 11th Street
El Centro, CA 92243

CONTACT: William Brunet, Director
Imperial County Public Works
Phone: (760) 482-4462
Fax: (760) 352-1272
Email: williambrunet@co.imperial.ca.us

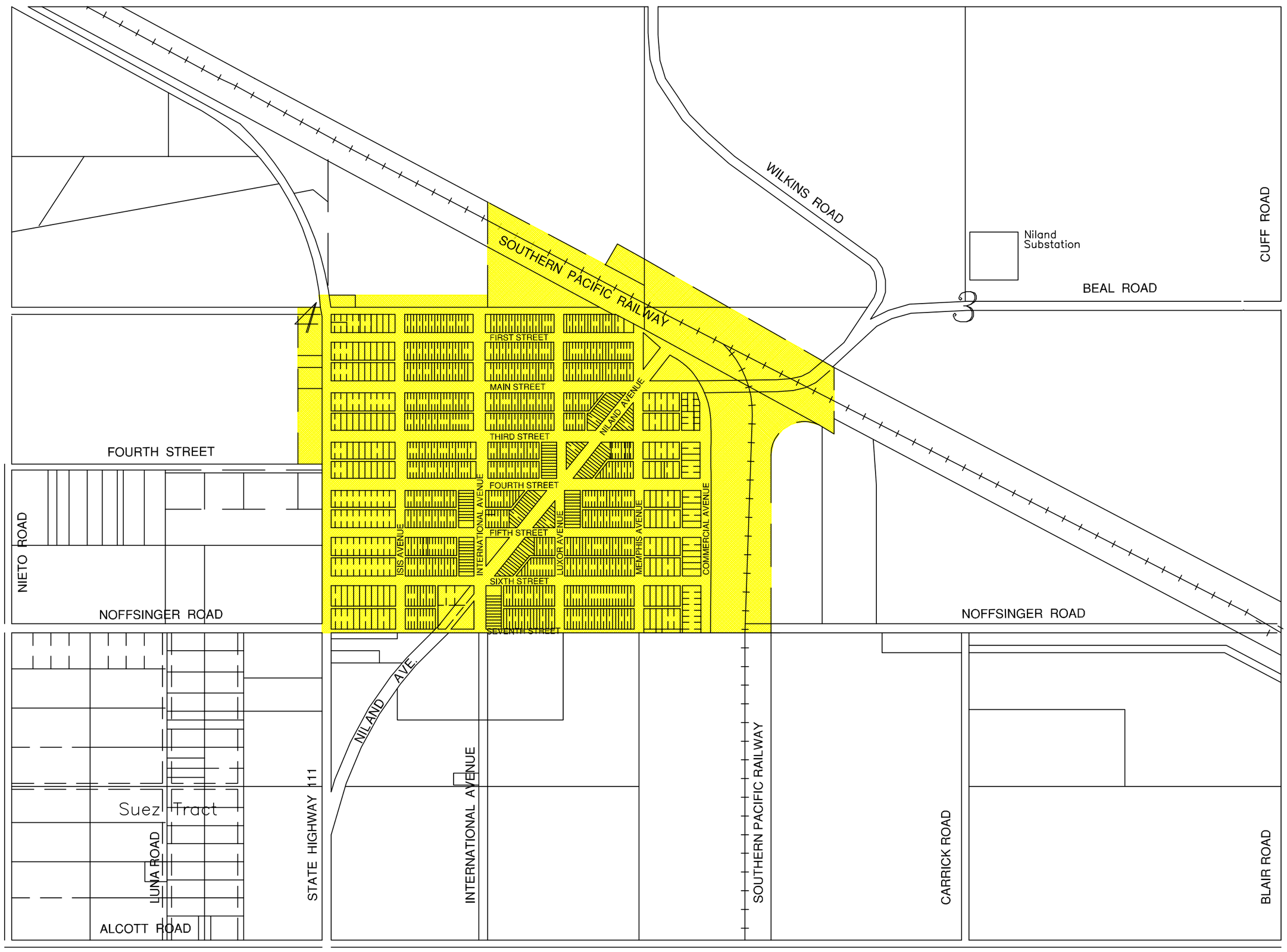
ENABLING LEGISLATION: Government Code Sections 25210.1 et seq.

DATE OF FORMATION: December 13, 1978

GOVERNING BOARD: Imperial County Board of Supervisors

PRESENT OPERATIONS: This county service area was formed for the purpose of providing street lighting for the community of Niland, an unincorporated area located in northern Imperial County, on State Highway No. 111, and the main line of the Southern Pacific Railroad. The Department of Public Works administers the service area.

BOUNDARY: *(See Attached Map)*



Niland County Service Area No.1

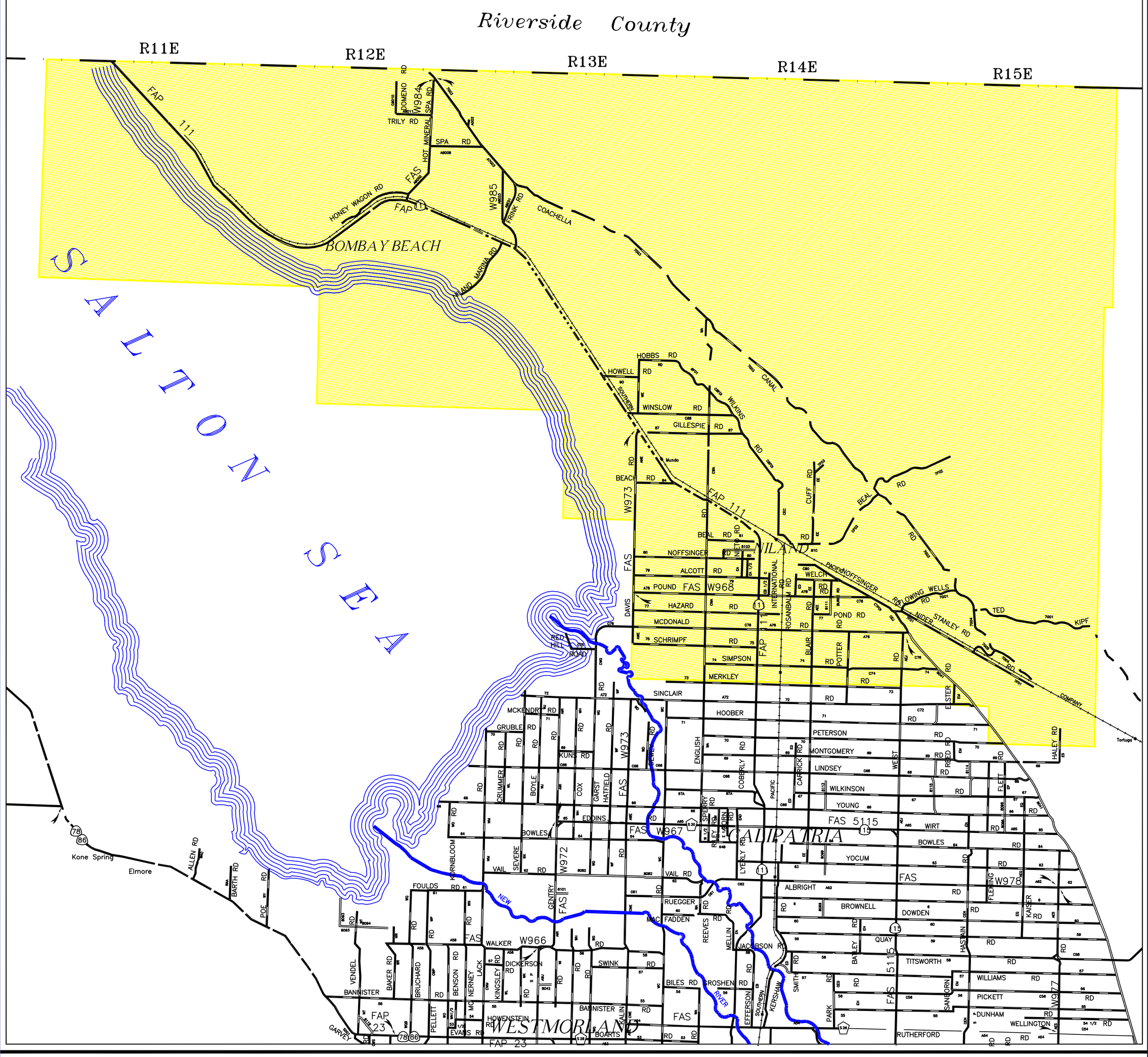
local agency formation commission

EXHIBIT 10

SERVICE AREA:

NILAND FIRE DISTRICT

ADDRESS:	P.O. Box 1 8071 Luxor Avenue Niland, CA 92257
CONTACT:	Tony Rouhotas, County Fire Chief *Phone:* (760) 482-2420 *Email:* tonyrouthotas@co.imperial.ca.us
ENABLING LEGISLATION:	Health and Safety Code Section 13801, et seq. Fire Protection District Law of 1961
DATE OF FORMATION:	All fire districts were re-organized in 1967.
GOVERNING BOARD:	Board of Directors consists of three members elected at large. A vacancy occurring in the office of director shall be filled by a person selected by the remaining directors.
POWERS & FUNCTIONS:	To establish, equip, and maintain a fire department, and to establish and enforce rules and regulations for the administration, operation and maintenance thereof. To take acquire, dispose of real property or personal property of every kind. Exercise the right to eminent domain.
PRESENT OPERATIONS:	Maintaining a fire department and training firemen.
BOUNDARY:	*(See Attached Map)*



Niland Fire Protection District

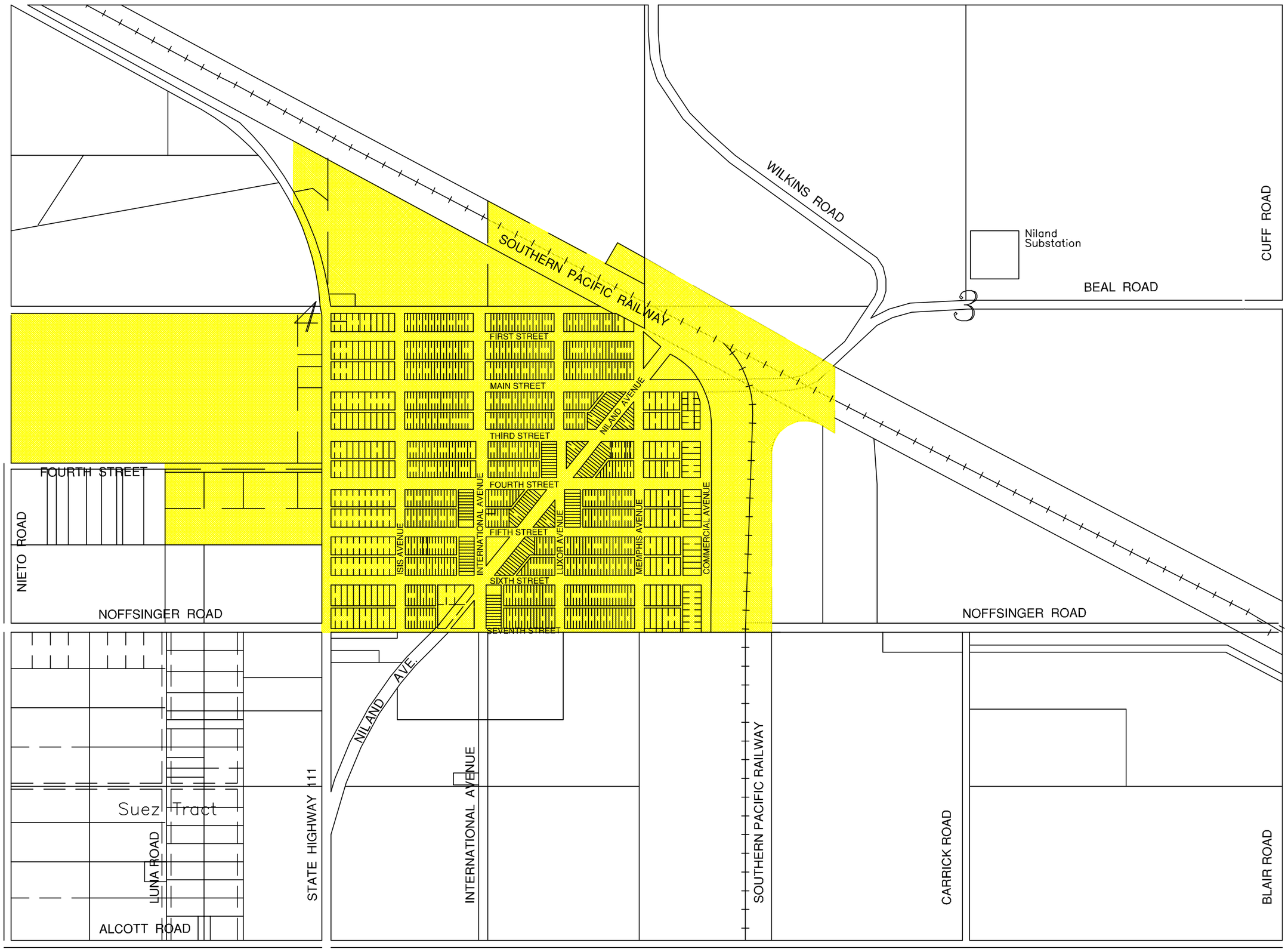
local agency formation commission

EXHIBIT 11

SERVICE AREA:

NILAND SANITARY DISTRICT

ADDRESS:	125 W. Alcott Road P. O. Box 40 Niland, CA 92257
CONTACT:	David Godsey, General Manager *Phone:* (760) 359-0454 *Fax:* (760) 359-0108 *Email:* dkgodsey@hotmail.com
ENABLING LEGISLATION:	California Health & Safety Code Section 6400-6830
DATE OF FORMATION:	October 1, 1945
GOVERNING BOARD:	Board of Directors consists of five members elected at large for four-year terms. Vacancies are filled by the remaining directors of the board.
POWERS & FUNCTIONS:	May acquire, construct, maintain, and operate such garbage dump sites and garbage collections and disposal systems, sewers, drains, septic tanks and sewage collections and other sanitary disposal systems as necessary; may collect fees, tolls, rates, rentals for service and facilities used; may contract for joint acquisition or construction of sewers with other agencies; bonds permitted.
PRESENT OPERATIONS:	Maintains primary and secondary sewage treatment with sewer collection lines with outfall to evaporation pond.
BOUNDARY:	*(See Attached Map)*



Niland Sanitary District

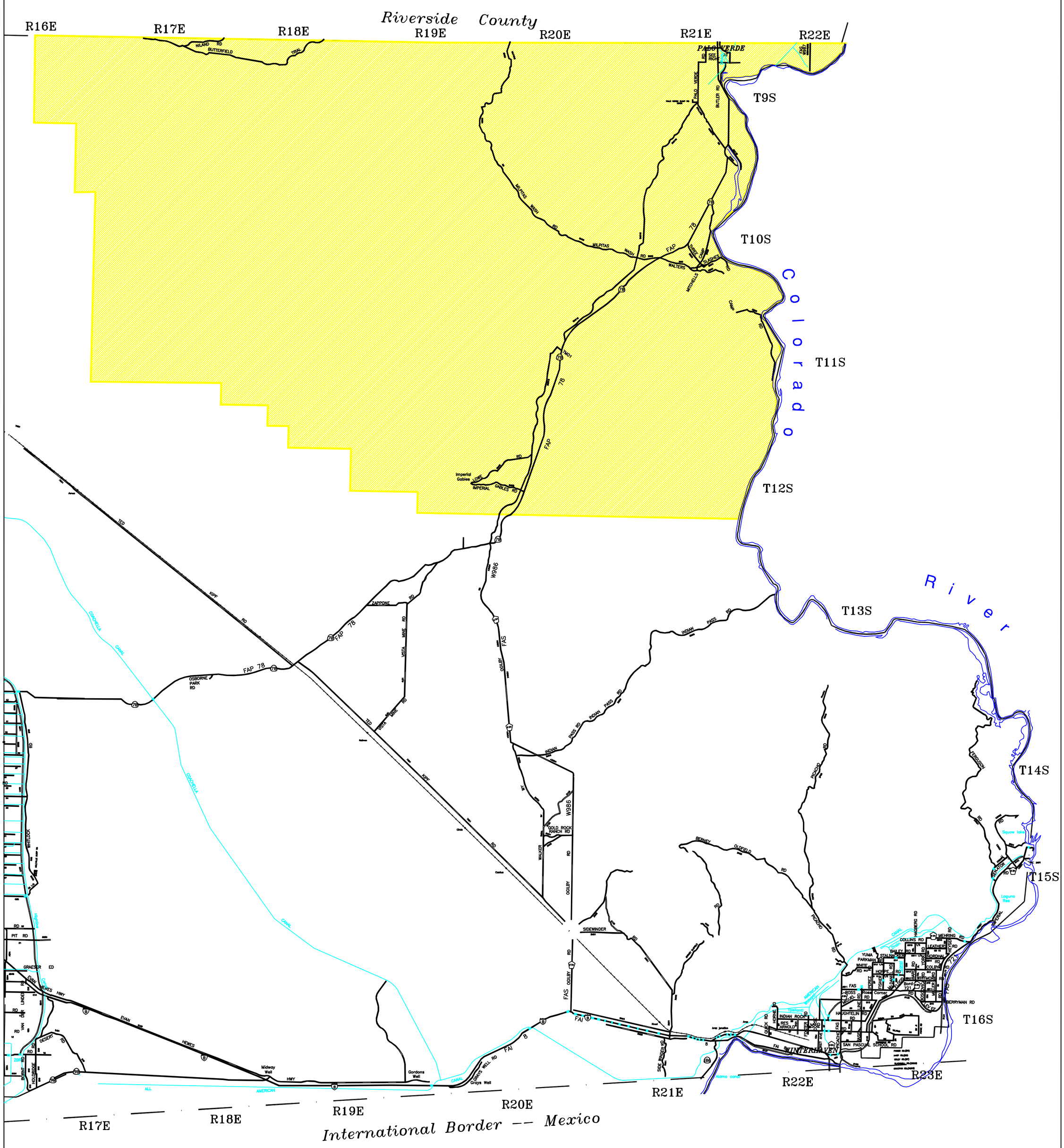
local agency formation commission

EXHIBIT 12

SERVICE AREA:

PALO VERDE RESOURCES CONSERVATION DISTRICT

ADDRESS:	P. O. Box 610 200 E. Murphy Street, Room 102 Blythe, CA 92226
CONTACT:	Bob Hull, Secretary Joey De Connick, President *Phone:* (760) 922-3446 *Fax:* (760) 922-2463 *Email:* raul.alvarado@ca.usda.gov
ENABLING LEGISLATION:	California Public Resources Code Section 9060-9360
DATE OF FORMATION:	The larger portion of the District lies within Riverside County.
GOVERNING BOARD:	Board of Directors consists of five members elected to serve four-year terms. Vacancies of appointed directors are filled for the unexpired term by the Board of Supervisors. A vacancy in office of director who has been elected shall be filled pursuant to Section 1780 Government Code.
POWERS & FUNCTIONS:	To carry on a community-wide program under local control concerning soil and water conservation in the district; may enter into contracts or agreements with the State, the United States, any county or other district; may tax land; may sue or be sued; may acquire, lease and dispose of lands and property; will develop soil and water conservation plans.
PRESENT OPERATIONS:	Formulates policies for the conservation of soil and water with the confines of the district; to conserve soil and water by direct assistance to farmers and ranchers and to urban areas when requested. The Federal Government assists with advice and technical expertise through the Bureau of Land Management at Yuma, AZ.
BOUNDARY:	*(See Attached Map)*



Palo Verde Resource Conservation District

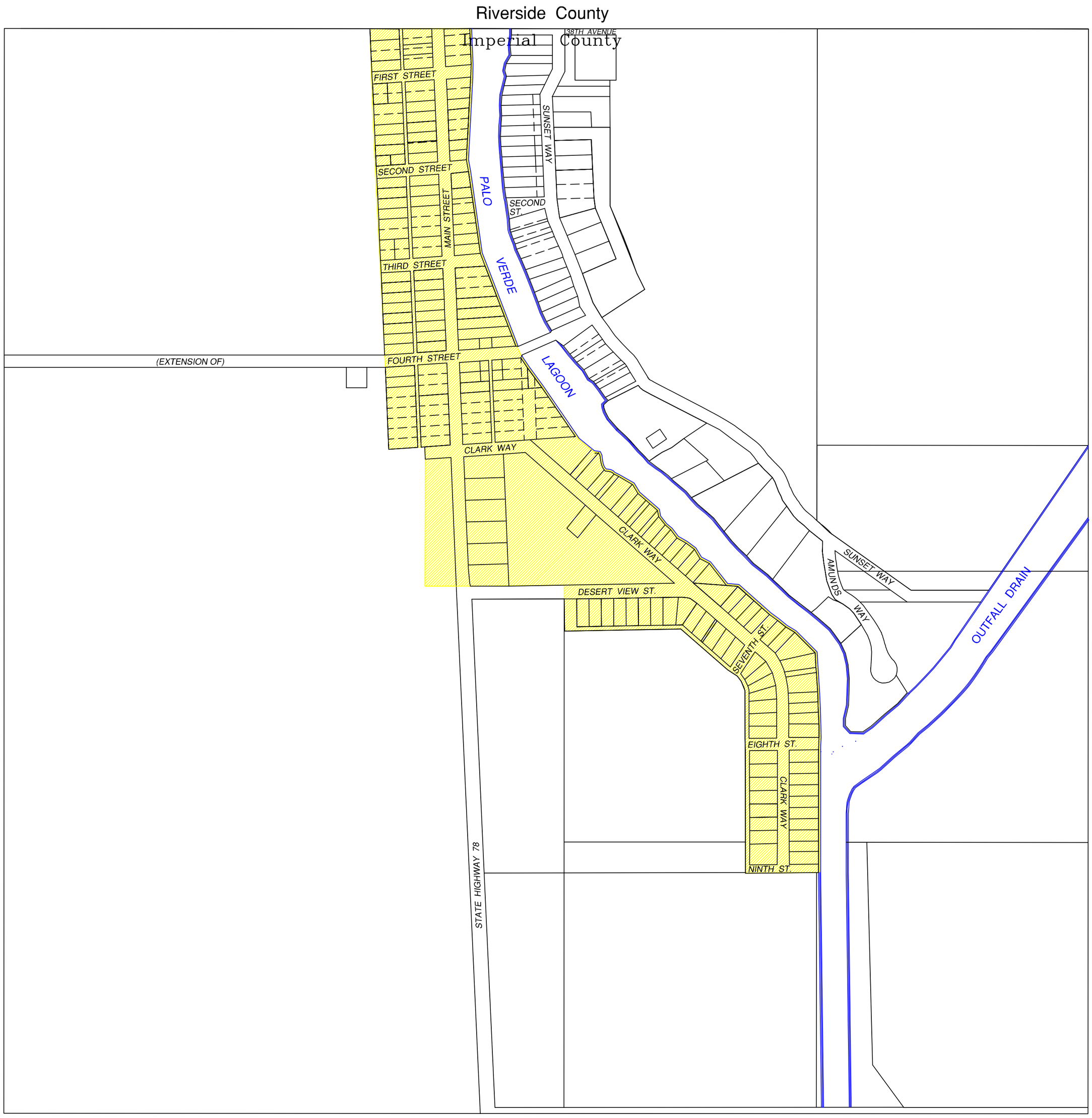
local agency formation commission

EXHIBIT 13

SERVICE AREA:

PALO VERDE COUNTY WATER DISTRICT

ADDRESS:	1060 Desert View Palo Verde, CA 92266
CONTACT:	Kathi Sanders, Office Manager *Phone:* (760) 854-3519 *Fax:* (760) 854-3519 *E-mail:* pvwaterworks@airwaveme.net
ENABLING LEGISLATION:	Incorporated March 2, 1962
DATE OF FORMATION:	1962
GOVERNING BOARD:	Each district shall have a board of five directors each of whom, whether elected or appointed, shall be a voter of the district.
POWER AND FUNCTIONS:	To provide domestic water to residents and businesses within the District and outside the District by special dispensation of the Board.
PRESENT OPERATIONS:	The principle area of the District lies within the Imperial County, South to Oxbow County Park and North to the County Line.
BOUNDARY:	*(See Attached Map)*



Palo Verde County Water District

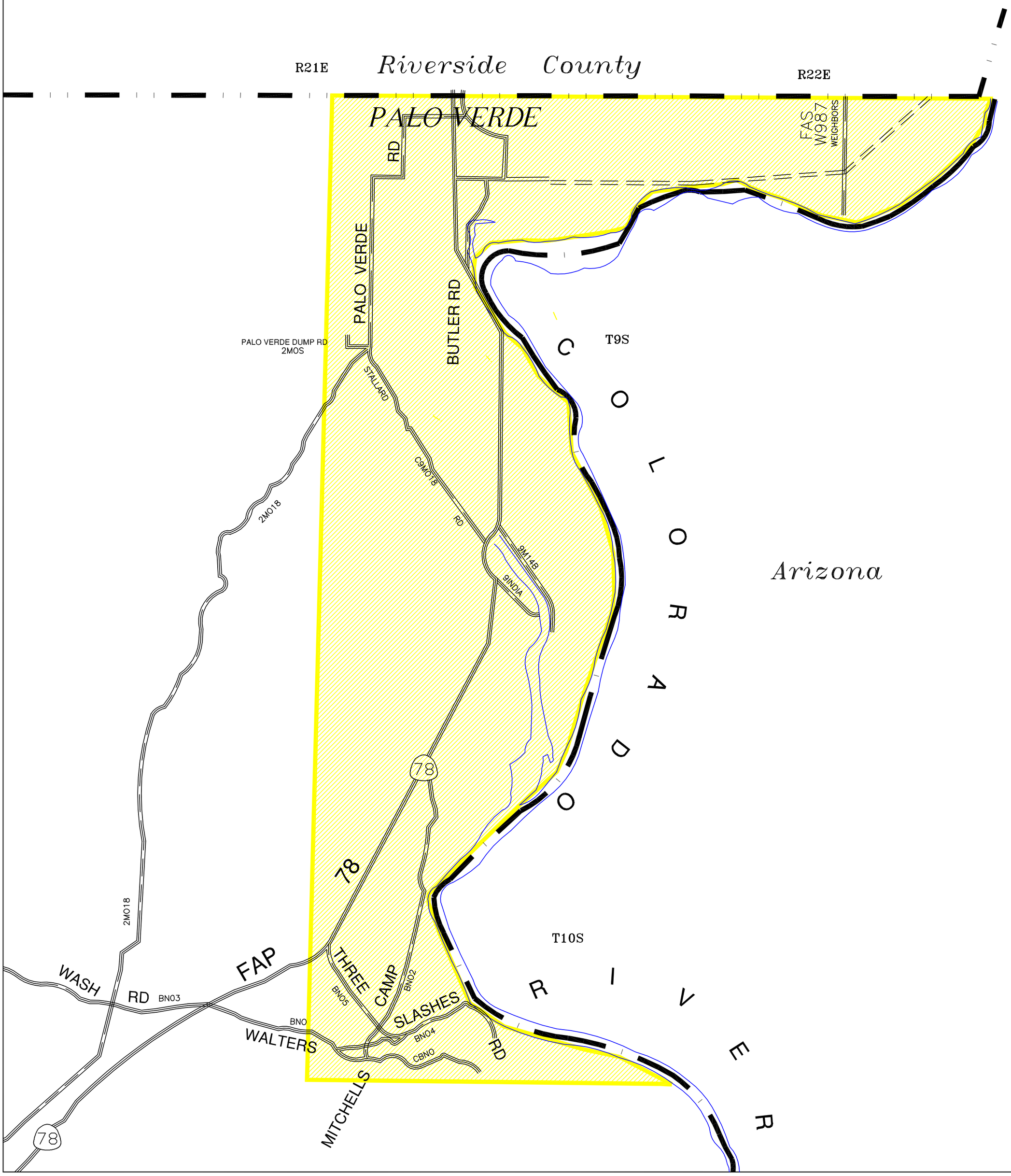
local agency formation commission

EXHIBIT 14

SERVICE AREA:

PALO VERDE IRRIGATION DISTRICT

ADDRESS:	180 West 14th Ave. Blythe, CA 92225
CONTACT:	Ed Smith, General Manager *Phone:* (760) 922-3144 *Fax:* (760) 922-8294 *E-mail:* ed.smith@pvid.org
ENABLING LEGISLATION:	Palo Verde Irrigation District Act of 1923
DATE OF FORMATION:	1923
GOVERNING BOARD:	Board of Trustees consists of seven members elected at large from among the owners of property within the District. A vacancy occurring in the office of Trustee shall be filled by a person selected by the remaining Trustees.
POWERS & FUNCTIONS:	To provide irrigation water to farmers and to construct and maintain adequate facilities for irrigation and drainage. Have perpetual succession and existence. Sue and be sued.
PRESENT OPERATIONS:	Providing irrigation water to farmers and improving drainage conditions within the District. The District boundaries embrace 189 square miles of which only 12 lies within Imperial County. The greater portion lies in Riverside County.
BOUNDARY:	*(See Attached Map)*



Palo Verde Irrigation District

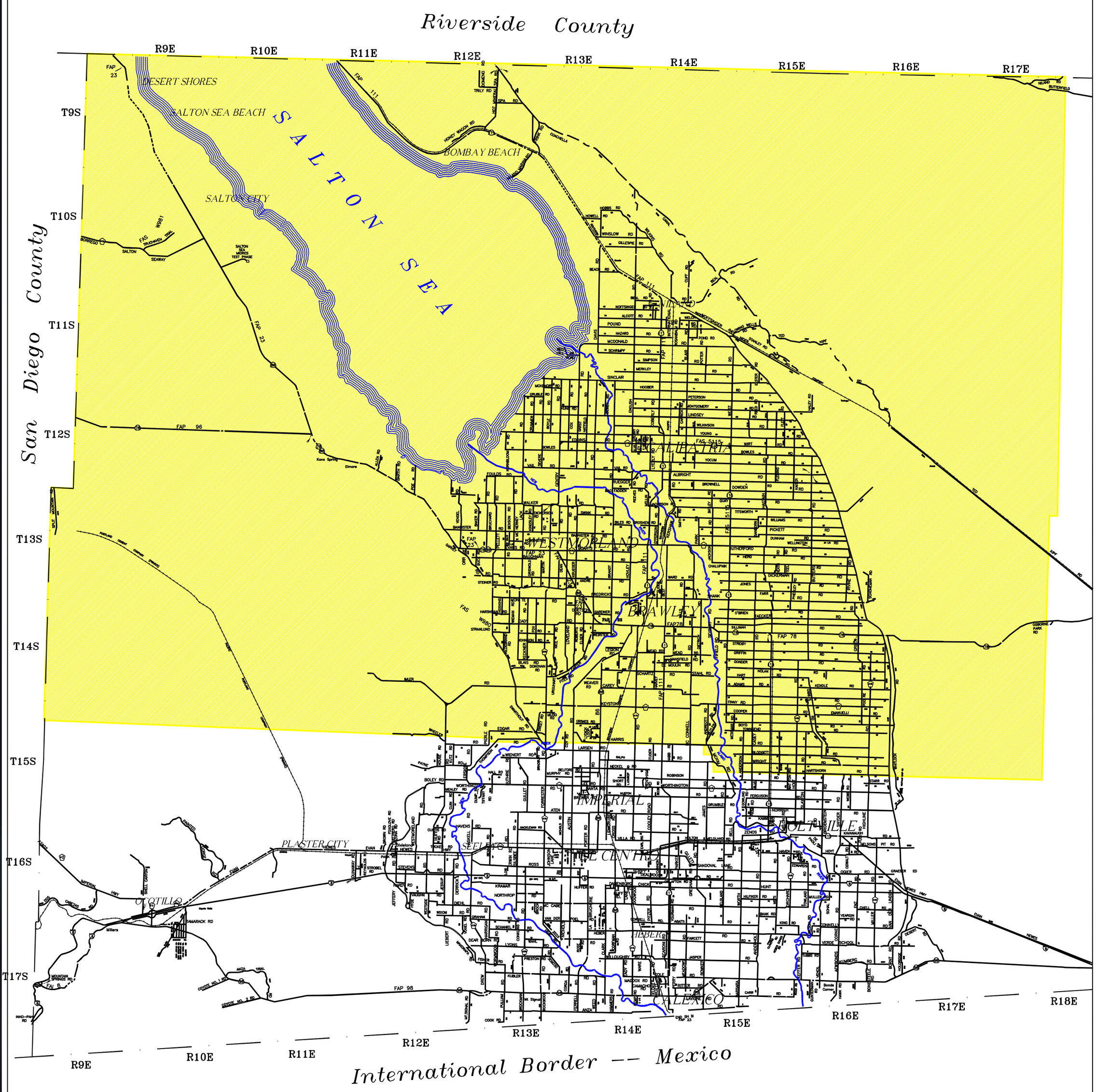
local agency formation commission

EXHIBIT 15

SERVICE AREA:

PIONEERS MEMORIAL HOSPITAL DISTRICT

ADDRESS:	207 W. Legion Road Brawley, CA 92227
CONTACT:	Richard Mendoza, Administrator, CEO *Phone:* (760) 351-3250 *Fax:* (760) 351-4489 *E-mail:* rlmendoza@pmhd.org
ENABLING LEGISLATION:	California Health & Safety Code Section 32000 et seq.
DATE OF FORMATION:	July 8, 1947
GOVERNING BOARD:	Board of Directors consists of a five-member board elected at large to serve four-year terms. Vacancies are filled by appointment of the remaining members of the board.
POWERS & FUNCTIONS:	May sue or be sued; purchase, lease control, convey, encumber property of every kind for benefit of the district; administer any trust declared or created for hospitals of the district; employ legal counsel; employ such officers and employees to carry on the business of the district; operate free clinics and health service programs; operate ambulance services; and provide rules and regulations for the medical staff.
PRESENT OPERATIONS:	Operate the Pioneers Memorial Hospital
BOUNDARY:	*(See Attached Map)*



Pioneers Memorial Hospital District

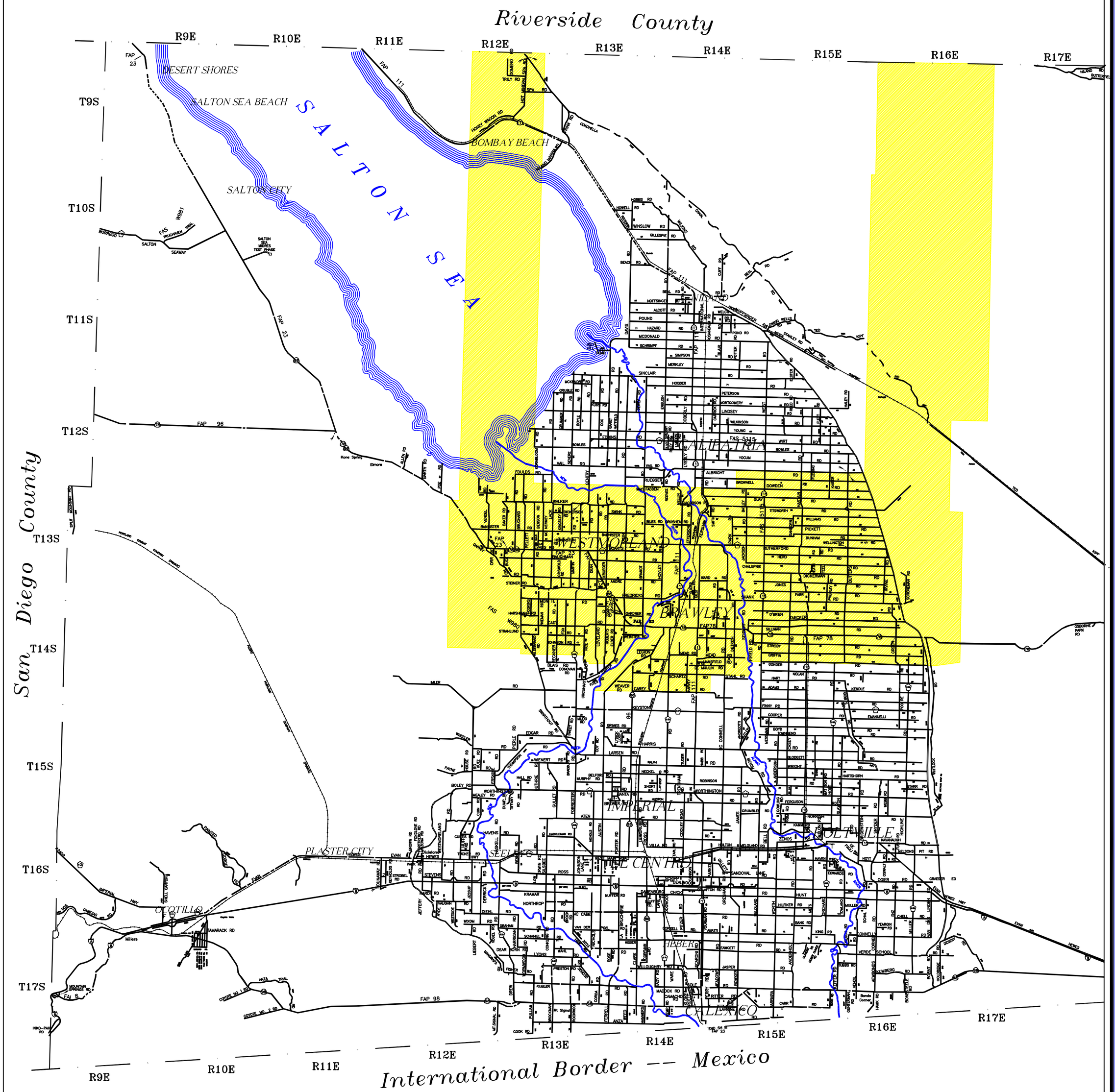
local agency formation commission

EXHIBIT 16

SERVICE AREA:

RIVERVIEW CEMETERY DISTRICT

ADDRESS:	P. O. Box 597 4700 Hovley Road Brawley, CA 92227
CONTACT:	Carrie Perryman, General Manager *Phone:* (760) 344-4921 *Fax:* (760) 344-7965 *E-mail:* riverviewcemetery@sbcglobal.net
ENABLING LEGISLATION:	Health & Safety Code Sections 8890-9309
DATE OF FORMATION:	May 5, 1920
GOVERNING BOARD:	Board of Trustees consists of three members appointed to a four-year term by the Board of Supervisors. A vacancy shall be filled by a person selected by the Board of Supervisors. Trustees shall be residents and voters of the District.
POWERS & FUNCTIONS:	The district may sue or be sued. Maintains a cemetery or cemeteries, limited in use to burial in the ground of residents or taxpayers of the district or former residents or taxpayers of the district who purchased lots or plots while residents or taxpayers of the district, or members of their families.
PRESENT OPERATIONS:	Maintains Riverview Cemetery located in the northwest of Brawley, at 4700 Hovley Road.
BOUNDARY:	*(See Attached Map)*



Riverview Cemetery District

local agency formation commission

EXHIBIT 17

SERVICE AREA:

SALTON COMMUNITY SERVICE DISTRICT

(Formerly Desert Shores Community Services District)

ADDRESS: P. O. Box 5268
2098 Frontage Road
Salton City, CA 92275

CONTACT: Rosa Reagles, General Manager
Phone: (760) 394-4446
Fax: (760) 394-4242
E-mail: rmr@saltoncsd.ca.gov

ENABLING LEGISLATION: California Government Code Sections 61000 et seq. (Community Services District Law)

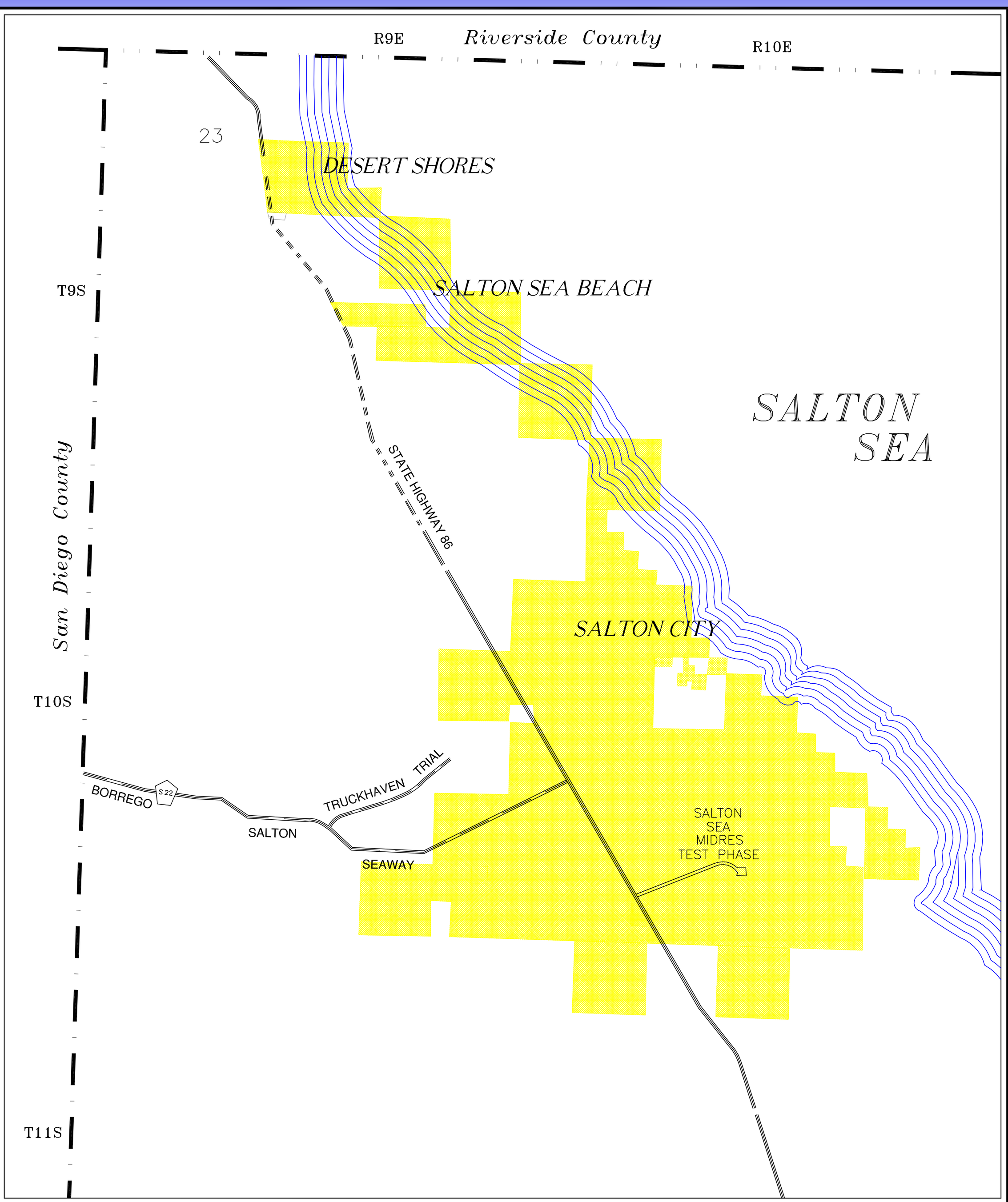
DATE OF FORMATION: June 13, 1955

GOVERNING BOARD: Board of Directors consists of five members elected at large. The Directors serve alternating four-year terms. Vacancies in the office of director shall be filled by appointment by remaining directors or special elections.

POWERS & FUNCTIONS: Items A through H, Section 61600, Enumeration of Powers. To supply inhabitants of the district with facilities for sanitation, industrial use, police protection, fire protection, parks and recreation, sewage and storm water disposal; may acquire real and personal property to perform these functions; may incur bonded indebtedness. By Chapter 59, Statutes 1985 enforcement of the Covenants Conditions and Restrictions of all 86 Tracts within the District. Water for domestic use is supplied by the Coachella Valley Water District with main offices in Coachella, Riverside County, CA.

PRESENT OPERATIONS: Provides municipal type services for the residents of the District which lies on the West side of Salton Sea between the Imperial-Riverside County lines and approximately twelve miles southerly.

BOUNDARY: *(See Attached Map)*



Salton Community Service District

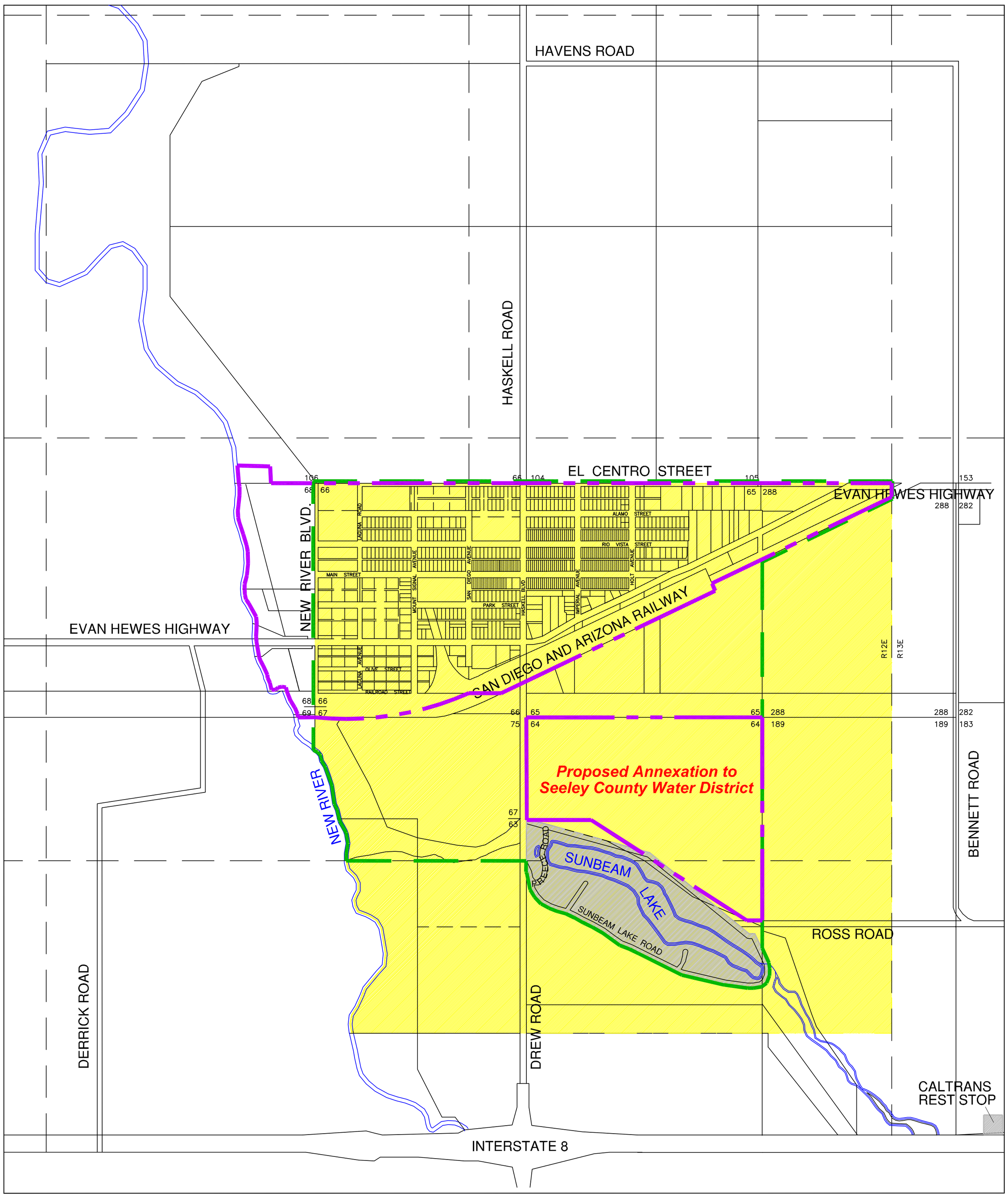
local agency formation commission

EXHIBIT 18

SERVICE AREA:

SEELEY COUNTY WATER DISTRICT

ADDRESS:	P. O. Box 161 1898 West Main Street Seeley, CA 92273
CONTACT:	Sandra Estigoy, General Manager *Phone:* (760) 352-6612 *Fax:* (760) 352-0589 *Email:* sandraestigoy@gmail.com
ENABLING LEGISLATION:	California Water Code Sections 30000 et seq.
DATE OF FORMATION:	July 18, 1960
GOVERNING BOARD:	Board of Directors consists of five members board elected at large to serve four-year terms. Vacancies are filled by appointment of the remaining members of the board elected.
POWERS & FUNCTIONS:	To furnish water for present and future use; to acquire water rights; store and conserve water; salvage storm and sewage water; operate sewage facilities and irrigation works; operate recreational and fire protection facilities; reclaim lands; bonds are permitted.
PRESENT OPERATIONS:	Operate water and sewage facilities for the Townsite of Seeley.
BOUNDARY:	*(See Attached Map)*



Seeley County Water District

local agency formation commission

Sphere of Influence Area

Service under Contract

District Service Area

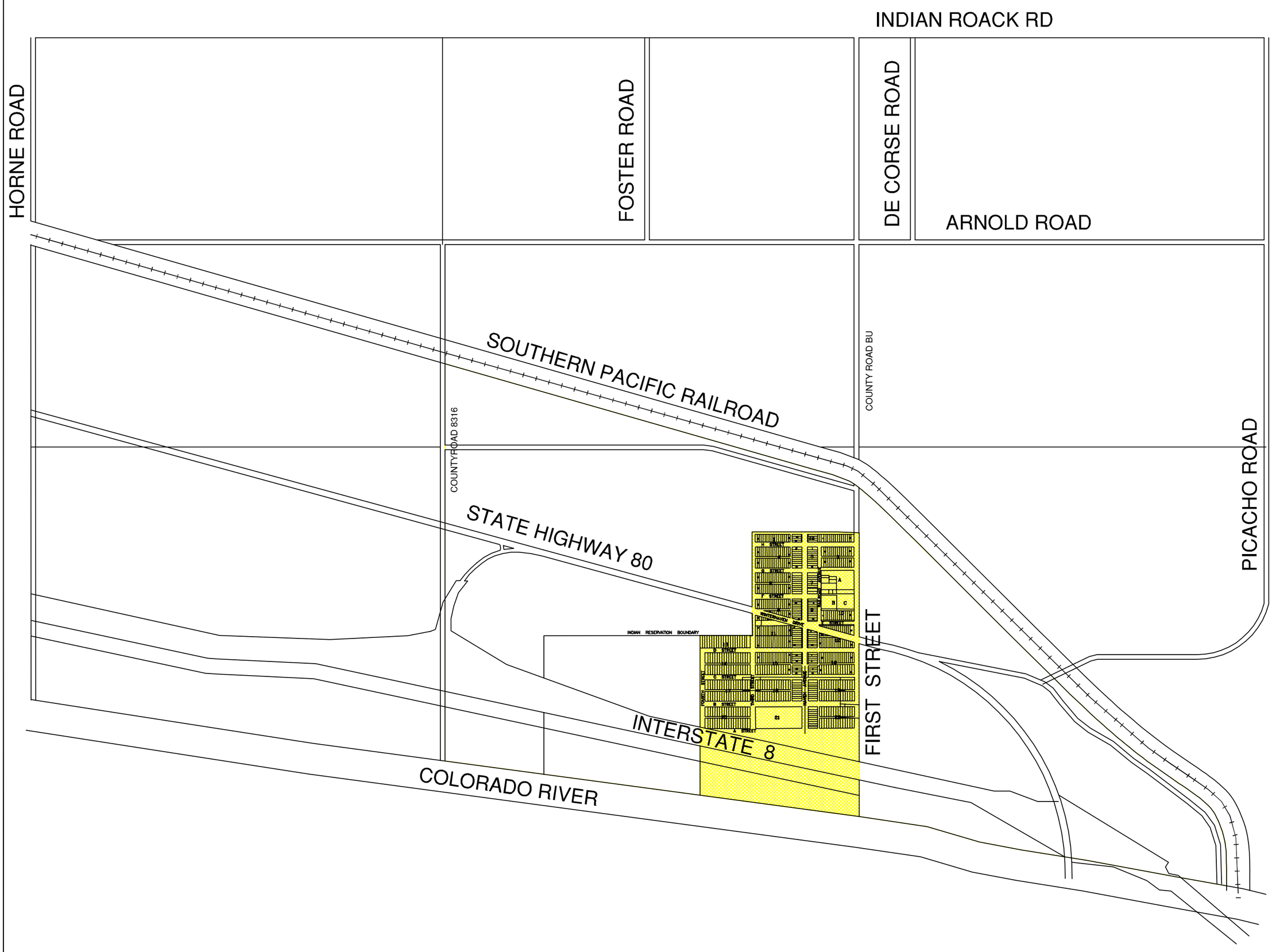
Proposed Sphere of Influence Boundary

EXHIBIT 19

SERVICE AREA:

WINTERHAVEN COUNTY WATER DISTRICT

ADDRESS:	P. O. Box 787 494 2nd Ave. Winterhaven, CA 92283
CONTACT:	Rudy Alcala, Manager *Phone:* (760) 572-0177 *Fax:* (760) 572-0178 *Email:* rcacala@tds.net
ENABLING LEGISLATION:	California Water Code Sections 30000 et seq.
DATE OF FORMATION:	February 24, 1971
GOVERNING BOARD:	Board of Directors consists of five-member board elected at large to serve four-year terms. Vacancies are filled by appointment of the remaining members of the board elected.
POWERS & FUNCTIONS:	To furnish water for present and future use; to acquire water rights; store and conserve water; salvage storm and sewage water; operate sewage facilities and irrigation works; operate recreational and fire protection facilities; reclaim lands; bonds are permitted.
PRESENT OPERATIONS:	Provide potable water to the inhabitants of the district. Operate water and sewage facilities to the inhabitants of the district.
BOUNDARY:	*(See Attached Map)*



Winterhaven County Water District

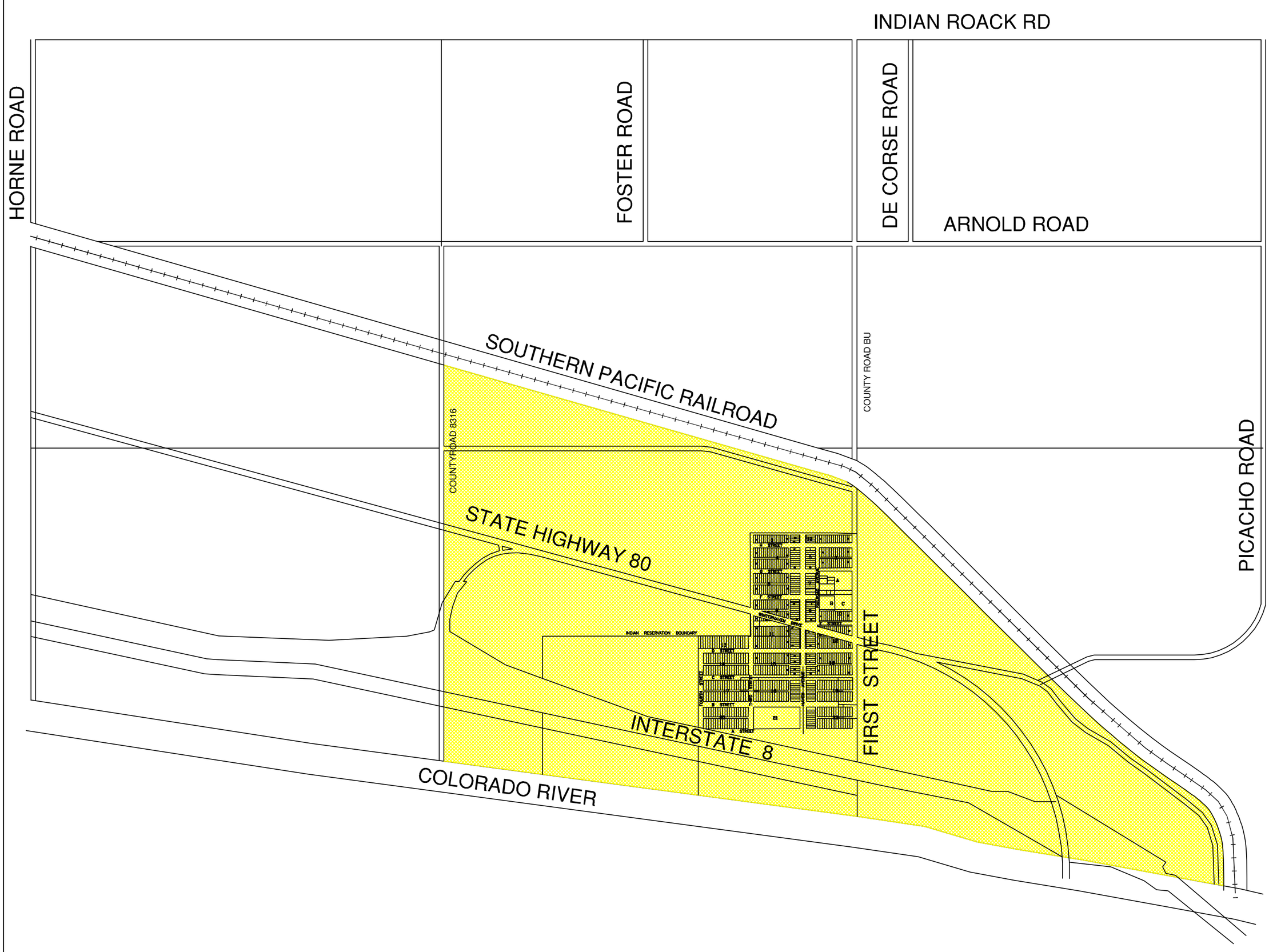
local agency formation commission

EXHIBIT 20

SERVICE AREA:

WINTERHAVEN FIRE PROTECTION DISTRICT

ADDRESS:	P. O. Box 906 495 South 3rd Avenue Winterhaven, CA 92283
CONTACT:	Steve Taylor, Fire Chief *Phone:* (760) 572-0549 *Fax:* (760) 572-5615 *Email:* chieftaylor@digitaldune.net
ENABLING LEGISLATION:	Health & Safety Code, Section 13801, et seq.
DATE OF FORMATION:	All fire districts were re-organized in 1967.
GOVERNING BOARD:	Board of Directors consists of five members elected at large, serving four-year terms. Vacancies occurring in the office of director shall be filled by a person selected by the remaining members, subject to the provisions of Section 1780 of the Government Code of the State of California.
POWERS & FUNCTIONS:	To establish, equip and maintain a fire department, and to establish and enforce rules and regulations for the administration, operation and maintenance thereof. To take, acquire and dispose of real or personal property of every kind. Exercise the right of eminent domain.
PRESENT OPERATIONS:	Maintain a fire department, training firemen.
BOUNDARY:	*(See Attached Map)*



Winterhaven Fire District

local agency formation commission

EXHIBIT 21

SPECIAL DISTRICTS DISSOLVED OR INOPERATIVE

DISTRICT		DISSOLVED		SUCCESSOR-IN-INTEREST
BARD IRRIGATION DISTRICT		11/06/73		BARD WATER DISTRICT
BRAWLEY COUNTY WATER DISTRICT		1990		
OCOTILLO FIRE PROTECTION DISTRICT				
PALO VERDE SANITARY DISTRICT		*		PALO VERDE COUNTY WATER DISTRICT
POE COLONIA COUNTY SERVICE AREA				
SALTON SEA WATER DISTRICT		1991 (anticipated)		
SEA OASIS COMMUNITY SERVICE DISTRICT		**		
SEELEY PUBLIC UTILITIES DISTRICT		*		SEELEY COUNTY WATER DISTRICT
WESTMORLAND SANITARY DISTRICT		9/16/40		CITY OF WESTMORLAND
WINTERHAVEN SANITARY DISTRICT		4/06/71		WINTERHAVEN COUNTY WATER DISTRICT

* These districts were not dissolved by the Board of Supervisors upon formation of the successor-in-interest districts.

** This district has not been operative since its formation. It is located in the Salton City area and is presently used as a Boy Scout Camp as donated by Will Ward.

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CHAPTER IX CITY SPHERE OF INFLUENCE BOUNDARIES

For maps please contact the Executive Officer to LAFCO, Jurg Heuberger by e-mail at jurgh@iclafco.com or the Clerk to LAFCO, Danielle Bruce at (760) 353-4115 or by e-mail at danielleb@iclafco.com.

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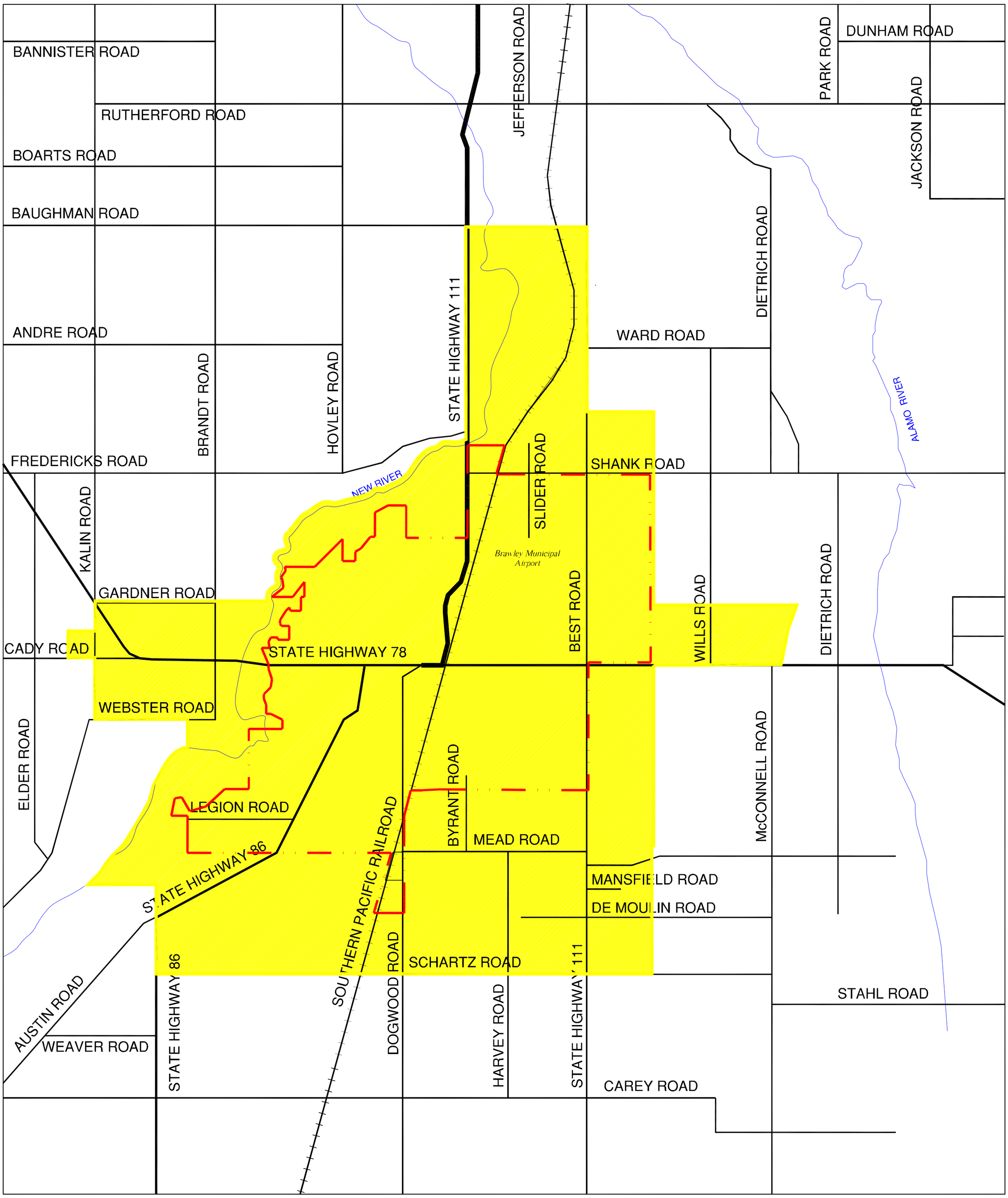
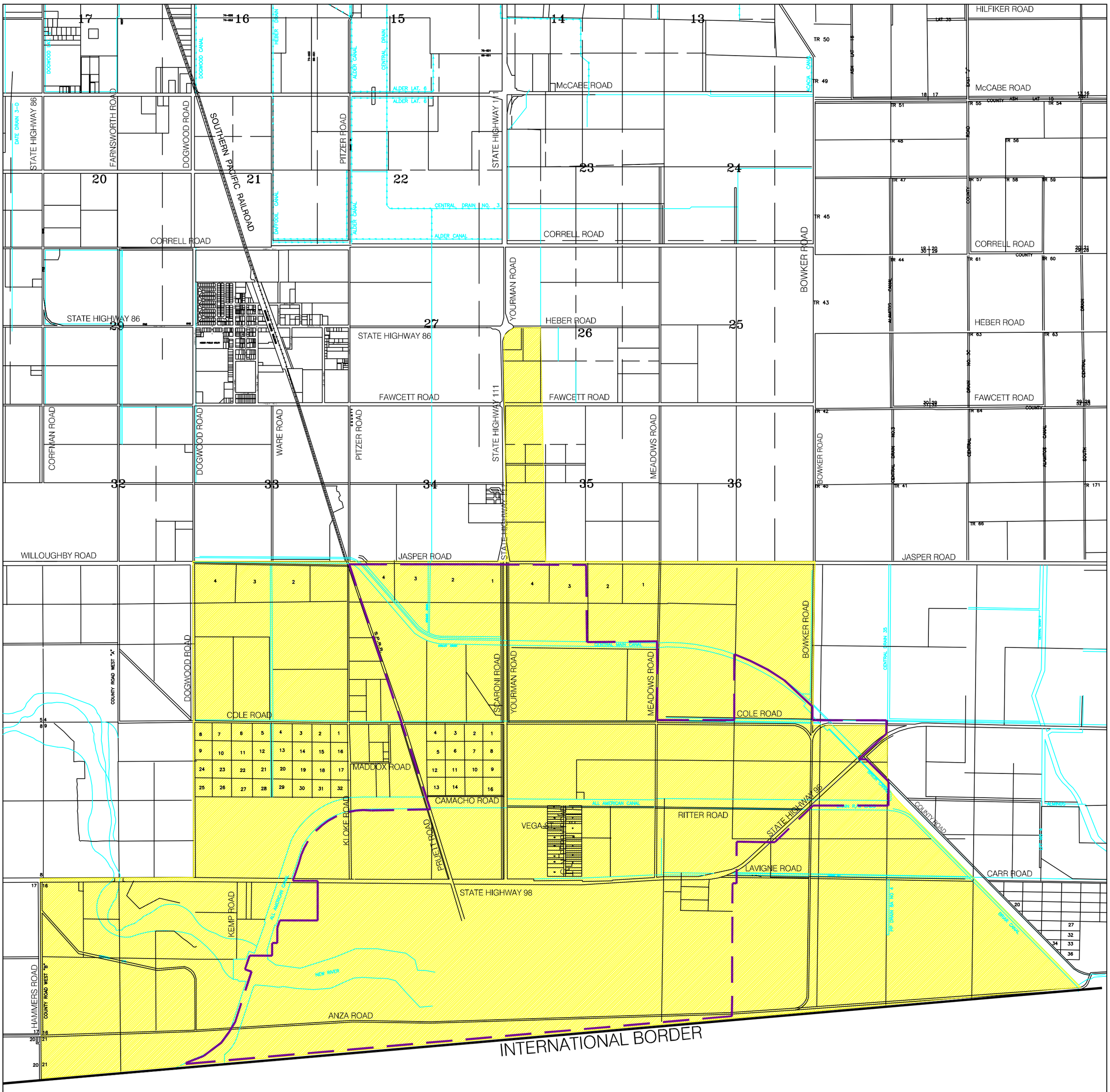


Brawley Sphere of Influence

local agency formation commission

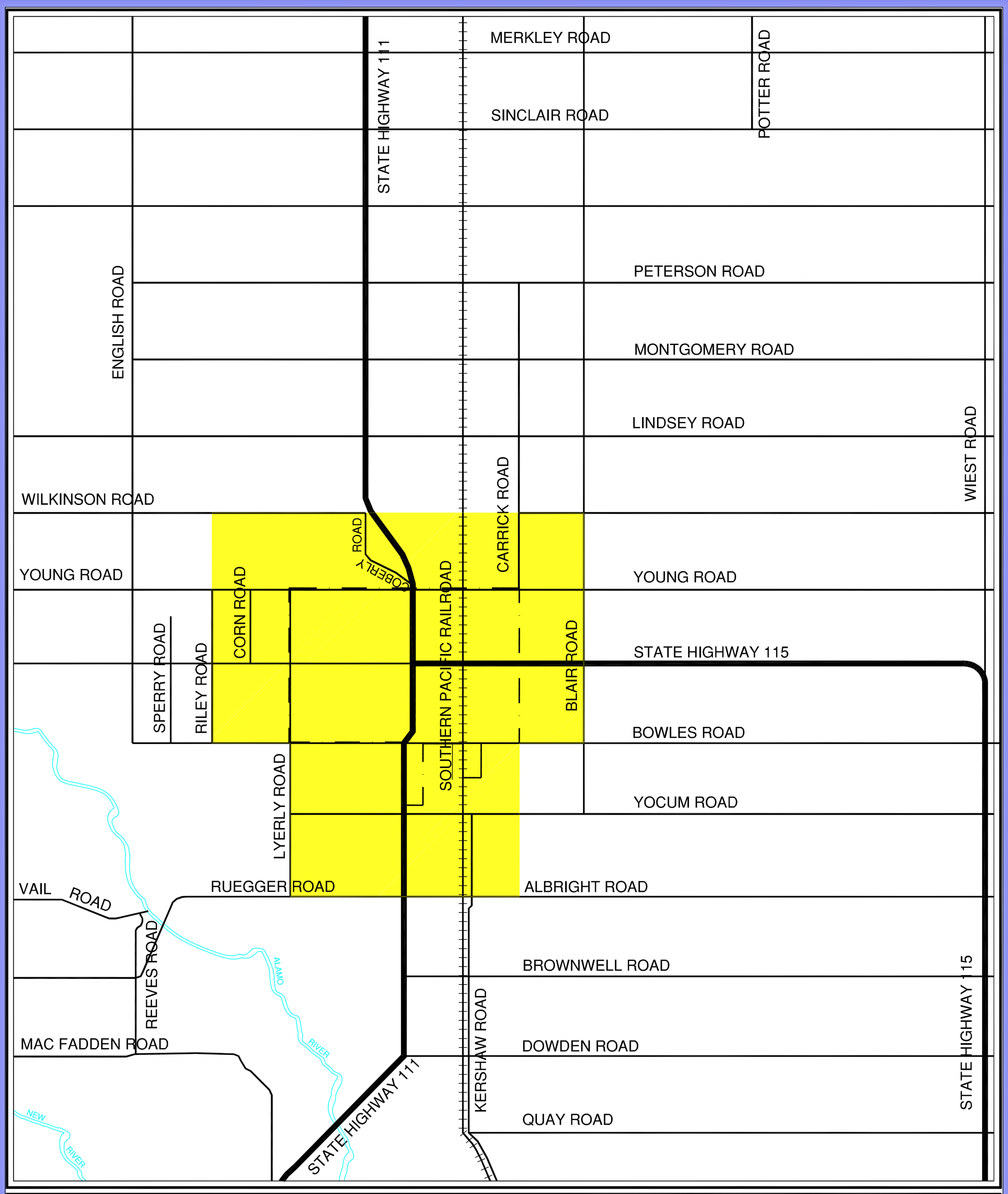
EXHIBIT A



Calexico Sphere of Influence

local agency formation commission

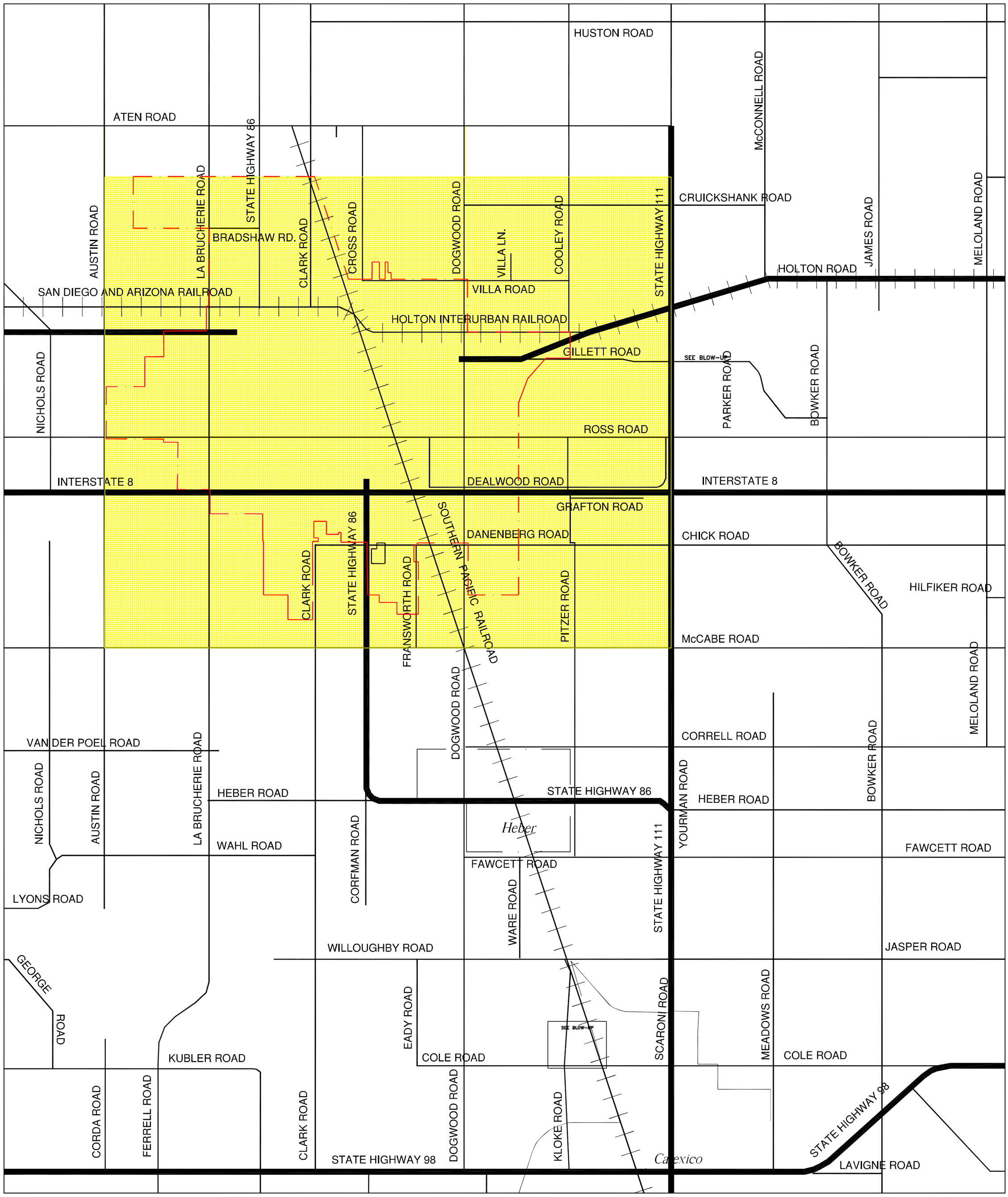
EXHIBIT B



Revised Calipatria Sphere of Influence

local agency formation commission

EXHIBIT C



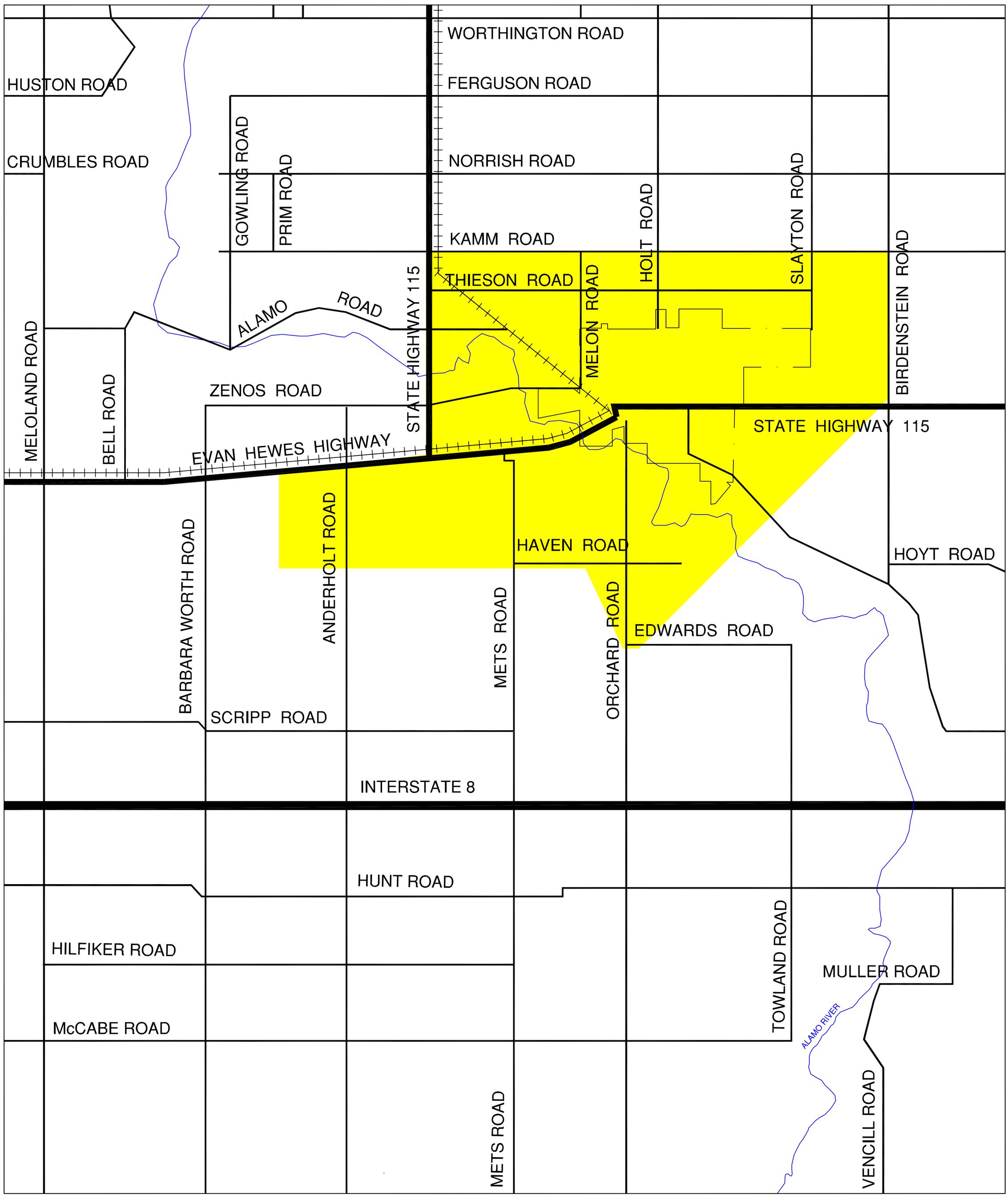
El Centro Sphere of Influence

local agency formation commission

City Limits

Sphere of Influence

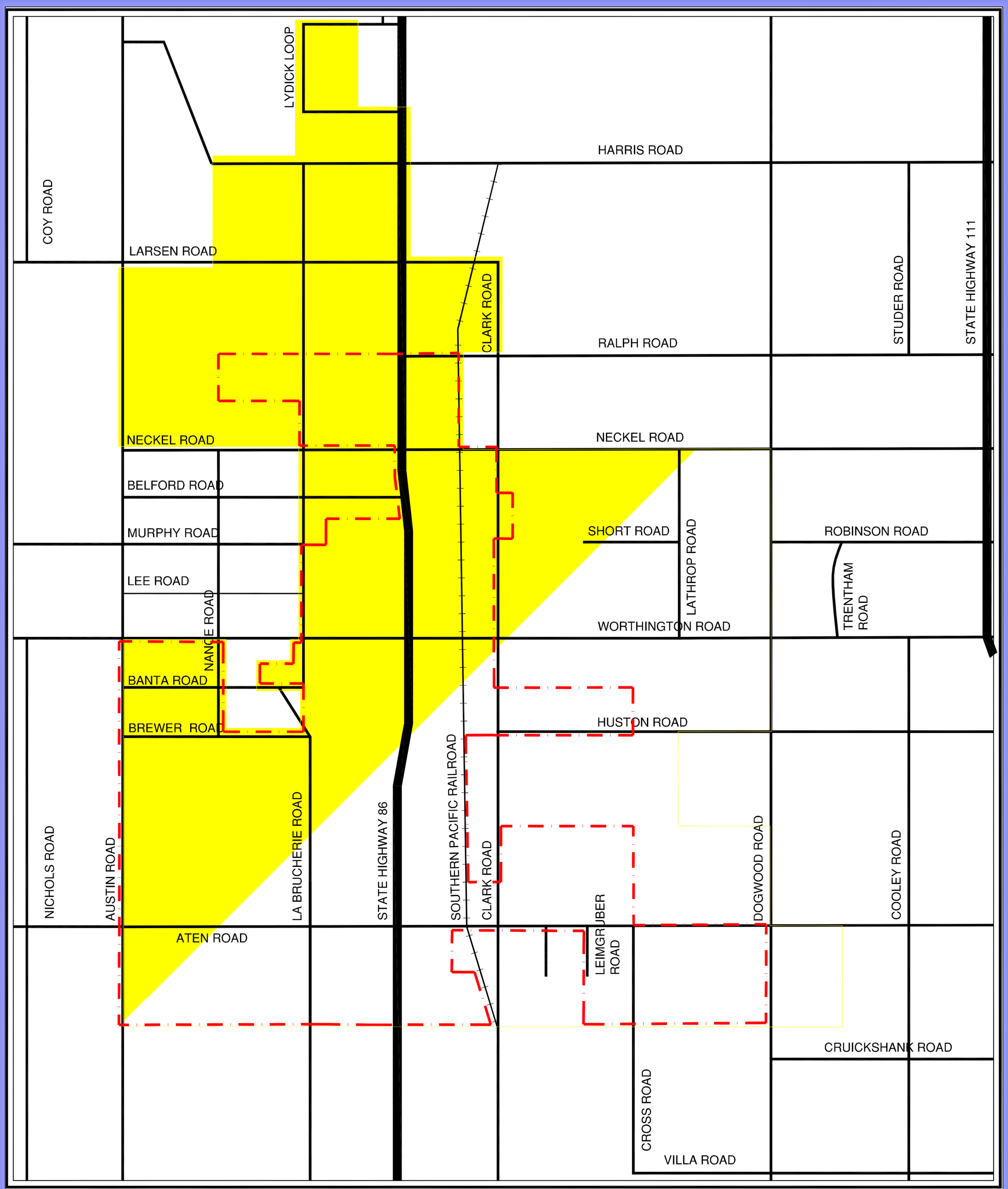
EXHIBIT D



Holtville Sphere of Influence

local agency formation commission

EXHIBIT E



City of Imperial Sphere of Influence

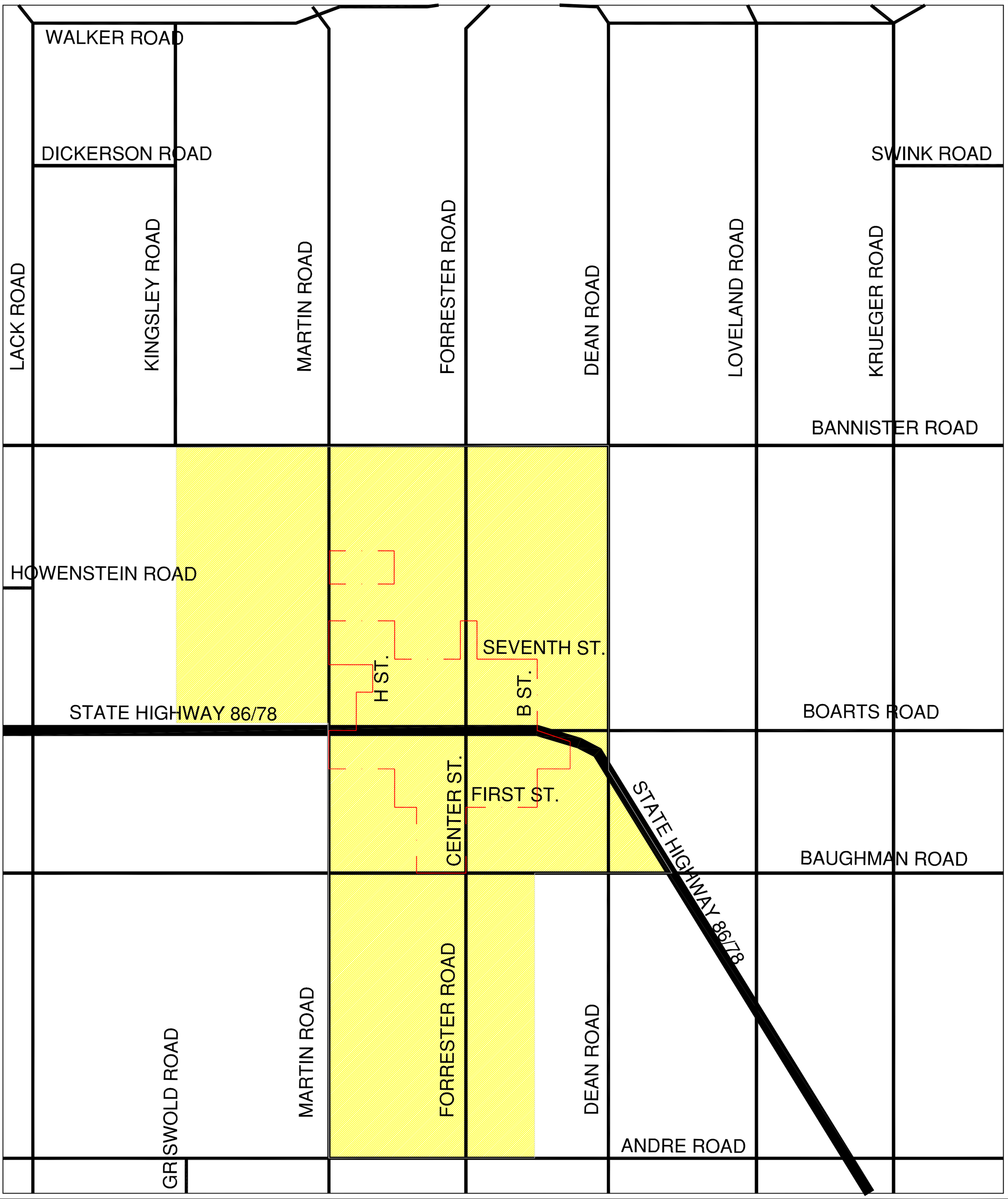
local agency formation commission

City Limits

Sphere of Influence

Approved: June 26, 2008

EXHIBIT F



Westmorland Sphere of Influence

local agency formation commission

EXHIBIT G

EXHIBIT A

[LAFCO FILING & PROCESSING FEES]

The following schedule represents the LAFCO fee schedule as of the date of adoption shown on the schedule itself. Please consult with the Executive Officer for the most current fee schedule.

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LAFCO FILING & PROCESSING FEES

I: LAFCO PROCESSING FEES: (1)

____	(a)	Processing fee for annexation(s) of ***uninhabited*** territory to a city or district (Less than 1 acre).	**$2,000.00**
____	(b)	Processing fee for annexation(s) of ***uninhabited*** territory to a city or district (1-10 acres).	**T/M**
____	(c)	Processing fee for annexation(s) of ***uninhabited*** territory to a city or district (>10 acres).	**T/M**
____	(d)	Processing fee for annexation(s) of ***inhabited*** territory to a city or district (Less than 1 acre).	**$2,000.00**
____	(e)	Processing fee for the annexation of ***inhabited*** territory to a city or district (1-10 acres).	**T/M**
____	(f)	Processing fee for annexation of ***inhabited*** territory to a city or district (>10 acres).	**T/M**
____	(g)	Processing fee for district reorganization.	**T/M**
____	(h)	Processing fee for formation of a district.	**T/M**
____	(i)	Processing fee for incorporation of new city.	**T/M**
____	(j)	Processing fee for sphere of influence change.	**T/M**
____	(k)	Public Works Department Fee: Map Review Fee.	**$500.00**
____	(l)	Additional Cost incurred fee. (6)	**T/M**
____	(m)	Extension Services	**$2,000.00**

II: CALIFORNIA ENVIRONMENTAL QUALITY ACT FEES:

____	Initial Study/NOP review (only if not lead or co-lead)	**$5,000.00**
____	Review EIR as responsible agency.	**T/M**
____	Prepare contract administered EIR.	**Actual Cost plus 5% contract admin.**

III: STATE BOARD OF EQUALIZATION FEES: (2)

(Filing pursuant to Section 54900 to Section 54902 Government Code)

(a) **Single Area Transactions** (3,4)

Acreage	Fee	Acreage	Fee
Less than 1 acre	$300.00	51 – 100	$1,500.00
1 - 5	$350.00	101 – 500	$2,000.00
6 – 10	$500.00	501 – 1,000	$2,500.00
11 - 20	$800.00	1,001 – 2,000	$3,000.00
21 – 50	$1,200.00	2,001 and above	$3,500.00

(b)	Dissolutions or consolidations per district	$300.00
(c)	Entire District Transaction	$300.00
(d)	Dissolution or Name Change	$ -0-

IV: NOTE (S):

1. These fees are effective March 2012 and are payable upon filing the LAFCO application. (State fees effective August 1, 2005)
2. Set by State Law.
3. Make check payable to State Board of Equalization, give to clerk or secretary after the LAFCO has adopted a resolution.
4. Add 10% filing fee to State Board of Equalization if filed in December.
5. T & M projects shall be computed at fully burdened rate as calculated for equivalent county position with a min. **$5,000 deposit**.
6. Under "Additional Costs" the Executive Officer shall have the ability to charge T/M against a project where the processing cost has exceeded 150% of the application fee, for fixed fee projects.

EXHIBIT B

[APPLICATION FOR CHANGE OF ORGANIZATION]

The following is a typical application for requesting a change in organization such as an annexation, etc. Please consult with the Executive Officer to obtain a copy of the most current application forms.

JH\DEB\S:\LAFCO\LAFCO Manuals\2013 LAFCO MANUAL\13 Exhibits A-F.doc

LOCAL AGENCY FORMATION COMMISSION
1122 State Street, Suite D
El Centro, CA 92243
(760) 353-4115 ♦ FAX (760) 353-4132

LAFCO APPLICATION

Petition for proceedings pursuant to "The Cortese-Knox-Hertzberg Local Goverment Reorgination Act of 2000"

The undersigned hereby petition(s) the Local Agency Formation Commission of Imperial County for approval of a proposed change of organization or reorganization, and stipulate(s) as follows:

APPLICANT'S NAME		DATE
CONTACT PERSON	TELEPHONE NUMBER	
SITE ADDRESS	EMAIL ADDRESS	
CITY	STATE	ZIP CODE
NAME OF PROPOSAL		

1. THIS PROPOSAL IS MADE PURSUANT TO CALIFORNIA GOVERNMENT CODE (COMMENCING WITH SECTION 56000, CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000).

2. THE SPECIFIC CHANGE(S) OF ORGANIZATION PROPOSED IS/ARE:

- ☐ ANNEXATION
- ☐ SPHERE OF INFLUENCE
- ☐ OTHER
- ☐ DETACHMENT
- ☐ CONSOLIDATION
- ☐ INCORPORATION
- ☐ FORMATION OF _____

3. THE BOUNDARIES OF THE TERRITORY(IES) INCLUDED IN THE PROPOSAL ARE AS DESCRIBED IN EXHIBIT(S) ATTACHED HERETO AND BY THIS REFERENCE INCORPORATED HEREIN,

_____.

4. THE TERRITORY(IES) INCLUDED IN THE PROPOSAL IS/ARE:

- ☐ INHABITED (12 OR MORE REGISTERED VOTERS RESIDE)
- ☐ UNINHABITED

5. IS THIS PROPOSAL CONSISTENT WITH THE SPHERE OF INFLUENCE OF THE AFFECTED CITY AND/OR DISTRICT(S).

☐ YES ☐ NO

IMPERIAL LOCAL AGENCY FORMATION COMMISSION (LAFCO) ♦ JURG HEUBERGER, EXECUTIVE OFFICER
1122 STATE STREET, SUITE D ♦ EL CENTRO, CA 92243 ♦ Phone (760) 353-4115 ♦ Fax (760) 353-4132

6.	THE REASON(S) FOR THE PROPOSED _____ (ANNEXATION, DETACHMENT, REORGANIZATION, ETC.) IS/ARE: (DESCRIBE IN DETAIL - USE ATTACHED SHEET IF NECESSARY.) _____ _____
7.	THE PROPOSED _____ IS REQUESTED TO BE MADE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS: _____ _____ _____ _____
8.	THE PERSON(S) SIGNING THIS PETITION HAVE SIGNED AS: ☐ REGISTERED VOTERS OR ☐ OWNERS OF LAND (CHECK ONLY ONE)
9.	WOULD THIS PROPOSAL CREATE AN ISLAND OF UNINCORPORATED TERRITORY? ☐ YES ☐ NO IF YES, PLEASE EXPLAIN. _____ _____
10.	IF THE FORMATION OF A NEW DISTRICT(S) IS INCLUDED IN THE PROPOSAL: (A) THE PRINCIPAL ACT(S) UNDER WHICH SAID DISTRICT(S) IS/ARE PROPOSED TO BE FORMED IS/ARE: _____ _____ (B) THE PROPOSED NAME(S) OF THE NEW DISTRICT(S) IS/ARE: _____ _____ (C) THE BOUNDARIES OF THE PROPOSED NEW DISTRICT(S) ARE AS DESCRIBED IN EXHIBITS _____, _____, HERETOFORE INCORPORATED HEREIN.

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11.	IS THERE A GOOD LIKELIHOOD OF A SIGNIFICANT INCREASE IN POPULATION IN THE SUBJECT AREA WITHIN THE NEXT TEN YEARS? ☐ YES ☐ NO IN UNINCORPORATED AREAS? ☐ YES ☐ NO IN INCORPORATED AREAS?
12.	HOW MANY PARCELS ARE INCLUDED IN THE PROPOSAL? _____ LIST ALL ASSESSORS' PARCEL NUMBERS IN SUBJECT TERRITORY. _____ _____
13.	DOES THE APPLICATION CONTAIN 100% WRITTEN CONSENT OF EACH PROPERTY OWNER IN THE SUBJECT TERRITORY? ☐ YES ☐ NO
14.	TOTAL LAND AREA: (ACRES) [NET] _____ [GROSS] _____
15.	WHAT IS THE PLANNED GENERAL PLAN DESIGNATION OF THE AREA BY THE AFFECTED CITY? _____ _____ _____ _____
16.	DESCRIBE ANY SPECIAL LAND USE CONCERNS EXPRESSED IN THE ABOVE PLANS. _____ _____ _____ _____
17.	SPECIFY ANY AND ALL EXISTING LAND USE(S). _____ _____ WHAT IS THE PROPOSED LAND USE(S)? _____ (DESCRIBE YOUR PROJECT IN DETAIL) _____ _____ _____
18.	WHAT IS THE EXISTING COUNTY ZONING? _____ WHAT IS THE PROPOSED COUNTY ZONING? _____

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19.	HAS OR IS THE AREA BEEN/BEING PRE-ZONED? ☐ YES ☐ NO WHAT IS THE PRE-ZONING CLASSIFICATION? _____ WHAT DATE WAS THIS PRE-ZONED? _____
20.	WILL THE ANNEXED TERRITORY BE LIABLE FOR ITS SHARE OF EXISTING BONDED INDEBTEDNESS? ☐ YES ☐ NO
21.	WILL THE ANNEXED TERRITORY BE INCLUDED WITHIN ANY PARTICULAR TAX DIVISION OR ZONE OF THE ANNEXING TERRITORY? PLEASE SPECIFY. _____ _____
22.	IF AN INCORPORATION IS INCLUDED IN THE PROPOSAL: (A) THE NAME PROPOSED FOR THE NEW CITY IS: _____ (B) PROVISIONS ARE REQUESTED FOR APPOINTMENT OF: (I) CITY MANAGER ☐ YES ☐ NO (II) THE CITY CLERK AND CITY TREASURER ☐ YES ☐ NO
23.	IF THE PROPOSAL INCLUDES THE CONSOLIDATION OF SPECIAL DISTRICTS, THE PROPOSED NAME OF THE CONSOLIDATED DISTRICT IS _____ _____ _____

_____ _____
APPLICANT SIGNATURE DATE

THIS SECTION TO BE FILLED OUT BY LAFCO STAFF

_____ _____
APPLICATION RECEIVED BY DATE

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NOTICE:

Prior to the effective date of any jurisdictional change (i.e. annexation, detachment, etc.) the governing bodies of all agencies whose service areas or service responsibilities would be altered by such change shall meet to determine the amount of property tax revenues to be exchanged between and among such affected agencies. Notwithstanding any other provisions of law, no such jurisdictional change shall become effective until each county and city included in such negotiation agrees, BY RESOLUTION, to accept the negotiated exchange of property tax revenues.

NOTE:

The resolutions referred to above shall be attached to this application prior to filing with the Local Agency Formation Commission. The Executive Officer of the Local Agency Formation Commission shall not issue a Certificate of Completion of Filing (COF) until such resolution is filed with LAFCO.

Please complete the names and addresses of persons who are furnished copies of the Agenda and Executive Officer's Report and who are to be given mailed notices of the hearing of this proposal.

Name	**Address**	**Telephone**

Wherefore, petitioner(s) request(s) that proceedings be taken in accordance with the provisions of Section 56000, et seq. of the Government Code and herewith affix signature(s) as follows:

Chief Petitioners (**not to exceed three**):

Print Name	Date
Signature	Residence Address
Print Name	Date
Signature	Residence Address
Print Name	Date
Signature	Residence Address

JH\DEB\S:\Forms\2012 Forms\Application 2012.doc

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EXHIBIT C

[APPLICATION FOR SPHERE OF INFLUENCE CHANGE]

The following is a copy of a Sphere of Influence application. Please consult with the Executive Officer for the most current application form.

JH\DEB\S:\LAFCO\LAFCO Manuals\2013 LAFCO MANUAL\13 Exhibits A-F.doc

LOCAL AGENCY FORMATION COMMISSION
1122 State Street, Suite D
El Centro, CA 92243
(760) 353-4115 ♦ FAX (760) 353-4132

APPLICATION FOR SPHERE OF INFLUENCE

Please print and provide all information requested.

1	CITY / DISTRICT TO BE AMENDED	
2	IF APPLICATION IS BY RESOLUTION	RESOLUTION NO. ( ) DATE (____/____/____)
3	IF APPLICATION IS BY PETITION	CHIEF PETITIONER
4	CURRENT SPHERE (SIZE) AREA	PROPOSED INCREASE TO SHPERE AREA
5	CURRENT UNDEVELOPED LAND (AREA) WITHIN SPHERE	
6	OTHER DISTRICT (S)/CITY (S) AFFECTED	
7	REASON FOR REQUEST ---------- ----------	
8	DESCRIBE NEW BOUNDARY ---------- ----------	
9	DESCRIBE LAND USES WITHIN PROPSED AREA ---------- ----------	
10	APPLICANT (S) NAME	APPLICANT (S) PHONE
11	APPLICANT (S) ADDRESS	
12	CITY/DISTRICT REPRESENTATIVE	CITY/DISTRICT PHONE
13	CITY/DISTRICT MAILING ADDRESS	

14 _____ _____
SIGNATURE (APPLICANT) DATE

15 _____ _____
SIGNATURE (CITY/DISTRICT) DATE

DATE RECEIVED	RECEIVED BY	RECEIPT NO.
APPLICATION REJECTED	PREVIOUS AMENDMENT DATE	FEE / DEPOSIT
CERTIFICATE OF FILING DATE	TENTATIVE HEARING DATE	LAFCO I.D.

JH\DEB\S:\Forms\2012 Forms\Sphere of Infuence Application.doc

EXHIBIT D

[SERVICE AREA PLAN GUIDELINES]

The following is a copy of the Service Area Plan Guidelines. These guidelines are intended to assist applicants in preparing adequate service area plans. Please consult with the Executive Officer for questions regarding the need and information for an adequate service area plan.

JH\DEB\S:\LAFCO\LAFCO Manuals\2013 LAFCO MANUAL\13 Exhibits A-F.doc

Service Area Plan Guidelines

Local Agency Formation Commission (LAFCO)
Imperial County

LAFCO through the Cortese/Knox Reorganizations Act and The Policy and Procedure Manual requires a Service Area Plan be approved prior to approval of a sphere of influence amendment and/or annexation. The plan shall provide enough detail for LAFCO to ascertain that there will be sufficient public facilities within the requested sphere of influence or annexation.

An acceptable Service Area Plan provides a detailed description and analysis of how facilities will be provided in the proposed sphere of influence. The plan should be divided into six parts. The following sections should be included in a service area plan.

1. Summary: This section should focus on how the facilities will be financed. The conditions proposed by the plan should also be highlighted. A table shall be included in this section that will summarize the various facilities, their costs and anticipated methods of financing.

2. Introduction: This section could be called the "how to use this plan" section. It also provides an introduction to the format and the content of the plan.

3. Buildout Projections: The potential development with in the City's/District's existing limits along with itemizing existing, developing and future land uses. Anticipated development within the proposed sphere limits along with itemizing future land uses.

4. Phasing Projections: This section attempts to project the how and when development will be phased. The intent of this section is to provide an additional tool that will allow a City/District to anticipate future public facility needs and to budget moneys for their improvement.

5. Requirements for Public Services: A complete description and analysis is provided of when and how each facility will be provided and financed based upon build out projections and phasing assumptions. These services include but are not limited to: Administration, Drainage, Fire, Law Enforcement, Library, Parks & Recreation, Schools, Transportation, Wastewater Treatment, Sewer and Water.

In some instances (i.e., schools) the City may not have any jurisdiction over a particular service provider. In these instances LAFCO needs to assured that the affected service provider will be able to accommodate the projected growth within an amended Sphere of Influence. The proposed Service Area Plan should include an agreement between the City/District and the affected service provider on when and how facilities and or services will be provided.(see outline section page 2)

6. Financing: This section provides a summary of the financial alternatives available to fund each facility and a discussion of the potential sphere development impact on City finances.

7. Appendices: Technical materials shall be provided that were used in the preparation of this plan.

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The most detailed part of the plan is part 5. This part is divided into nine separate sections. Each section shall describe an individual public service and related facilities. If a service or facility does not conform with the adopted performance standard, there shall be a discussion describing the situation, a description of mitigation or alternatives, and a financing discussion. In addition, each section will conclude with a finding of adequacy that will summarize whether the public service and related facility conforms with the adopted performance standard.

The following is an outline of part 5:

Administrative Facilities
- Performance Standard (Demand for Square Feet)
- Facility Planning and Adequacy Analysis
  - Inventory of existing facilities
  - Inventory of approved facilities
  - Buildout demand for facilities
  - Phasing of facilities
- Mitigation
- Financing

Drainage Facilities
- Performance Standards
- Drainage Planning and Adequacy Analysis
  - Facility Inventory
  - Inventory of approved Facilities
  - Buildout demand for Drainage Facilities
  - Phasing
- Mitigation
- Financing

Fire Facilities
- Performance Standards
- Facility Planning and Adequacy Analysis
  - Facility Inventory
  - Inventory of approved Facilities
  - Buildout demand for Facilities
  - Phasing
- Mitigation
- Financing

Law Enforcement
- Performance Standards
- Facility Planning and Adequacy Analysis
  - Facility and Service Inventory
  - Inventory of approved Facilities
  - Buildout demand for Facilities and Services
  - Phasing
- Mitigation
- Financing

Library Facilities
- Performance Standard (Demand for Square Feet)
- Library Planning and Adequacy Analysis
  - Inventory of Library facilities
  - Inventory of approved Libraries
  - Buildout demand for Library facilities and services
  - Phasing of facilities
- Mitigation
- Financing

Park & Recreational Facilities

- Performance Standards
- Park Planning and Adequacy Analysis
  - Park Inventory
  - Inventory of approved Parks
  - Buildout demand for Parks & Recreational Facilities
  - Phasing
- Mitigation
- Financing

Transportation Facilities

- Performance Standards
- Transportation Planning and Adequacy Analysis
  - Facility Inventory
  - Inventory of approved Facilities
  - Buildout demand for Facilities
  - Phasing
- Mitigation
- Financing

Wastewater Treatment and Sewer Facility Capacity

- Performance Standard
- Facility Planning and Adequacy Analysis
  - Inventory of facilities
  - Inventory of approved facilities
  - Buildout demand for facilities and services
  - Phasing of facilities
- Mitigation
- Financing

Water Facilities

- Performance Standards
- Facility Planning and Adequacy Analysis
  - Facility Inventory
  - Inventory of approved Facilities
  - Buildout demand for Facilities
  - Phasing
- Mitigation
- Financing

Availability of Services Not Provided (by this City/District)

NOTE: ***For questions call the Executive Officer at (760) 353-4115 or by e-mail at jurgh@ivnet.org***

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EXHIBIT E

[SPHERE OF INFLUENCE GUIDELINES]

The following is a copy of the Sphere of Influence Guidelines. This document is intended to assist applicants in preparing an adequate application for a request to the modification of a Sphere of Influence. Please consult with the Executive Officer prior to preparing a request for a change in the Sphere of Influence.

JH\DEB\S:\LAFCO\LAFCO Manuals\2013 LAFCO MANUAL\13 Exhibits A-F.doc

Sphere of Influence Guidelines

A request for the amendment or change for a "Sphere of Influence" (GOV. CODE SECTION 56076) to a City or a District requires specific general information and applicable technical information. These guidelines are intended to provide a basic outline of the (minimum) requirements. These guidelines are intended to serve as a basic road map and are not to limit additional information that may be required by the Executive Officer during the review of an actual application.

I. APPLICATION FILING:

A request for a change in the Sphere of Influence may be filed in one of three ways.

a) A RESOLUTION by the governing board of the City or District.
(Two certified copies of the resolution containing all of the information as shown under section II (RESOLUTION) must be shown.

b) A PETITION signed by all of the landowners whose property would be affected for applications with three or fewer parcels. Where the number of parcels exceeds four, minimums of three signatures are required.

c) A PETITION concurrent with an ANNEXATION with all property owners' signatures. Where the parcels to be affected exceed four or more, only three signatures are required.

II. RESOLUTION:

If the application is made by resolution, (City/District) the resolution shall be made by the public agency in the form of a public hearing and shall contain all of the information shown under PETITION in section III.

III. PETITION:

If an application is filed in the form of a PETITION, the petition shall include all of the following information, (reference also GOV. CODE SECTION(s) 56425 - 56428)

1) State the full name of the person(s) filing the application.
2) State the address and phone number of the person(s) filing the application.
3) State the nature of the proposal.
4) State the reason for the proposal.
5) State that the proposal is made pursuant to the applicable government code section.
6) State proposed terms or conditions.
7) State whether petition is signed by registered voters or landowners.
8) Enclose all of the information requested under the CORTESE/KNOX REORGANIZATION ACT, the Policies, Standards and Procedures Manual for the Imperial LAFCO, and as outlines within these guidelines.
9) State name and address for all parties to whom notice is to be provided.

IMPERIAL LOCAL AGENCY FORMATION COMMISSION (LAFCO) ♦ JURG HEUBERGER, EXECUTIVE OFFICER
1122 STATE STREET, SUITE D ♦ EL CENTRO, CA 92243 ♦ Phone (760) 353-4115 ♦ Fax (760) 353-4132

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www.iclafco.com e-mail: jurgh@iclafco.com *An equal opportunity employer*

IV. PROJECT DESCRIPTION:

The proposed modification shall clearly be described in the form of a "project description", which at a minimum shall detail the reasons for the request, by whom the request is made, why the configuration of the request, explain why the current sphere is not adequate, explain why the proposed should be the size and configuration requested. The description should provide substantive reasoning or needs. It must also contain sufficient background on necessity versus desirability.

V. BOUNDARY DESCRIPTION (proposed):

The boundary may be described in two ways.

a) In the form of a legal description. If this is the case, the legal description must be done by a licensed Engineer properly licensed in the State of California.

b) A "geographic features" description, in which case, the description must use center line of existing roads plus Row, center line of canals plus Row, RR right of ways, and other similar geographic features which are not susceptible to ready change. In this form, legal parcel boundaries may not be divided.

The boundary shall use recognized geographic features and there shall not be a mix of geographic and legal descriptions.

VI. BOUNDARY DESCRIPTION (existing):

The existing boundary shall be described in the same format as the proposed boundary. If the existing is in the form of a legal description then the proposed must likewise be in the form of a legal description.

Please verify the existing boundary configuration with the Executive Officer prior to preparing the proposed boundary.

VII. BOUNDARY ANALYSIS:

The existing versus the proposed boundary is to be analyzed in terms of existing versus proposed size, area, configuration, and relationship to the actual City/District limits. Alternatives must also be included in this analysis. If a proposal is to one side, or two sides of an existing City/District only, or if the configuration is unusual in shape or size, clearly describe why this version is desired.

VIII. AREA ANALYSIS:

A clear description of the area is to be provided. This should include existing land uses, private versus public land areas, public transportation corridors and systems, protected land, agricultural land, agricultural land classification, etc..

IX. LAND USE PLANNING:

Provide an analysis of the existing planned land uses versus the proposed planned land uses. Describe how land uses will be considered for development purposes if land is not immediately annexed. Explain the process the City intends to use to coordinate land uses within the sphere with the County. Describe how adjacent land uses will be affected.

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X. ALTERNATIVES:

Explain in detail the alternative available or considered. Provide the same level of detail for the alternative(s) as for the proposed in terms of information.

XI. SERVICE AREA PLAN:

Provide a comprehensive analysis of the services to be provided to this area and how they would be provided. This plan must include capacity of existing systems, proposed systems, cost projections, financing methods. If applicable, show phasing for proposed improvements. Show all services provided by the City/District, and how they will be provided. If you intend to form a financing system please provide details. Provide the necessary technical studies to show the methodology, engineering solutions, design alternatives, etc., to show how and where services may be provided.

XII. LAND USE INVENTORY:

Provide a comprehensive land use inventory of all land uses currently within the City/District, versus the amount of same to be provided within the new sphere of influence. Provide this data in terms of acres and percentages. Provide a detailed accounting of existing vacant land within the City/District and areas that could be increased in density by rehabilitation etc.

XIII. FISCAL IMPACT STATEMENT:

Provide a fiscal impact statement to show how you the applicant perceive the financial affects of the proposal. Would this affect the distribution of current or future taxes and how so. Describe why this proposal should be financially beneficial to affect agencies.

XIV. GROWTH PROJECTIONS:

Provide supporting documentation to show anticipated growth projections for the area(s) requested. Utilize standard accepted figures and methodologies. Also include an analysis of growth inducement this may cause.

XV. UNIQUE FEATURES:

If there are unusual geographic or topographic features within the area, such as hazardous or sensitive features, please describe. Are there any unique social or economic communities of interest within the area, if so describe.

XVI. OTHER CITY (S)/DISTRICTS AFFECTED:

List and describe how this proposal could affect other agencies, particularly adjoining districts, cities and the County.

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XVII. MAP:

The mapping to be provided should be prepared on AUTOCAED format and a copy of the map must be provided in AUTOCAED rel 13 formats along with ten "hard" copies. At a minimum the maps must contain the following information.

a) show existing City/District boundary
b) show existing City/District Sphere
c) show proposed City/District Sphere
d) show amount & location of prime farm land
e) show amount & location of State wide significant farm land
f) show all geologic hazard areas
g) show all flood zone areas
h) show location of other City/District within 5 miles
i) show location of major utility corridors
j) show location of primary waterways
k) show location of unusual scenic or topographic features
l) show location of existing and proposed police stations
m) show location of existing and proposed fire stations
n) show location of existing and proposed hospitals
o) show location of existing and proposed schools/colleges

XVIII. NO ACTION ALTERNATIVE:

Describe clearly the affects if no action is taken by LAFCO to approve either the requested or any alternate sphere.

XIX. LAND USE COMPATIBILITY:

Describe how this proposed boundary would affect adjoining lands not within adjoining other City/District. Describe methods to mitigate adverse impacts.

XX. CEQA:

For purposes of any sphere amendment LAFCO is the "lead agency" to prepare the necessary CEQA analysis. LAFCO will determine if the project proceeds with a Negative Declaration, a Mitigated Negative Declaration or a full Environmental Impact Report.

XXI. COST (S):

Sphere of Influence applications are considered to be a Time and Materials (T/M) cost, and as such applicant will be billed on a monthly basis for actual costs incurred. LAFCO does utilize the services of outside third party consultants to assist in the review and processing of applications. Generally these costs are equal or less than if done by the Executive Officer. Costs are carefully monitored by the Executive Officer.

XXII. *CONSULTATION:*

Prior to a formal submittal being delivered to the EXECUTIVE OFFICER, the proponent should consult with the Executive Officer and if necessary be prepared to present the proposal in the form of a "pre-application meeting".

NOTE: **For questions, please contact the Executive Officer at (760) 353-4115 or by e-mail at jurgh@iclafco.com**

JH\DEB\S:\Forms\2012 Forms\Sphere of Influence Guidelines.doc

IMPERIAL LOCAL AGENCY FORMATION COMMISSION (LAFCO) ♦ JURG HEUBERGER, EXECUTIVE OFFICER
1122 STATE STREET, SUITE D ♦ EL CENTRO, CA 92243 ♦ Phone (760) 353-4115 ♦ Fax (760) 353-4132

EXHIBIT F

[RULES TO IMPLEMENT CEQA]

The following document represents a copy of the Rules to Implement the California Environmental Quality Act (CEQA), as adopted by the County of Imperial. It is LAFCO's policy to use the latest version of the Rules as adopted by the County of Imperial.

JH\DEB\S:\LAFCO\LAFCO Manuals\2013 LAFCO MANUAL\13 Exhibits A-F.doc

Local Agency Formation Commission: (LAFCO)

RULES AND REGULATIONS TO IMPLEMENT CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) AS AMENDED

(PUBLIC RESOURCES CODE 21000 et. seq.)

prepared by

Local Agency Formation Commission
1122 State Street, Suite D
El Centro, CA 92243
(760) 353-4115

Jurg Heuberger, AICP, CEP
Executive Officer
to
LAFCO
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APPROVAL TRACKING

AMENDED CEQA RULES AND REGULATIONS

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- County Planning/Building Department
- Cities (all)

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INTRODUCTION

State law requires that every lead agency have defined rules or guidelines to implement the California Environmental Quality Act (CEQA).

This manual therefore, is the Local Agency Formation Commission (LAFCO) "Rules and Regulations to Implement CEQA". These regulations shall be applicable to all Agencies that have responsibilities under CEQA as either a "Lead Agency" or a "Responsible Agency".

These rules may also serve as the "Rules" for other agencies, provided said agency adopts this manual by reference within its regulations.

In the event this manual is adopted by reference, whenever the term "LAFCO" or "COUNTY" is used, it shall be substituted by the appropriate agency name.

Section 1: POLICY

a) The policy of the LAFCO and any adopting agency shall be the same as, and in support of, those policies defined by the State Legislature in the California Environmental Quality Act (Division 13, Public Resources Code, (PRC), 21000 et. seq.) as may be amended by Legislative Act.

b) It is the policy of LAFCO that in the case of substantial projects, in order to have a coordinated and legally defensible CEQA document, that the City/District/Agency and LAFCO will process the project on a "co-lead" basis.

FINDINGS: The LAFCO finds that where it is a responsible agency only and the lead agency has not prepared an environmental document that meets the minimum standards expected under LAFCO rules, or under the CEQA statutes or guidelines that it is in the interest of all parties including the applicant to have a coordinated and well prepared CEQA document.

The LAFCO therefore finds that under the format of "co-lead" preparation of environmental documentation is desirable, particularly in large or complex projects.

Section 2: PURPOSE

These Rules are designated to implement the California Environmental Quality Act of 1970 (CEQA) and the Guidelines thereto, which are contained in Title 14, Chapter 3 of the California Administrative Code, now cited as the CALIFORNIA CODE OF REGULATIONS (CCR) (commencing with Section 15000).

These Rules shall apply to any project for which the LAFCO, or any District, Agency, and Department, which is governed by the LAFCO is the lead agency. The provisions contained herein are not intended to replace either the terms of CEQA or the terms of the accompanying Guidelines. In the event that any of the following rules or procedures conflict with the provisions of CEQA or the Guidelines, the provisions of CEQA or the Guidelines shall control.

Section 3: DEFINITIONS

The words and phrases used in these Rules shall have the meaning as used in CEQA and Guidelines, except for the following:

(A) **"CEQA Compliance & Implementation"** The LAFCO Executive Officer is the "officially" designated environmental compliance designee and shall be responsible for the proper and effective implementation of the California Environmental Quality Act (CEQA). This shall apply for all public sponsored as well as private projects.

(B) **"Clerk"** shall refer to the Clerk to LAFCO.

(C) **"Decision-making body"** shall refer to the Local Agency Formation Commission (LAFCO

(D) **"Discretionary Project"** means a project which requires the exercise of judgment or deliberation when the public agency or body decides to approve or disapprove a particular activity, as distinguished from situations where the public agency or body merely has to determine whether there has been conformity with applicable statutes, ordinances, or regulations.

(E) **"EIR"** or **"Environmental Impact Report"** refers to a detailed statement prepared under CEQA describing and analyzing the significant environmental effects of a project and discussing ways to mitigate or avoid the effects.

(F) **"Guidelines"** shall refer to the State Guidelines for implementation of the California Environmental Quality Act (California Code of Regulations, Title 14, Division 6, Chapter 3) and as thereafter amended.

(G) **"Initial Study"** refers to the preliminary analysis prepared by the lead agency (LAFCO where LAFCO is lead) to determine whether an EIR or a Negative Declaration must be prepared or to identify the significant effects to be analyzed in an EIR.

(H) **"Lead Agency"** means the public agency (LAFCO where LAFCO is the first or only agency to act, more generally it will be a City or District), which has the principal responsibility for carrying out or approving a project. The Lead Agency will decide whether an EIR, Mitigated Negative Declaration, or Negative Declaration, is required for the project and will cause the appropriate document to be prepared. Criteria for determining which agency will be the Lead Agency for a project are contained in the Guidelines, Section 15051. If LAFCO is not the "lead" the LAFCO shall be consulted by the "lead" before a final decision on a project environmental process is made.

(I) **"Ministerial"** describes a governmental decision involving little or no personal judgment by the public official as to the wisdom or manner of carrying out the project. Law is applied to the facts as presented, but no special discretion or judgment is employed in reaching a decision.

(J) **"Mitigated Negative Declaration"** refers to a Negative Declaration prepared for a project when the initial study has identified potentially significant effects on the environment, but mitigation measures will be adopted in order to reduce the impacts on the environment to less than significant.

(K) **"Mitigation Measures"** include:

- (a) Avoiding the impact altogether by not taking a certain action.
- (b) Minimizing impacts by limiting the degree or magnitude of the action and its implementation.
- (c) Rectifying the impact by repairing, rehabilitating, or restoring the impacted environment.
- (d) Reducing or eliminating the impact over time by preservation and maintenance operations during the life of the action.
- (e) Compensating for the impact by replacing or providing substitute resources or environments.

(L) **"Negative Declaration"** refers to a written statement by the lead agency briefly describing the reasons that a proposed project, not exempt from CEQA, will not have a significant effect on the environment and therefore will not require an EIR.

(M) **"Notice of Completion"** refers to a brief notice filed with OPR by a lead agency as soon as it has completed a Draft EIR and is prepared to send out copies for review.

(N) **"Notice of Determination"** refers to a brief notice filed by a public agency after it approves or determines to carry out a project, which is subject to CEQA.

(O) **"Notice of Preparation"** refers to a brief notice sent by a lead agency to notify the responsible agencies, trustee agencies, and involved federal agencies that the lead agency plans to prepare an EIR for the project.

(P) **"Executive Officer"** shall mean the Executive Officer to LAFCO as appointed by LAFCO. The Executive Officer may delegate CEQA compliance responsibility to staff or consultant(s) on a case by case basis, however the Executive Officer shall have the final approval.

(Q) **"Project"** shall mean the whole of an action, which has the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, and that is any of the following:

- (a) An activity directly undertaken by any public agency.
- (b) An activity undertaken by a person which is supported, in whole or in part through contracts, grants, subsidies, loans, or other forms of assistance from one or more public agencies.

(c) An activity involving the issuance to a person of a lease, permit, license, certificate, or other entitlement for use by one or more public agencies.

(R) **"Responsible Agency"** means a public agency, which proposes to carry out or approve a project, for which a Lead Agency is preparing or has prepared an EIR, Mitigated Negative Declaration, or Negative Declaration. For the purposes of CEQA, the term "Responsible Agency" includes all public agencies other than the Lead Agency, which have discretionary approval power over the project.

(S) **"Trustee Agency"** means a state agency having jurisdiction by law over natural resources affected by a project, which are held in trust for the people of the State of California. Trustee Agencies include:

(1) The California Department of Fish and Game with regard to the fish and wildlife of the state, to designated rare or endangered native plants, and the game refuges, ecological reserves, and other areas administered by the department.

(2) The State Land Commission with regard to state owned "sovereign" lands such as the beds of navigable water and state school lands.

(3) The State Department of Parks and Recreation with regard to units of the State Park System.

(4) The University of California with regard to sites within the Natural Land and Water Reserves System.

Section 4: GENERAL RESPONSIBILITIES OF THE LAFCO

(A) The Executive Officer shall be responsible for reviewing each project application submitted to or by the County or City or Private entity, to determine the appropriate action to be taken under the standards and conditions set by CEQA and these Rules. This shall also include making a determination on a project-by-project basis whether to seek co-lead status with the City/District.

(B) The Executive Officer shall be responsible for assuring that the mandated time periods prescribed by CEQA and this document are met.

(C) The Executive Officer shall be responsible and have the sole discretion for accepting and determining completeness of all applications for projects received by the LAFCO

Section 5: APPLICATION PROCEDURES

(A) Initial Discussion:

(1) The Executive Officer may meet with Applicant, or at Applicant's request, to review the project proposal.

(2) The Executive Officer shall provide the Applicant with the application package, and the fee schedule.

(3) The Executive Officer shall give general guidance in application procedures and identify necessary information and materials to be provided by the Applicant.

(4) The Executive Officer shall meet with the City or District or County to establish which projects needed to be prepared on a "co-lead" basis.

(5) The City or District or County shall notify the Executive Officer of any pending application for a land use project that will concurrently seek an annexation or boundary change.

(B) Determination of Completeness:

(1) The Applicant shall provide to the LAFCO: a check for all required fees, all information shown on the forms provided by the LAFCO, and a completed, signed, and dated application which may include an "Owner's Affidavit", but shall include an "Indemnification Agreement", and all other supporting documentation requested by the County.

(2) The Executive Officer shall:

(a) Review the application and all supporting data for completeness, and whether the appropriate fees have been submitted. Note: Depositing the check does not constitute acceptance;

(b) Forward a copy of each such application to all interested parties or agencies;

(c) Inform the applicant of any "known" potential environmental impacts; and,

(d) Make a determination of completeness within thirty (30) days of receipt of application forms supporting documentation and necessary fees from Applicant.

(C) Application Found Incomplete:

(1) If the Executive Officer determines the application to be incomplete, the Executive Officer shall inform the Applicant in writing, by Letter of Transmittal and advise the Applicant what is necessary to make the application complete. A copy of the Letter of Transmittal shall be placed in the file indicating this action was taken.

(2) The Applicant must provide the LAFCO with the additional and/or revised information needed. Upon submission of the requested additional or revised information, the Executive Officer shall determine the completeness of the application in accordance with (B) above.

(3) If after 60 days from date of rejection finding the project incomplete and the Applicant has not supplied the necessary information to complete the application, the application and supporting documentation shall be returned to applicant along with all unused fees, and the project file closed. The Executive Officer shall refund only those fees not already used in the processing of the application.

(4) On any project that is returned, pursuant to provisions of paragraph (3) above, the Applicant shall file a new application with full (new) fees.

Section 6: EXEMPTIONS

(A) Determination of Exemption: The Executive Officer shall make a determination as to whether the project is exempt from CEQA and these Rules.

(B) Project Type: The following projects are exempt from the requirements contained in these Rules:

(1) CEQA Guidelines exemptions as follows

(a) 25 Statutory Exemptions, CEQA Guideline, Sections 15260 - 15285.

Statutory Exemptions Continued

(1) **Ongoing Projects;** Only applies to projects that were carried out by a public agency prior to 11/23/70. Additionally this exemption does not apply if project has a significant amount of unused funds and it is still feasible to modify the project to mitigate potentially adverse environmental effects or in the event the public agency proposes to modify the project in such a way that the project might have a new significant effect on the environment.

(2) **Feasibility and Planning Studies:** A project involving only feasibility or planning studies for possible future actions which the decision making body has not approved, adopted, or funded, it does require consideration of environmental factors.

(3) **Discharge Requirements:** The State Water Resources Control Board and the regional boards are exempt, when adopting waste discharge requirements, except as defined in the Federal Water Pollution Control Act.

(4) **Timberland Preserves:** Adoption of timberland preserve zones under Government Code Sections 51100 et seq.

(5) **Adoption of Coastal Plans and Programs:** CEQA does not apply to activities and approvals pursuant to the California Coastal Act, (PRC, Sections 30000, et seq).

(6) **General Plan Time Extensions:** CEQA does not apply to time extensions granted by the Office of Planning and Research for the preparation and adoption of one or more elements of the County General Plan.

(7) **Financial Assistance to Low or Moderate Income Housing:** CEQA does not apply to actions taken by the Department of Housing and Community Development to provide financial assistance for such developments, as defined by Health and Safety Code, Section 50093.

(8) **Ministerial Projects:** Ministerial permits are exempt from the requirements of CEQA. The determination of what is "ministerial" can most appropriately be made by the particular public agency involved based upon its analysis of its own laws, and each public agency should make such determination either as a part of its implementing regulations or on a case-by-case basis. Further defined by Guidelines, Section 15268.

Statutory Exemptions Continued

(9) **Emergency Projects:** Emergency projects as defined by Guidelines, Section 15269 are exempt from the requirements of CEQA.

(10) **Projects Which Are Disapproved:** Projects that are rejected prior to the initiation of the CEQA process are exempt from said process, provided the project is not later resubmitted.

(11) **Early Activities Related to Thermal Power Plants:** For actions taken by a public agency, relating to the expenditure, obligation, or encumbrance of funds, by said public agency for planning, engineering, or design purposes or for "conditional" sale or purchase of equipment, fuel,

water (except groundwater) steam or power. However the thermal power plants will be subject to CEQA and any documentation prepared as to site or facility will include the environmental impact of the early activities.

(12) **Olympic Games:** CEQA does not apply to the activities or approvals necessary to the bidding for hosting and funding or carrying out of Olympic games under the authority of the International Olympic Committee, except for the construction of facilities necessary for such Olympic Games.

(13) **Rates, Tolls, Fares, and Charges:** The establishment, modification, structuring, restructuring, or approval of rates, tolls, fares or other charges by public agencies, which are for the following purposes: meeting agency operating expenses, including, wages, benefits; purchasing or leasing of supplies or equipment, materials; meeting financial reserves; funding for capital projects necessary to maintain public services or obtaining funds for intra-city transfers. However rate increases to fund capital projects for the "expansion" of a system are subject to CEQA .

(14) **Family Day Care Homes:** The establishment or operation of a large family day care home, which provides in-home care for up to twelve (12) children, as defined in the Health and Safety Code, Section 1596.78.

Statutory Exemptions Continued

(15) **Specified Mass Transit Projects:** The institution or increase of passenger or commuter service on rail lines or high-occupancy vehicle lanes already in use, including the modernization of existing stations and parking facilities. Facility extensions not to exceed four (4) miles in length, which are required for transfer of passengers to or from exclusive public mass transit guideway or busway public transit services.

(16) **Transportation Improvement and Congestion Management Programs:** The development and adoption of a regional transportation improvement program or the state transportation program, however individual projects developed pursuant to these programs are subject to CEQA review.

(17) **Projects Located Outside California:** CEQA does not apply to any project or portion there of which is located outside of the State of California. Said projects may still be subject to National Environmental Policy Act or the state in which the project is located if adopted environmental regulations exist.

(18) **Application of Coating:** CEQA does not apply to a discretionary decision by an Air Quality Management District for a project consisting of the application of coatings within an existing facility at an automotive manufacturing plant provided the district makes the applicable findings in Guidelines, Section 15278.

(19) **Housing For Agricultural Employees:** CEQA does not apply to any development project which consists of the construction, conversion, or use of residential housing for agricultural employees, as defined in Guidelines, Section 15279.

(20) **Low-Income Housing Projects:** CEQA does not apply to any development project, which consists of the construction, conversion, or use of residential housing of not more than 45 units in an urbanized area, as defined in Guidelines, Section 15280.

Statutory Exemptions Continued

(21) **Air Quality Permits:** CEQA does not apply to the issuance, modification, amendment, or renewal of any permit by an Air Pollution Control District or Air Quality Management District pursuant to Title V, as defined in the Health and Safety Code, Section 390533 or pursuant to the Air District Title V program established under the Health and Safety Code, Section 42301.10, 42301.11 and 42301.12, unless the issuance, modification, amendment, or renewal authorized is a physical or operational change to a source or facility.

(22) **Other Statutory Exemptions:** CEQA does not apply to the "Other Statutory Exemptions" (a) through (w) as defined in Guidelines, Section 15282.

(23) **Housing Needs Allocation:** CEQA does not apply to regional housing needs determinations made by the Department of Housing and Community Development, a council of governments, or a city or county, pursuant to Government Code, Section 65584.

(24) **Pipelines:** CEQA does not apply to any project consisting of the inspection, maintenance, repair, reconditioning, relocation, replacement, or removal of an existing hazardous or volatile liquid pipeline or any value, flange, meter, or other piece of equipment that is directly attached to the pipeline, as defined in Guidelines, Section 15284.

(25) **Transit Agency Responses to Revenue Shortfalls:** CEQA does not apply to actions taken on or after July 1, 1995 to implement budget reductions made by a publicly owned transit agency as a result of a fiscal emergency cased by the failure of agency revenues to adequately fund agency programs and facilities, as defined in Guidelines, Section 15285.

Note: For a complete explanation of the Statutory Exemptions listed above review the CEQA Guidelines, Sections 15260 – 15285 or as amended.

Categorical Exemptions Continued

(b) 32 Categorical Exemptions, CEQA Guidelines, Sections 15300 - 15332.

(1) **Existing Facilities:** Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination, as defined in Guidelines, Section 15301.

(2) **Replacement or Reconstruction:** Class 2 consists of replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced, as defined in Guidelines, Section 15302.

(3) **New Construction or Conversion of Small Structures:** Class 3 consists of construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure, as defined in Guidelines, Section 15303.

(4) **Minor Alterations to Land:** Class 4 consists of minor public or private alterations in the condition of land, water, and/or vegetation, which do not involve removal of healthy, mature, scenic trees, except for forestry and agricultural purposes, as defined in Guideline, Section 15304.

Categorical Exemptions Continued

(5) **Minor Alterations in Land Use Limitations:** Class 5 consists of minor alterations in land use limitations in areas with an average slope of less than 20%, which do not result in any change in land use or density, such as lot line adjustments, variances, lot mergers, reversion to acreage as per the Subdivision Map Act (State of California Government Code, Section 66410-66499.58), or the issuance of minor encroachments, further defined in Guideline, Section 15305.

(6) **Information Collection:** Class 6 consists of basic data collection, research, experimental management, and resource evaluation activities, which do not result in a serious or major disturbance to an environmental resource. These are strictly for information gathering purposes, or as part of a study leading to an action, which a public agency has not yet approved, adopted or funded.

(7) **Actions by Regulatory Agencies for Protection of Natural Resources:** Class 7 consists of actions taken by regulatory agencies as authorized by state law or local ordinance to assure the maintenance, restoration, or enhancement of a natural resource where the regulatory process involves procedures for protection of the environment.

(8) **Actions by Regulatory Agencies for Protection of the Environment:** Class 8 consists of actions taken by regulatory agencies as authorized by state law or local ordinance to assure the maintenance, restoration, or enhancement of the environment where the regulatory process involves procedures for protection of the environment. Construction activities and reclamation of standards allowing environmental degradation are not included.

(9) **Inspections:** Class 9 consists of activities limited entirely to inspections, to check for performance of an operation, or quality, health, or safety of a project, including related activities such as inspection for possible mislabeling, misrepresentation, or adulteration of products.

(10) **Loans:** Class 10 consists of loans made by the Department of Veterans Affairs under the Veterans Farm and Home Purchase Act of 1943, mortgages for the purchase of existing structures where the loan will not be used for new construction and the purchase of such mortgages by financial institutions, further defined in Guidelines, Section 15310.

Categorical Exemptions Continued

(11) **Accessory Structures:** Class 11 consists of construction, or replacement of minor structures accessory to (appurtenant to) existing commercial, industrial or institutional facilities, such as on-premise signs, small parking lots, or the placement of seasonal or temporary use items such as lifeguard towers, mobile food units, portable restrooms, or similar items in publicly owned parks, stadiums, or other facilities designed for public use.

(12) **Surplus Government Property Sales:** Class 12 consists of sales of surplus government property except for parcels of land located in an area of statewide, regional, or area wide concern identified in Guidelines, Sections 15206 & 15312.

(13) **Acquisition of Land for Wildlife Conservation Purposes:** Class 13 consists of acquisition of lands for fish and wildlife conservation purposes including preservation of fish and wildlife habitat,

establishing ecological reserves under the Fish and Game Code, Section 1580, and preserving access to public lands and waters where the purpose of the acquisition is to preserve the land in its natural condition.

(14) **Minor Additions to Schools:** Class 14 consists of minor additions within existing school grounds where the addition does not increase original student capacity by more than 25% or ten classrooms, whichever is less. The addition of portable classrooms is included in this exemption.

(15) **Minor Land Divisions:** Class 15 consists of the division of property in "urbanized areas" zoned for residential, commercial, or industrial use into four or fewer parcels when the division is in conformance with the General Plan and zoning, no variances or exceptions are required, all services and access to the proposed parcels to local standards are available, the parcel was not involved in a division of a larger parcel within the previous 2 years, and the parcel does not have an average slope greater than 20%.

Categorical Exemptions Continued

(16) **Transfer of Ownership of Land in Order to Create Parks:** Class 16 consists of the acquisition, sale, or other transfer of land in order to establish a park where the land is in a natural condition or contains historical or archaeological resources, further defined in Guidelines, Section 15316.

(17) **Open Space Contracts or Easements:** Class 17 consists of the establishment of agricultural preserves, the making and renewing of open space contracts under the Williamson Act, or the acceptance of easements or fee interest in order to maintain the open space character of the area. The cancellation of such preserves, contracts, interests, or easements is not included and will normally be an action subject to the CEQA process.

(18) **Designation of Wilderness Areas:** Class 18 consists of the designation of wilderness areas under the California Wilderness System.

(19) **Annexations of Existing Facilities and Lots for Exempt Facilities:** Class 19 consists of only the following annexations: (a) Annexations to a city or special district of areas containing existing public or private structures developed to the density allowed by the current zoning or pre-zoning of either the gaining or losing government agency whichever is more restrictive, provide, however, that the extension of utility services to the existing facilities would have a capacity to serve only the existing facilities; (b) Annexations of individual small parcels of the minimum size for facilities exempted by Guidelines, Section 15303 "New Construction or Conversion of Small Structures."

(20) **Changes in Organization of Local Agencies:** Class 20 consists of changes in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised such as the establishment of a subsidiary district, consolidation of two or more districts having identical powers or the merger with a city of a district lying entirely within the boundaries of the city.

Categorical Exemptions Continued

(21) **Enforcement Actions by Regulatory Agencies:** Class 21 consists of actions by regulatory agencies to enforce or revoke a lease, permit, license, certificate, or other entitlement for use issued, adopted, or prescribed by the regulatory agency or enforcement of a law, general rule, standard, or objective, administered by the regulatory agency, as defined in Guidelines, Section 15321.

(22) **Educational or Training Programs Involving No Physical Changes:** Class 22 consists of the adoption, alteration, or termination of educational or training programs which involve no physical alteration in the area affected or which involve physical changes only in the interior of existing school or training structures such as changes in curriculum or training methods, or change in the grade structure in a school which does not result in changes in student transportation.

(23) **Normal Operations of Facilities for Public Gatherings:** Class 23 consists of the normal operations of existing facilities for public gathering facilities for which the facilities were designed, where there is a past history of the facility being used for the same or similar kind of purpose. For the purpose of this section, "past history" shall mean that the same or similar kind of activity has been occurring for at least three (3) years and that there is a reasonable expectation that the future occurrence of the activity would not represent a change in the operation of the facility. Facilities included within this exemption include, but not be limited to, racetracks, stadiums, convention centers, auditoriums, amphitheaters, planetariums, swimming pools, and amusement parks.

(24) **Regulation of Working Conditions:** Class 24 consists of actions taken by regulatory agencies, including the Industrial Welfare Commission as authorized by statute, to regulate, employee wages, hours of work or working conditions where there will be no demonstrable physical changes outside the place of work.

Categorical Exemptions Continued

(25) **Transfer of Ownership of Interest in Land to Preserve Existing Natural Conditions:** Class 25 consists of the transfer of ownership in interests of land in order to preserve open space, habitat, or historic resources as defined in Guidelines, Section 15325.

(26) **Acquisition of Housing for Housing Assistance Programs:** Class 26 consists of actions by a redevelopment agency, housing authority, or other public agency to implement an adopted Housing Assistance Plan by acquiring an interest in housing units. The housing units may be either in existence or possessing all required permits for construction when the agency makes its final decision to acquire the units.

(27) **Leasing New Facilities:** Class 27 consists of leasing of a newly constructed or previously unoccupied privately owned facility by a local or state agency where the local governing authority determined that the building was exempt from

CEQA and meets the standards as defined in Guidelines, Section 15327.

(28) **Small Hydroelectric Projects at Existing Facilities:** Class 28 consists of the installation of hydroelectric generating facilities in connection with existing dams, canals, and pipelines where the capacity of the generating facility is 5 megawatts or less and defined in Guidelines, Section 15328. The operation of the generating facilities will not change the flow regime in the affected stream, canal or piping.

(29) **Cogeneration Projects at Existing Facilities:** Class 29 consists of the installation of cogeneration equipment with a capacity of 50 megawatts or less at existing facilities meeting the conditions described in Guidelines, Section 15329.

Categorical Exemptions Continued

(30) **Minor Actions to Prevent, Minimize, Stabilize, Mitigate or Eliminate the Release or Threat of Release of Hazardous Waste or Hazardous Substances:** Class 30 consists of any minor cleanup actions taken to prevent, minimize, stabilize, mitigate or eliminate the release or threat of release of a hazardous waste or substance which are small or medium removal actions costing $1 million or less. No cleanup action shall be subject to this Class 31 exemption if the action requires the onsite use of a hazardous waste incinerator or thermal treatment unit, with the exception of low temperature thermal desorption, or the relocation of residences or businesses, or the actions involves the potential release into the air of volatile organic compounds as defined in the Health and Safety Code, Section 25123.6. or as further defined in Guidelines, Section 15330.

(31) **Historical Resource Restoration/Rehabilitation:** Class 31 consists of projects limited to maintenance, repair, stabilization, rehabilitation, restoration, preservation, conservation, or reconstruction of historical resources in a manner consistent with the Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for preserving,

Rehabilitating, Restoring, and Reconstructing Historic Buildings (1995).

(32) **In-Fill Development Projects:** Class 32 consists of projects characterized as in-fill development meeting the following conditions:

(a) The project is consistent with the County's General Plan designation and policies as well as with the County's Land Use Ordinance and Zoning.

(b) The proposed project occurs within the County limits on a site of no more than five acres substantially surround by urban uses.

(c) The project site has no value as habitat for endangered, rare or threatened species.

(d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.

(e) The site can be adequately served by all required utilities and public services.

Note: For a complete explanation of the Categorical Exemptions listed above review the CEQA Guidelines, Sections 15300 – 15332 or as amended.

(2) Imperial County Categorical Exemptions are as follows:

(1) **Clearing or Leveling of Agricultural Land:** Clearing or leveling of land for agricultural use; (This does not include any grading or excavating not directly related to agriculture field leveling).

(2) **Geothermal Temperature gradient wells:** Installation and operation of temperature gradient wells for locating geothermal resources. This does not preclude other aspects of geothermal operations from CEQA review.

(3) **Mining Test Boring:** Test boring to determine the type of material for future mining activities. However, it must meet SMARA threshold for minimum surface disturbance, i.e. one acre or less.

(4) **Monitoring wells:** Installation of and operation of monitoring wells (for example vadose) for groundwater monitoring. The installations of such wells are exempt from CEQA, however the project's, which typically necessitate installation

and operation of monitoring wells, may not be exempt from CEQA review.

(5) **Certificate of Compliance:** Where a project requesting a Certificate of Compliance is consistent with the Subdivision Map Act and does not result in a change in the physical layout of the area, which would potentially result in an adverse effect the environmental.

(C) Exceptions to Exemptions: Projects that are located in sensitive environments; would result in cumulative impacts; have a significant effect on the environment; affect scenic highways; affect historical resources, and/or are hazardous waste sites do not qualify as exemptions, pursuant to Guidelines Section 15300.2.

(D) Notice of Exemption:

(1) When the Executive Officer determines that a project is exempt from CEQA and after the project is approved, a Notice of Exemption may be filed. The Notice shall include: (1) a brief description of the project; (2) a finding that the project is exempt from CEQA, including a citation to the Guidelines section or statute under which it is found to be exempt; and (3) a brief statement of reasons to support the finding.

(2) The Notice of Exemption may be filed with the County Clerk/Recorder within five working days of the project's approval. Copies of such notice shall be made available for public inspection and a list of such notices shall be posted by the Office of the Clerk and shall remain posted for a period of thirty (30) days.

(3) The appeal procedure shall be to the full Commission The Applicant, submitting Department, or interested party may appeal by submitting appropriate fees.

Section 7: INITIAL ENVIRONMENTAL ASSESSMENT PROCEDURE/ PROCEDURE FOR ENVIRONMENTAL EVALUATION COMMITTEE (EEC)

(A) Initial Study:

(1) All Applicants for discretionary project or approval of an application, including (including such agencies as LAFCO) and projects, subject to CEQA, shall submit a completed "Applicant's Environmental Information Form" to the Executive Officer as part of the application package. Upon ACCEPTANCE (not receipt) pursuant to Section 5, the Executive Officer shall transmit a copy of the full application package to each interested agency.

(2) Fees for the Initial Study shall be charged in accordance with the adopted LAFCo regulations, or as later amended.

(3) The LAFCO, as Lead Agency, shall review all project applications subject to CEQA and make the following determinations based on the type of project under review:

(a) Determine whether the particular activity is a "project" subject to CEQA, as defined in these Rules and as defined by Guidelines Section 15378;

(b) Determine whether the project is exempt from CEQA, pursuant to Guidelines, Section 15061;

(c) Determine whether the project is ministerial, pursuant to Guidelines, Section 15268;

(d) Determine whether or not the project is categorically exempt, pursuant to Guidelines, Article 19, Section 15300 et. seq. However, all Class exemptions are inapplicable when the activity is listed as an Exception, pursuant to Guidelines, Section 15300.2;

(e) Determine whether or not the project is an emergency project, Guidelines, Section 15269;

(f) Determine on a case-by-case basis those activities which fall within an existing EIR, Mitigated Negative Declaration, or Negative Declaration that is adequate to cover a project, and,

(g) CEQA does not apply to projects, which a Lead Agency has rejected or disapproved after an initial screening based on the merits of the project, Guidelines 15270.

(4) The Executive Officer shall consult with Responsible agencies, Trustee agencies, and others responsible for any natural resources affected by the project to determine the environmental concerns for each agency involved in the project application as appropriate. These concerns may be addressed in the Initial Study, and at LAFCO.

(5) The Initial Study shall be prepared using the current Environmental Checklist Form, found in Appendix B of these Rules and in Appendix G of the Guidelines, or as amended.

(6) Applications cannot be amended without permission of the reviewing body, i.e. the Lead Agency. If the Applicant requests an amendment to an application, the Lead Agency may require, as a condition of permission to substantially amend an application, that the applicant withdraw the original application and reapply, with or without a new filing fee, or agree to a new filing date sufficiently subsequent to the original filing date to

permit the staff and reviewing agencies additional time required to review non-substantial changes as appropriate.

(7) All public and private applications that seeks a LAFCO action or entitlement must contain a "project description" from which it can be determined whether the project may have a significant effect on the environment. The application itself may indicate sufficient data from which any significant, adverse environmental impacts may be assessed. The project description shall include:

(a) A detailed map showing the precise location and boundaries of the proposed project.

(b) A statement of the objectives sought by the proposed project, including the purpose of the project.

(c) A general description of the project's technical, economic, and environmental characteristics.

(d) Analysis to determine consistency with the Imperial County General Plan.

(e) Major projects may require more than the usual information required of the Applicant, including statistical data such as demographics, etc.

(8) On ALL projects, all Initial Study marks shall be documented in writing, as to why they were so marked.

(9) Initial Studies may be prepared by a consultant hired by the Executive Officer (LAFCO) with consultation with applicant and with the Applicant paying the costs for such an Initial Study prepared by the consultant. The LAFCO shall require independent verification through its own efforts, or by contract, of any information submitted by an Applicant to be paid by the Applicant.

(10) After the Initial Study has been completed by the LAFCO the Applicant may modify the project to mitigate any significant, adverse environmental impacts of the project. These mitigations will be noted as "Mitigation Measures" in the LAFCO agenda package. A Mitigation measure shall be monitored by LAFCO pursuant to a "Mitigation/Monitoring program".

(11) Copies of Initial Studies shall be available for public review at the LAFCO office upon request. The person requesting the copy shall pay the cost of the copy of the Initial Study.

(12) Projects Initial Study(s) shall be published in a newspaper of greatest circulation within the County at a minimum of ten (10) days prior to the final decision by the Executive Officer. The Executive Officer will direct mail notice to the applicant and any

party having requested a notice in writing and be paid any Time and Materials.

(B) Review by the Environmental Review Committee (ERC): The LAFCO Executive Officer may but is not required to, use the services of the ERC of the County. If such is used, the ERC shall consist of the following:

(1) **Composition and Role of ERC:** The Environmental Review Committee is a committee consisting of a five (5) member panel. The members of the ERC shall be the following Officials, or their designees. A listing of the authorized "designees" shall be on file with the LAFCO.

(a) Director, Department of Health Services/Environmental Health Services Division, for the County of Imperial

(b) Fire Chief & Coordinator, Office of Emergency Services/Fire Protection:

(c) Air Pollution Control District;

(d) Director, Department of County Public Works; and,

(e) Executive Officer to LAFCO

(2) **Staffing:** The Executive Officer shall act as staff for the ERC. The Executive Officer shall Chair the ERC.

(3) **Voting:** A quorum shall be a minimum of 3 of the 5 representatives. An affirmative vote shall require a minimum of (3) "yes" votes.

(4) **Legal Advice:** The LAFCO legal Counsel shall be legal advisor to the ERC.

(a) Technical assistance and advice is available to the ERC, when requested by the committee, from any other department of the County or outside agencies or individuals. Only the Department Head or the designee assigned to the ERC shall have the authority to discuss and impose any mitigation measures based upon the application under review.

(b) The Executive Officer shall be the LAFCO's agent with principal responsibility for the implementation of CEQA, the State Guidelines, and the intent of these "Rules and Regulations to Implement CEQA".

(5) **ERC Meeting:** The ERC shall meet to make an environmental determination on the project proposal within thirty (30) days after an application has been found to be complete. The determination period may be extended for 15

days if Applicant, or submitting Department and Executive Officer mutually agree, in writing. The ERC can also have "special" meetings to be scheduled on a case-by-case basis with any related costs to be borne by the requesting Applicant after required notice has been given.

(6) **Notice of ERC Meeting:** ERC meetings will be duly noticed and be open to the public. For notification purposes, the Master ERC Calendar shall be posted and published in the newspaper at least two (2) times per year and the Applicant shall be sent notice of the hearing date. The Executive Officer may cause a specific project to be noticed more extensively than required herein, if said project is determined to be of significant interest or have potential significant impact.

(C) PROCEDURES FOR ERC MEETINGS:

(1) The Executive Officer shall insure that the ERC meeting is properly recorded, via tape recording, or other appropriate device.

(2) There will be an "introduction" with the date, time and outline of the various Initial Study(ies) to be reviewed at the ERC meeting. For the record, those present will be identified who are sitting as the ERC with those absent also noted for the record.

(3) Transcription of any hearing, or a copy of the tape, will be made available to anyone upon receipt of a written request filed with the LAFCO. The cost of preparation of a transcription shall be paid by the person(s) requesting said transcription.

(4) The Agenda Items may be handled in whatever sequence determined to be appropriate by the Chairperson of the ERC.

(5) Each individual Initial Study, Project Description, will be read and if appropriate, the person who prepared the Initial Study will be present to answer any questions. The project's location on the overhead projector will be shown as well as any aerial photos needed of the area surrounding the project.

(6) The Applicant will have an opportunity to present the project and to answer any questions from or by the ERC members. The public may also comment and question the Applicant and/or the ERC on the project.

(7) The ERC will go over each page and/or question of the Initial Study individually or as a group and appropriate changes made with a motion, second and vote on each change to the marks, and/or any mitigation measure proposed by the particular ERC Department imposing the measure.

(D) DECISION BY THE ERC:

(1) At the conclusion of the Initial Study review, if there are no further questions, then the Chairperson shall ask for the ERC's decision, on the three mandatory findings of significance, determine type of environmental document needed, and a motion, second and deciding vote will be called for and each ERC member shall fill out their voting sheet on that particular project under review and submit it to the Chairperson.

(2) By their deciding vote, the ERC shall determine whether a Negative Declaration, Mitigated Negative Declaration, an EIR, or other CEQA document is necessary, based on the mitigation measures imposed, if any.

(3) The Applicant is advised of when the LAFCO will hear the project **subject to the required notice having been given**, or as determined by the project's schedule, unless the project is "appealed". The Applicant, or any interested party, can appeal the ERC's decision to the LAFCO. within ten (10) days with the appropriate letter(s) and fees included. See Section (D) for appeal procedure.

(4) The ERC will then proceed with the next Initial Study until all of the Agenda Items are completed. At this time the ERC meeting will be adjourned until the next regularly scheduled ERC meeting, or unless a special ERC meeting is scheduled.

(5) Notice of ERC actions shall be regularly published in a newspaper of greatest circulation in Imperial County, or as otherwise determined appropriate by the Executive Officer.

(6) If the ERC determines that "no further documentation is necessary because of a previous environmental document", the regular published notice must include the following statement; "This activity is within the scope of an earlier approved document which adequately describes the activity for CEQA purposes", or words to that effect. The earlier document is to be cited.

(E) Appeal:

The Applicant or any member of the public may appeal to the LAFCO on the CEQA determination by the ERC. Such appeal must be accompanied by a fee established by the LAFCO. Any such appeal must be filed as follows:

(1) Filed with the Executive Officer to LAFCO within ten (10) calendar days of the date of decision. When filing an appeal clearly state the reason(s) for the appeal, and provide all information necessary to the Executive Officer of the ERC's determination.

(2) When so filed, the appeal shall stay further processing of the application, and shall stay all applicable time frames.

(3) Prior to hearing any appeal of the Environmental Review Committee, the Executive Officer shall fix a time and place of hearing thereon. No less than 10 days prior to the date of hearing, notice of the date, time and place of hearing, location of the property and the substance of the appeal shall be given by the following methods:

(a) A one time publication in a newspaper of greatest circulation at a minimum of ten (10) days prior to hearing date, and

(b) Direct mail notice to applicant, all parties of record interest, all parties having filed a written request to receive notices, all contiguous property owners; and, one of the following:

1) In the R-1, R-2, R-3, R-4 Zones, all adjacent property owners whole property is within 500 feet of the exterior boundary of the subject parcel,

2) In the A-1, A-2, A-3 and R-A Zone, all adjacent property owners whose property is within 1/2 mile of the exterior boundary of the subject parcel,

3) In all zones, except as specified in "1" and "2" above, all adjacent property owners whose property is within 1,000 feet of the exterior boundary of subject parcel.

(c) Posting the Commission agenda at both the Courthouse and Administration Center at least ten (10) days prior to hearing.

(4) The decision, on appeal, by LAFCO shall be deemed <u>final</u>.

(E) Preparation of a Negative Declaration (ND)/
Mitigated Negative Declaration (MND):

(1) When the ERC determines that preparation in the manner specified by the Guidelines of a Negative Declaration, or Mitigated Negative Declaration, is appropriate, the Executive Officer shall:

(a) Prepare and transmit a Notice that the LAFCO has decided to prepare a Negative Declaration, or Mitigated Negative Declaration, to each Responsible, Trustee, and other affected agencies pursuant to the Guidelines Section 15072, as appropriate;

(b) Mail a notice of intent to adopt a Negative Declaration to the last know name and address of all organizations and individuals who have previously requested such notice in writing.

(c) Publish a Public Notice of Proposed Negative Declaration, or Mitigated Negative Declaration (This Notice shall indicate that interested parties have ten (10) calendar days from the date of decision to appeal the Negative Declaration, or Mitigated Negative Declaration determination).

(d) The County Clerk shall post such notices in the Office of the County Clerk within 24 hours of receipt for a period of at least twenty (20) days.

(e) Advise the applicant of the proposed Negative Declaration, or Mitigated Negative Declaration and,

(2) Where one or more state agencies will be a Responsible or Trustee Agency for the project or have jurisdiction by law over natural resources affected by the project, the Executive Officer shall appropriately file sufficient copies of the proposed Negative Declaration, or Mitigated Negative Declaration with the State Clearinghouse for distribution to these agencies. The public review period for the State Clearinghouse distribution is 30 (thirty) days unless shortened by the State Clearinghouse.

(3) The LAFCO shall consider the Negative Declaration, or Mitigated Negative Declaration within 105 days of the completed application prior to the project being approved or disapproved.

(4) If the LAFCO, after reviewing the project substantially changes or deletes any of the "mitigation" measures that the Applicant has agreed to at the ERC meeting, then the LAFCO shall do one of the following:

(a) Make specified "Findings" for each change or modification based on substantial evidence on the record; or,

(b) If a "mitigation" measure is deleted from the conditions agreed to by the Applicant at the ERC meeting that changes the project description, then the project shall go back to the ERC for another environmental assessment due to the change in the project description by the decision-making body. The decision-making body shall act within the CEQA time frames and shall, if necessary deny a project to meet State-mandated time frames, unless applicant agrees to legally extend the mandated time limit.

(5) The Executive Officer shall file a Notice of Determination within five (5) working days, once a final decision approving a project subject to CEQA by the decision-making body is made, with the County Clerk/Recorder and the appropriate State Office as required by the Guidelines.

(6) The filing of a Notice of Determination and subsequent posting starts a 30-day statute of limitations for court challenge to the approval under CEQA.

Section 8: PREPARATION OF ENVIRONMENTAL IMPACT REPORTS (EIR)

(A) In the event that the "project" has been found to have a significant effect on the environment, as determined by the ERC, and not appealed by the Applicant, then an EIR shall be prepared. The EIR by itself does not control the way in which a project can be built or carried out. Rather, when an EIR shows that a project would cause substantial adverse changes in the environment, the local decision-making body shall respond to the information found in the prepared environmental documentation by one of the following methods:

(1) Altering the proposed project;

(2) Imposing conditions on the approval of the project;

(3) Choosing an alternative way of meeting the same need;

(4) Disapproving the project;

(5) Make the finding that changing or altering the project is not feasible; or,

(6) Make the finding and Statement of Overriding Considerations that the unavoidable significant environmental damage is acceptable (Guidelines, Section 15093).

The EIR may be in the form of a focused EIR, a subsequent EIR, a supplement to an EIR, an addendum to an EIR, staged EIR, program EIR, or other type of EIR pursuant to Article 11, Guidelines, Section 15160, et. seq. as determined appropriate by the ERC and/or Planning Commission.

(B) Documentation Source: When the ERC determines that preparation of Environmental Impact Report is appropriate and no appeal is filed within ten (10) days, the Executive Officer shall:

(1) Prepare a letter to Applicant outlining fees, CEQA procedures and may include a meeting with the approved consultant(s) and/or project proponent, if necessary, pursuant to Section 9 of these Rules;

(2) Notice of Preparation. Immediately after deciding that an environmental impact report is required for a project, the lead agency shall send to each responsible agency a notice of preparation stating that an environmental impact report will be prepared. This notice shall also be sent to every federal agency involved in approving or funding the project and to each trustee agency responsible for natural resources affected by the project.

(3) The notice of preparation shall provide the responsible agencies with sufficient information describing the project and the potential environmental effects to enable the responsible agencies to make a meaningful response.

(4) The notice of preparation shall include a description of the project, the location of the project, and the probable environmental effects of the project.

(5) Prepare, or cause to be prepared, a Draft and Final EIR in the manner specified by the CEQA Guidelines, and these County Rules.

(C) Private Projects:

(a) The Executive Officer shall determine shall have the authority from the LAFCO to authorize preparation of the Environmental Impact Report by contract, and shall attempt to do so within 45 days of the Executive Officers determination, or on appeal to the Commission within 45 days of the Commissions decision.

(b) Fees for (A) and (B) are established by LAFCO.

(D) Draft EIR (DEIR):

(1) The Draft EIR shall be prepared in accordance with these Rules and State Guidelines.

(2) The LAFCO shall determine if the Draft EIR is complete. When the Draft EIR is satisfactorily completed, a Notice of Completion (NOC), via Transmittal Form, shall be filed with the appropriate State Office along with at least 10 (or as required) copies of the DEIR.

(3) A Public Notice indicating public availability of the Draft EIR for review shall be published as required by the Guidelines Section 15087, and shall include a brief description of the project, its proposed location, an address where copies of the DEIR are available for public review/comment, and the period during which comments will be received.

(4) The notice required under this section shall be posted in the office of the county clerk for a period of at least thirty (30) days. The county clerk shall post such notices within 24 hours of receipt.

(5) The public review period for a draft EIR should not be less than 30 days nor longer than 60 days except in unusual circumstances. When a draft EIR is submitted to the State Clearinghouse for review by state agencies, the public review period shall not be less than 45 days, unless a shorter period, not less than 30 days, is approved by the State Clearinghouse

(6) Comments received after the deadline need not be evaluated or considered, but may be forwarded to the decision-making body for consideration.

(7) The NOC and Draft EIR shall also be circulated to the same persons and agencies receiving the Notice of Preparation (NOP).

(8) The Draft EIR shall be sent to all respondents to the NOP.

(E) Recirculation of the DEIR prior to Certification

(1) The Executive Officer shall recirculate the DEIR when significant new information is added to the DEIR after notice is given of the availability of the DEIR for public review, but before certification by the decision-making body. As used in this Section the term "information" can include changes in the project or environmental setting as well as additional data or other information. New information added to the DEIR is not "Significant" unless the DEIR is changed in a way that deprives the public of the meaningful opportunity to comment upon a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect (including a feasible project alternative) that the project's proponents have declined to implement.

(2) "Significant new information" requiring recirculation shall be as defined by the Guidelines Section 15088.5.

(3) The recirculation of the DEIR requires the same noticing and comment period as established under Section (D) "Draft EIR" above.

(F) Final EIR (FEIR):

(1) After evaluating the comments received from persons who have reviewed the Draft EIR, the Executive Officer shall prepare, or cause to be prepared, a Final EIR. The contents of the Final EIR shall be as required by CEQA or the Guidelines Section 15132.

(2) Upon completing the Final EIR, the FEIR shall be submitted to the appropriate decision-making body. The FEIR certification shall be made within one year from date of the application being accepted as complete.

(3) The Final EIR is sent to each person or agency commenting on the Draft EIR at least fifteen (15) days prior to public hearing held on the subject project.

(4) The review of a Final EIR should focus on the responses to comments on the draft EIR. The "Response to Comments" can be a separate section in the FEIR or a revision to the DEIR.

(G) Action of the Decision-Making Body:

(1) The decision-making body shall mean, the LAFCO to the extent that said body has legal authority by ordinance, or state law, to render a final decision. The decision-making body shall, if appropriate, certify that the Final EIR has been completed in compliance with CEQA and the State Guidelines and that the information contained therein has been reviewed and considered in the decision on the project.

(2) Notwithstanding the above, no public agency shall approve or carry out a project for which an EIR has been completed which identified one or more significant effects of the project unless the public agency makes one or more written findings specified by the Guidelines for each of those significant effects, accompanied by a statement of the facts supporting each finding.

(3) If the required findings for a "certified" FEIR are made according to PRC, Section 21081(a), and a monitoring and/or reporting program is adopted which includes changes to the project approval, the monitoring/reporting program shall be designed to ensure compliance during project implementation.

(H) Notice of Determination (NOD):

When the LAFCO, has made a final decision concerning a project for which an EIR has been prepared and certified, the Executive Officer shall file, within five (5) working days, a Notice of Determination. The NOD shall be filed with the County Clerk and/or appropriate State Office as required by the Guidelines, and local regulations.

After the 10 day appeal period has passed, projects subject to CEQA, which have an adverse impact on fish and wildlife resources, and for which a "Notice of Determination" has been filed with the County Clerk's Office, a fee may be required made payable to Imperial County if an Environmental Impact Report was prepared and certified by the decision-making body (PRC 21089(b)).

Section 9: EIR PREPARATION UNDER LAFCO CONTRACT

When an EIR is required the following procedures shall be followed;

(A) The Executive Officer may prepare a Request for Qualifications (RFQ) to be sent out to various consulting firms and establish a listing of qualified consultants from which to chose a consultant. The Executive Officer has the option of sending out a formal or an informal "Request for Proposal" (RFP).
(Formal RFP means an RFP sent to a number of consultants seeking a response for a given project based on the "project description provided. The response will include the full profile of the company, project description, implementation, and cost. This process generally takes between 45 and 75 days.)
(Informal RFP means the Executive Officer can fax a copy of the project description to 3 – 5 qualified consultants and seek only a cost estimate. The Executive Officer can then select from the respondents but is not required to select the lowest bid.)

(B) The consultant shall provide the Executive Officer, upon request, one copy of a work/contract proposal containing:

(1) The personnel to be assigned;

(2) Wage scales;

(3) Time to complete Draft EIR and Final EIR;

(4) Total costs to provide a specified number of Draft EIR's;

(5) Total costs to provide a specified number of Final EIR's;

(6) Summation of total costs to provide described services in a "not to exceed cost" format; and,

(7) Any additional information requested.

(C) All proposals shall be reviewed and analyzed by the Executive Officer, for the awarding of a contract to a particular bidder.

(D) The Applicant has thirty (30) days from the date of notification to make payment of the above-described funds. At the end of the thirty (30) days, if the Applicant has not paid said funds, the project application will be closed out and returned to Applicant.

(E) When the cost of preparing an EIR by LAFCO contract exceeds the Applicant's deposit, the Applicant shall pay the LAFCO the additional sum prior to submission of the EIR to the appropriate decision-making body.

(F) If the cost of the EIR being prepared is less than the estimated cost and Applicant's deposit, the amount of over payment shall be refunded to the Applicant.

(G) The environmental documentation developed under Contract by the consultant shall be submitted to the Executive Officer only, for review and approval. (An EIR is a LAFCO document and as such it is to be clear to the Applicant and/or consultant that the selected/approved consultant works for the LAFCO although paid for by the Applicant).

(H) The Executive Officer shall review the submitted documentation and determine whether it meets all requirements of CEQA and Section 8 of these Rules.

SECTION 10: PUBLIC INSPECTION

All reports or documents filed pursuant to these Rules shall be available for public inspection and copies may be purchased at the rate set by the Executive Officer.

SECTION 11: FEES

All reports or documents filed in pursuant to these Rules shall be subject to the fees authorized by LAFCO.

(A) When the EIR is prepared by a consultant under contract to the LAFCO, the Applicant shall pay a fee to the LAFCO established by LAFCO.

(B) Large projects may require the hiring of an independent, third-party consultant acceptable to and directed by the Executive Officer to evaluate the suitability of the environmental documentation submitted. The Executive Officer shall have the discretion to determine when a project would need this LAFCO-retained consultant on a case-by-case basis and be approved by the LAFCO. The cost of this third party consultant shall be borne by the Applicant.

Section 12: LAFCO as a Responsible Agency

To assure that the LAFCO is properly involved and responsive to any environmental document being prepared by a "non-LAFCO" agency that is not a "co-lead" may however affect the LAFCO, the following procedures are herewith established:

(1) The LAFCO Executive Officer shall respond on behalf of LAFCO with or without the approval of the Commission and as such represents the Commission.

(2) If the Executive Officer determines that a project is a "major project" or a project of "significance" or a "controversial project", the LAFCO Executive Officer may present such a project/response to the LAFCO.

(3) Any notice for an NOP or request for response to the Executive Officer shall be copied to each Commissioner, the County Administrative Office, County Counsel, the applicant, and any affected city or district, and any other department determined applicable.

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APPENDIX I ADOPTION OF THIS GUIDE

RESOLUTION #2012-04 OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF IMPERIAL FOR THE ADOPTION OF THE REVISED POLICY, STANDARDS AND PROCEDURES GUIDE PURSUANT TO THE CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000 (AB2838)

RESOLVED, by the LOCAL AGENCY FORMATION COMMISSION of the County of Imperial, State of California, that

WHEREAS, AB2838 as authored by Assembly Speaker Hertzberg and as signed into law by Governor Davis, required the Commission to adopt a set of written policies and procedures under which LAFCO shall conduct business; and

WHEREAS, the Executive Officer reviewed the requirements of AB2838; reviewed the previously adopted version of the "Policy, Standards and Procedures Guide" ("Guide"); and made suggested changes to "update" the Guide to meet the requirements of AB2838.

NOW THEREFORE, BE IT DETERMINED, ORDERED AND RESOLVED as follows:

LAFCO hereby adopts this revised, 2012 version of the Policy, Standards and Procedures Guide.

LAFCO makes the following finding:

This Guide is categorically exempt from the California Environmental Quality Act ("CEQA")

PASSED, ADOPTED AND APPROVED this **22nd** day of **March, 2012** by the following roll call votes:

AYES: Snively, Kelley, Ludwig, Terrazas

NAYES: None

ABSTAIN: None

ABSENT: None

Ed Snively, Chairman

Jurg Heuberger, Executive Officer

JH\DEB\S:\LAFCO\Resolutions\HERTZBERG\Hertzberg Revised Resolution 03 22 12.doc

APPENDIX II ADOPTION OF DISCLOSURE REQUIREMENTS

LOCAL Agency Formation Commission
IMPERIAL COUNTY
EXECUTIVE OFFICER - JURG HEUBERGER,CEP

RESOLUTION #A102308 OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF IMPERIAL ("LAFCO") MAKING A DETERMINATION AND APPROVING POLICIES FOR THE DISCLOSURE AND REPORTING REQUIREMENTS OF THE COMMISSIONERS:

RESOLVED, by the LOCAL AGENCY FORMATION COMMISSION of the County of Imperial, State of California, that

WHEREAS, AB 2838 known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, in particular Government Code sections 56100. and 56300, require LAFCO to address public disclosure of contributions, lobbying, conflict of interest, and other similar activities by each Commissioner; and

WHEREAS, the Executive Officer of LAFCO reviewed and prepared a report on said process; and

WHEREAS, LAFCO held a public hearing pursuant to the mandate of Government Code section 56300 et. seq.; and,

WHEREAS, LAFCO wants to conduct its business in an open, honest and forthright process, allowing individuals an equal opportunity to present their points of view; and,

WHEREAS, ex-parte communications with Commissioners should be discouraged so that all information necessary to reach a decision on a particular project is be presented at a public hearing. Meetings or lobbying efforts by the applicants shall not influence a Commissioners' decision prior to the public hearing; and,

WHEREAS, if in the opinion of the individual Commissioner a conflict exists, the Commissioner shall abstain from voting on the proposal and, if available, allow the alternate to be seated during such hearing.

WHEREAS, if a Commissioner knows in advance that he/she has a conflict, then the Commissioner shall notify the Executive Officer to determine if the alternate Commissioner may be available to be seated.

NOW THEREFORE, BE IT DETERMINED, ORDERED AND RESOLVED as follows:

a. LAFCO shall require each Commissioner, immediately after introduction of a hearing item, but prior to any presentations being made, <u>to clearly disclose</u> any prior or ex-parte discussions or meetings that the Commissioner participated in that were in any way related to the matter being heard.

1122 STATE STREET, SUITE D, EL CENTRO, CA 92243 (760) 353-4115 FAX (760) 353-4132
www.iclafco.com E-MAIL: jurgh@ivnet.org

b. Each Commissioner may discuss or obtain legal advice regarding any such disclosure from his or her own legal counsel. LAFCO Counsel should be advised in advance to preserve the integrity of the LAFCO process and assure compliance within AB2838.

c. Failure to disclose a conflict of interest shall not invalidate any public hearing decision; however it shall be grounds for a party to seek a re-hearing of the item before LAFCO if such a rehearing is requested upon clear and convincing evidence that the disclosure could have altered the decision of LAFCO

LAFCO finds that:

1. The procedures are in the interest of complying with AB 2838.

2. The procedures are in the best interest of good government.

3. The procedures in no way restrict ex parte communication only that they be properly disclosed, prior to a decision on a project.

4: If there is a "conflict of interest" the Commissioner shall abstain from participation in the hearing and the appropriate alternate Commissioner for that category shall be seated in his or her place.

PASSED, ADOPTED AND APPROVED this 23rd day of October, 2008 by the following roll call votes:

AYES: Maruca, Snively, Carrillo, Ludwig

NAYES: None

ABSTAIN: None

ABSENT: None

Victor Carrillo, Chairman

JH/LAFCO/Resolutions/disclosure reso revised 10.28.08 (2) jly

APPENDIX III APPOINTMENT OF EXECUTIVE OFFICER

RESOLUTION #2012-02 OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF IMPERIAL MAKING A DETERMINATION AND APPROVING POLICIES FOR APPOINTMENT AND SERVICE OF THE EXECUTIVE OFFICER.

RESOLVED, by the LOCAL AGENCY FORMATION COMMISSION of the County of Imperial, State of California, that

WHEREAS, AB 2838 known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, in particular Government section 56380 et. seq., requires LAFCO to make provisions for its own quarters, services and staff; and

WHEREAS, the Executive Officer of LAFCO has reviewed and prepared a report on said process; and

WHEREAS, for approximately 26 years LAFCO has appointed its own staff including the Executive Officer; and,

WHEREAS, LAFCO requires one individual to be responsible for the day-to-day operations of the office and therefore LAFCO recognizes the need to employ an Executive Office and desires to do so on a contract-basis.

WHEREAS, now that LAFCO is fiscally independent, the LAFCO Executive Officer has now been under contract for the past 4 years; and

WHEREAS, the current Executive Office has performed the duties of the Executive Officer for over 26 years, is extremely knowledgeable in the LAFCO regulations and laws, and is more than capable of continuing to serve as Executive Officer. It is the desire of LAFCO to continue to contract with Jurg Heuberger as its Executive Officer, subject to an established salary as specified in the Policy Manual and the annual budget, and including but not limited to, the provisions and personnel rules of appointment contained in the policies, standards and procedures guide; and,

WHEREAS, the Executive Officer shall at all times work as <u>independent</u> staff to LAFCO.

NOW THEREFORE, BE IT DETERMINED, ORDERED AND RESOLVED as follows:

a. The Executive Officer shall at all times be directly responsible to the LAFCO, and shall at all times exercise judgment in the interest of the LAFCO, and in keeping with LAFCO regulations.

b. The Executive Officer is granted authority and responsibility for the day-to-day operations for LAFCO and has such other authority as may be provided by resolution, minute order or contained in the LAFCO Policy Guide.

c. Jurg Heuberger, AICP, CEP is hereby re-appointed to serve a four-year term as Executive Officer to LAFCO.

d. The appointment of the Executive Officer shall be under the provisions of the policy, procedures and standards as adopted by LAFCO. The appointment is as a part-time position.

LAFCO finds that:

1. The appointment is the interest of complying with AB 2838.

2. The appointment is of an individual knowledgeable, experienced and capable of providing the requisite direction under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

3. The appointment is of a person that has 26 years of experience as an Executive Officer.

PASSED, ADOPTED AND APPROVED this **22nd** day of **March, 2012** by the following roll call votes:

AYES: Snively, Kelley, Ludwig, Terrazas

NAYES: None

ABSTAIN: None

ABSENT: None

Ed Snively, Chairman

Jurg Heuberger, Executive Officer

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APPENDIX IV RESOLUTION FOR EXECUTIVE OFFICER AUTHORITY

LOCAL Agency Formation Commission
IMPERIAL COUNTY
EXECUTIVE OFFICER - JURG HEUBERGER,CEP

RESOLUTION #A102308 OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF IMPERIAL MAKING A DETERMINATION AND APPROVING POLICIES FOR THE DAY-TO-DAY OPERATIONS OF THE LAFCO AS AN INDEPENDENT AGENCY.

RESOLVED, by the IMPERIAL COUNTY LOCAL AGENCY FORMATION COMMISSION ("LAFCO") of the County of Imperial, State of California, that

WHEREAS, AB 2838 known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code section 56000 et. seq, requires LAFCO to make provisions for its own quarters, services and staff; and

WHEREAS, the Executive Officer of LAFCO has reviewed and prepared a report on said process; and,

WHEREAS, LAFCO has in the past utilized the services of Imperial County, including but not limited to, Imperial Auditor-Controller, Purchasing Department, and County Counsel, and County space, including but not limited to, the Board of Supervisor's hearing chambers and office space; and,

WHEREAS, LAFCO intends to function in compliance with AB 2838 as an independent agency, while still minimizing the cost of independence; and,

WHEREAS, LAFCO relies on the services of the Executive Officer for its day-to-day operations, which include the procurement of staffing, services, supplies, equipment and office space; and,

WHEREAS, the Executive Officer shall use independent judgment on how best to secure such staffing, services, supplies and equipment; and,

WHEREAS, LAFCO desires to utilize services in the most fiscally responsible manner, including services available through Imperial County or any city; and,

WHEREAS, LAFCO recognizes that services, supplies, or equipment may be procured more readily and at lower cost through the private sector and therefore desires that the Executive Officer has the flexibility within which to operate subject to the limitations contained within the LAFCO Policy Guide, and/or direction of the Commission; and,

WHEREAS, LAFCO desires to be accountable and will have, at a minimum, a bi-annual independent audit performed and presented to LAFCO.

NOW THEREFORE, BE IT DETERMINED, ORDERED AND RESOLVED as follows:

a) The Executive Officer shall at all times be directly responsible to LAFCO. The Executive Officer may exercise his independent judgment but at all time his actions shall be in conformity with LAFCO regulations and in the interest of LAFCO.

b) The Executive Officer shall have full authority and responsibility for the day-to-day operations and such other authority as may be granted to the Executive Officer by resolution, minute order or contained in LAFCO Policy Guide.

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c) The Executive Officer shall have the ability to secure staffing, services, supplies and equipment (either directly or through the processes available with Imperial County or any city), provided that it is the most efficient and cost-effective method. Nothing contained in this Resolution or the LAFCO Policy Guide shall be deemed to grant the County or any other jurisdiction the ability to direct or control the actions of the Executive Officer in the performance of his duties.

d) Since the LAFCO now owns its own quarters, and since such building has available space for rent, the Executive Officer has the authority to lease any such office space at market rates or comparables. The Executive Officer also has the authority to perform or cause to be performed the necessary repairs, and/or maintenance.

e) The Executive Officer shall remain within the budget limitations as adopted by LAFCO and shall first secure approval for expenditures that would increase the budget limits from LAFCO

f) The Executive Officer shall prepare an annual (or as deemed necessary) report to LAFCO on the status of the budget.

LAFCO finds that:

1. These day-to-day procedures are in the interest of complying with AB 2838.

2. These day-to-day procedures establish a business-like approach for LAFCO functions.

3. These procedures allow flexibility, responsibility and accountability to rest with the Executive Officer and at the same time to be reviewed by LAFCO on a regular basis.

PASSED, ADOPTED AND APPROVED this 23rd_day of October, 2008 by the following roll call votes:

AYES: Maruca, Snively, Carrillo, Ludwig

NAYES: None

ABSTAIN: None

ABSENT: None

Victor Carrillo, Chairman

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APPENDIX V RESOLUTION TO CONTRACT FOR LEGAL COUNSEL

RESOLUTION #2012-03 OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF IMPERIAL MAKING A DETERMINATION AND APPROVING POLICIES FOR LEGAL SERVICES TO LAFCO BY CONTRACT WITH PRIVATE LAW FIRM

RESOLVED, by the LOCAL AGENCY FORMATION COMMISSION of the County of Imperial, State of California, that

WHEREAS, AB 2838 known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code Section 56000 et. seq., requires LAFCO to make provisions for its own quarters, services and staff; and

WHEREAS, the Executive Officer of LAFCO reviewed and prepared a report for legal services upon which a private law firm was then selected by the Commission on February 24, 2011; and

WHEREAS, LAFCO intends to function in compliance with AB 2838 as an independent agency, while minimizing the costs of independence; and,

WHEREAS, LAFCO contracted for legal services, with the office of Childers & Associates for fiscal year 2010/2011; and,

NOW THEREFORE, BE IT DETERMINED, ORDERED AND RESOLVED as follows:

a. The Executive Officer shall at all times work with and provide the necessary information to the legal representative, Childers & Associates.

b. Childers & Associates shall function as LAFCO's independent legal advisor, and to that extent shall provide the necessary services to the LAFCO through and in conjunction with the Executive Officer.

c. Ryan Childers of Childers & Associates shall be available to provide the required service to the Executive Officer as needed and shall be available for all public hearings of the Commission. Ryan Childers shall also be available to attend CALAFCO and other LAFCO workshops and training seminars as may be appropriate.

d. Childers & Associates agrees to provide these services at a fixed retainer of $5,000 per year maximum for the basic legal services.

e. Childers & Associates shall have a 3 year contact for legal services commencing on July 1, 2012 through June 30, 2015.

LAFCO finds that:

1. The procedures are in the interest of complying with AB 2838.

2. The procedures establish a business-like approach to the functions of LAFCO.

3. The procedures allow flexibility, responsibly and accountability to rest with the Executive Officer, whom is under review by the Commission on a regular basis.

PASSED, ADOPTED AND APPROVED this **22nd** day of **March, 2012** by the following roll call votes:

AYES: Snively, Kelley, Ludwig, Terrazas

NAYES: None

ABSTAIN: None

ABSENT: None

Ed Snively, Chairman

Jurg Heuberger, Executive Officer

APPENDIX VI RESOLUTION FOR APPROVAL OF CEQA PROCESS/GUIDELINES

RESOLUTION #2012-01 OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF IMPERIAL MAKING A DETERMINATION AND APPROVAL OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT ("CEQA") PROCESS AND CEQA GUIDELINES

WHEREAS, LAFCO has reviewed the proposed CEQA Guidelines (attached); and

WHEREAS, State law requires each agency to implement CEQA by having "Rules to Implement"; and

WHEREAS, LAFCO had previously used the County's Rules and has now prepared its own.

NOW THEREFORE BE IT RESOLVED, by the LOCAL AGENCY FORMATION COMMISSION of the County of Imperial, State of California, that:

LAFCO hereby adopts the Rules to Implement CEQA as presented by the Executive Officer;

PASSED, ADOPTED AND APPROVED this **22nd** day of **March, 2012** by the following roll call votes:

AYES: Snively, Kelley, Ludwig, Terrazas

NAYES: None

ABSTAIN: None

ABSENT: None

Ed Snively, Chairman

Jurg Heuberger, Executive Officer

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APPENDIX VII RESOLUTION OF THE CEQA CO-LEAD PROCESS

LOCAL Agency Formation Commission
IMPERIAL COUNTY
EXECUTIVE OFFICER - JURG HEUBERGER,CEP

RESOLUTION #A102308 OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF IMPERIAL ("LAFCO") MAKING A DETERMINATION AND APPROVAL OF THE CEQA CO-LEAD PROCESS

WHEREAS, LAFCO conducted a full public hearing on the above-referenced project; and,

WHEREAS, LAFCO directed the Executive Officer to meet with the city managers/staff to review the California Environmental Quality Act ("CEQA") process; and,

WHEREAS, LAFCO directed the Executive Officer to request a special LAFCO meeting if it is determined that the Lead Agency's certified CEQA document is not adequate, thereby allowing LAFCO time within which to challenge the CEQA documentation, if necessary; and,

WHEREAS, LAFCO directed the Executive Officer to appear before a city council prior to the certification of a CEQA document in an effort to arrive at a mutually acceptable document without having to take a subsequent adversarial position and /or without jeopardizing the project at a later LAFCO hearing.

NOW THEREFORE BE IT RESOLVED, by the LOCAL AGENCY FORMATION COMMISSION of the County of Imperial, State of California, that:

LAFCO adopts a motion made by Commissioner Maruca to accept and approve that LAFCO can on a case-by-case basis ask to be co-lead with a city and work with its staff to assure that the CEQA documentation is being prepared by the Lead Agency to meet the needs of LAFCO as a Responsible Agency. The motion carried on the affirmative roll call vote of all Commissioners present.

PASSED, ADOPTED AND APPROVED this **23rd** day of October, 2008 by the following roll call votes:

AYES: Maruca, Snively, Carrillo, Ludwig

NAYES: None

ABSENT: None

Victor Carrillo, Chairman

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APPENDIX VIII RESOLUTION FOR THE EXECUTIVE OFFICER APPROVAL TO INCLUDE PROPERTY

LOCAL Agency Formation Commission
IMPERIAL COUNTY
EXECUTIVE OFFICER - JURG HEUBERGER,CEP

RESOLUTION #A102308 OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF IMPERIAL ("LAFCO") MAKING A DETERMINATION AND APPROVING DIRECTION OF THE EXECUTIVE OFFICER'S REQUEST TO INCLUDE PROPERTY

WHEREAS, LAFCO conducted a full public hearing on the above-referenced issue; and

WHEREAS, the Executive Officer informed LAFCO that the Cortese-Knox-Hertzberg Reorganization Act of 2000 requires that LAFCO follow certain statutes as well as local policies when it comes to annexing land to a city or special district. One of the requirements is that "islands" of unincorporated territory not be created by any proposed new annexation. Another policy is that annexations produce "clear" lines of jurisdictional boundaries, and;

WHEREAS, the Executive Officer explained that because of landowner opposition we still have some minor problem areas where "pockets" of land exist that essentially prevent nearby property from annexing in the future; and,

WHEREAS, the Executive Officer informed LAFCO that there have been several proposed annexations submitted that create complex and irregular boundaries. Although the Executive Officer accepted the annexation applications he has required that certain additional steps be taken by both the developer and the city; and;

WHEREAS, it is proposed that the Executive Officer have the authority to request any applicant for an annexation to include additional property, as an alternative proposal, and that the Executive Officer has the additional authority to request that the annexing city include the land in its pre-zoning.

NOW THEREFORE BE IT RESOLVED, by the LOCAL AGENCY FORMATION COMMISSION of the County of Imperial, State of California, that:

LAFCO adopts the motion made by Commissioner Maruca to accept and approve the Executive Officer's recommendation. The Executive Officer will have the authority to request any applicant for an annexation to include additional property when in the opinion of the Executive Officer; the application creates an irregular boundary or an island which is not consistent with the intent of the Cortese-Knox- Hertzberg Reorganization Act. The applicant may be requested to either amend the proposed annexation boundaries or prepare a dual application with two parts (i.e. - Part A - the applicant's proposal or Part B - the Executive Officer's proposed boundary). At the request of the Executive Office the city shall include the additional land in its "pre-zoning" and "CEQA" process. The motion carried on the affirmative roll call vote of all Commissioners present.

PASSED, ADOPTED AND APPROVED this **23rd** day of **October, 2008** by the following roll call votes:

AYES: Maruca, Snively, Carrillo, Ludwig

NAYES: None

ABSENT: None

Victor Carrillo

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APPENDIX IX RESOLUTIONS OF MINOR ANNEXATIONS WITH RIGHT-OF-WAYS

LOCAL Agency Formation Commission
IMPERIAL COUNTY
EXECUTIVE OFFICER - JURG HEUBERGER,CEP

RESOLUTION #A102308 OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF IMPERIAL ("LAFCO") MAKING A DETERMINATION AND APPROVING DIRECTION OF THE MINOR ANNEXATIONS DEALING WITH RIGHTS-OF-WAYS

WHEREAS, LAFCO conducted a full public hearing on the above-referenced issue; and

WHEREAS, the Executive Officer informed LAFCO that a number of years ago the Commission adopted a policy to require that all annexations include the full width of every contiguous right-of-way, easement, road, and/or canal. Prior to that policy some annexations excluded contiguous rights-of-ways and;

WHEREAS, the Executive Officer explained that in some cases when a development project occurs contiguous to a city, and the County acquires the right-of-way for future roads, there is no mechanism to give that right-of- way to the city as "incorporated" property when annexation occurs; and;

WHEREAS, the Executive Officer proposes that LAFCO consider authorizing this type of "annexation" to be allowed under the administrative heading of the Executive Officer, much like the ability to extend via administrative procedure, water and sewer services.

NOW THEREFORE BE IT RESOLVED, by the LOCAL AGENCY FORMATION COMMISSION of the County of Imperial, State of California, that:

LAFCO adopts the motion made by Commissioner Maruca to accept and approve the Executive Officer recommendations. The Executive Officer may approve annexations of rights-of way, roads, canals and other public infrastructure by administrative review. This shall occur only after public notice to the contiguous land owners and affected agencies. The motion carried on the affirmative roll call vote of all Commissioners present.

PASSED, ADOPTED AND APPROVED this 23rd day of October, 2008, by the following roll call votes:

AYES: Maruca, Snively, Carrillo, Ludwig

NAYES: None

ABSENT: None

Victor Carrillo, Chairman

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T H A N K Y O U !

For any questions regarding the information contained within this document, please contact the LAFCO Office at the following information:

Imperial Local Agency Formation Commission
1122 State Street, Suite D
El Centro, CA 92243
Phone: (760) 353-4115
Fax: 353-4132
Website: www.iclafco.com

Last revision:
April 2013

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ATTACHMENT J

PROPOSAL PROCESSING
GENERAL PROCEDURES

Please note that some changes of organization require specialized procedures.

1. An application for a change (or changes) of organization is submitted to LAFCO together with either a petition of landowners or registered voters, or a resolution of application by an affected local agency (city, district, or county) or school district. The individual who signs the application form is considered the "proponent." If a petition must be circulated to more than two individuals, the "Notice of Intent to Circulate Petition" section of the petition form must be submitted and signed by LAFCO's Executive Officer prior to gathering the requisite signatures.

2. The proposal is given a reference number and title, and assigned to an analyst. If the LAFCO fees are not paid or are incorrect, the proponent is notified of the amount due, and the proposal is held pending payment.

   a) A letter is sent to the proponent stating that the application is complete, or specifying what additional items are required to make the application complete.

   b) When the LAFCO fees are paid, and the proposal is deemed complete, a preliminary staff report is prepared by the LAFCO analyst.

   c) A letter with copies of the preliminary report and vicinity map is sent to all agencies affected by the proposal, and any individuals or organizations that have expressed interest. The letter solicits comments related to the proposal, as well as potential terms and conditions that an agency may wish to impose.

   d) Another letter, which acknowledges receipt of the application, is sent to the Auditor, the Department of Planning and Land Use, the Assessor, and the agency(ies) that would be affected by the proposed jurisdictional change(s). Also included with that letter are copies of the preliminary report and map. In addition to the letter, the Assessor receives copies of the metes-and-bounds legal description of the proposal area and a form that, when complete, is returned to LAFCO.

   e) Proposals are subject to an exchange of property tax revenue. In San Diego County, three master resolutions have been adopted that pertain to annexations involving 15 cities and numerous special districts. If a proposal does not fall under the purview of one of the master property tax resolutions, the potential exchange of property taxes is negotiated and a separate resolution is adopted. The appropriate property tax exchange category (either a master or negotiated resolution) must be verified and negotiations, if necessary, completed prior to Commission consideration of the proposal.

3. If the application was submitted by a petition of property owners, the signatures are verified by comparison with the returned Assessor's report. If the application was submitted by a petition of registered voters, the signatures are verified by the Registrar

of Voters, who then informs LAFCO of the results. If the petition contains the requisite number of signatures, the Executive Officer issues a Certificate of Sufficiency. If the petition does not contain the requisite number of signatures, a Certificate of Insufficiency is issued. The Certificate of Sufficiency or Insufficiency is sent to the Chief Petitioner(s).

4. If a proposal involving annexation to a special district, or detachment from a city was submitted by a petition, or submitted by an agency other than the annexing or detaching agency, a report is placed on the next agenda as a jurisdictional information item per provisions in State Law or Local Policy/ Procedures. This report notifies the Commission that the LAFCO processing has begun and triggers a 60-day period in which the annexing or detaching agency (district or city) may adopt a resolution terminating proceedings.

5. When all required documents have been submitted and the analysis has been completed, the proposal is scheduled for a decision by the Commission. The Executive Officer issues a certificate of filing, which specifies the date, time, and place of the hearing, and sends copies of the document to the proponent and affected agencies.

6. If the proposal has 100% consent of the landowners within the proposal territory and does <u>not</u> involve a sphere of influence action, the Commission may consider it without a public hearing. However, a public hearing is held for proposals that:

   a) lack 100% consent of the property owner(s);
   b) include adoption of a sphere of influence or sphere amendment;
   c) include actions other than annexation(s), detachment(s), or formation of a county service area; or
   d) are complex and/or controversial.

   The public hearing notice describes the proposal, states the meeting date, time, and place, and is:

   a) published 21 days prior to the hearing in a local newspaper;
   b) posted near the meeting place; and
   c) mailed to affected local agencies, interested persons, all property owners and registered voters in the proposal territory, and all property owners and registered voters located within 300 feet of the external boundary of the proposal territory.

7. If approved by the Commission, a proposal is subject to a protest proceeding, unless that provision has been waived. This proceeding can be waived if:

   a) the proposal involves only annexation(s), detachment(s), or both;
   b) all owners of land within uninhabited proposal territory have provided consent;
   c) no owners of land or voters within inhabited proposal territory provide written opposition to the waiver of protest proceedings; and
   d) all agencies that would gain or lose territory as a result of the proposal do not oppose the waiver of protest proceedings.

8. If the proposal is approved and the conducting authority proceeding has been waived, a resolution ordering the change(s) of organization is adopted by LAFCO. To allow for the mandated reconsideration period, the resolution and its supporting documents cannot be recorded for at least 30 days after the proposal is approved.

9. In the case of other types of proposals, or when not all property owners have provided consent, or when agencies that would gain or lose territory as a result of the proposal have submitted written opposition, the Commission conducts a noticed public hearing to accept protest. Please refer to the “Conducting Authority Procedures” section of this website for more information related to protest proceedings.

10. The resolution and associated materials are filed with the County Recorder, and the proposal deemed "effective" as of the date of recordation, unless specified otherwise. Similar filings also are made with the State Board of Equalization and the Assessor. Please refer to “Procedures for Final Filings” located on this website.

ATTACHMENT K

SAN JOAQUIN
LOCAL AGENCY FORMATION COMMISSION

LAFCo

509 West Weber Avenue Suite 420 STOCKTON, CA 95203

AGENDA ITEM NO. 5

EXECUTIVE OFFICER'S REPORT

PROJECT:	**TRACY VILLAGE REORGANIZATION TO THE CITY OF TRACY (LAFC 24-19)**
PROPOSAL:	To annex 180.23 acres to the City of Tracy with concurrent detachments from the Tracy Rural Fire District and the San Joaquin County Resource Conservation District.
APPLICANT:	City of Tracy
LOCATION:	Southwest corner of Corral Hollow and Valpico Roads, Tracy (Exhibit A: Vicinity Map)
PURPOSE:	Development of a gated and age-restricted subdivision consisting of 590 single-family homes on 135.2 acres. The remaining acres consist of the adjacent 42-lots of existing rural residential units and portions of Corral Hollow and Valpico Roads.
PROCESS:	Proposed annexation area is "inhabited" and does not have 100% owner-consent. Protest proceedings may be required.

RECOMMENDATION

It is recommended that the Commission approve Resolution No. 1417 approving annexation of 180.23 acres to the City of Tracy with concurrent detachments from Tracy Rural Fire District and San Joaquin County Resource Conservation District and waiving the protest proceedings or direct the Executive Officer to hold a protest hearing, as applicable.

BACKGROUND

A Resolution of Application was approved by the City of Tracy authorizing an application submittal to LAFCo for annexation of 180.23 acres for the development of a gated, age-restricted subdivision consisting of 590 single-family homes and the annexation of 42-lots with existing rural residential homes. The existing homes are included with this annexation to avoid the creation of an unincorporated island. The annexation area also includes the portions of Corral Hollow Road adjacent to the annexation site and Valpico Roads from the city boundary west to Corral Hollow Road. (Exhibit B: City Resolution and Justification of Proposal).

"Inhabited territory" under the Cortese Knox Hertzberg Reorganization Act of 2000 (CKH) is defined as territory within which there resides 12 or more registered voters. This application includes "inhabited territory" as there are more than 12 registered voters. The proposal does not have 100% consensus from property owners agreeing to the annexation. As a result, by Statute protest proceedings are applicable. However, Section 56663 of the CKH also provides that the Commission may waive protest proceedings if all of the following has occurred:

(a) Mailed notice has been given to all landowners and registered voters
(b) Mailed notice discloses that unless written opposition to the proposal is received before the conclusion of the hearing, the commission intends to waive the protest proceeding
(c) Written opposition has not been received

LAFCo posted, mailed and published Public Hearing Notices 21-days before the hearing, including the disclosures required under sub-section (b). As of the date of publication no written opposition to this Application has been received. Thus, all three of the conditions under Section 56663 have been satisfied, although there is still a possibility of receipt of written opposition.

ENVIRONMENTAL

The City of Tracy certified a Final Environmental Impact Report (EIR) and adopted Mitigation Measures, and a Monitoring and Reporting Program for the project in May 2018. LAFCo, as a Responsible Agency must consider the City's environmental report and make findings upon approval of the project. The EIR is posted on LAFCo's website. (Exhibit C: Notice of Determination).

PROPERTY TAX EXCHANGE

Pursuant to the Revenue and Taxation Code, the City and County must have an agreement in place that would determine the exchange of property tax revenues from jurisdictional changes. The County/Tracy master tax sharing agreement expired on July 31, 2019. However, the County and the City agreed to extend the terms of the master tax agreement for an additional six months.

FACTORS

The Cortese-Knox-Hertzberg Local Government Reorganization Act requires fifteen factors to be considered by a LAFCO when evaluating a proposal for a change in organization or reorganization to a City. Factors to be considered shall include, but are not limited to the following (Government Code Sections 56668):

(a) Population and population density, likelihood of significant growth during the next 10 years

The project includes the annexation of 180.23 acres of which 135-acres is proposed for the development of the Tracy Village Development Project (TVDP) designed as an age-restricted community of 590 single-family homes. The project site is surrounded with 42 lots designated as low density residential. Residential-low land uses form the eastern boundary of the project area and to the south include residential-low land uses. These lands are already within the city limits. Lands to the west of the project area are in agricultural uses or vacant land. Residential development is planned for these areas and they are within the City's 10-year sphere plan.

(b) The need for organized community services and present cost and adequacy of governmental services

Essential governmental services which are provided to the subject area at the present time, and which will be provided after the proposal is finalized, are indicated in the following chart:

SERVICE	CURRENT PROVIDER	AFTER ANNEXATION
Law Enforcement	County Sheriff's Office	City
Fire Protection	Tracy Rural Fire District	City
Water	None	City
Sewer	None	City
Drainage	None	City
Irrigation	Byron Bethany Irrigation District[1]	Byron Bethany Irrigation District
Schools	Tracy Joint Unified School District Jefferson Elementary School District	Tracy Joint Unified School District Jefferson Elementary School District
Planning	County	City

[1] *BBID will continue to serve the 133 acre parcel that is within the District. The 42-lots are not within BBID boundaries. The BBID boundaries will not change with this annexation.*

City ordinances and resolutions are in place to ensure that required public facilities fees are paid and that services can be maintained at appropriate levels for the project. The City's recently approved Municipal Service Review (MSR) and SOI Update and the project specific environmental review concluded that the project impacts on the water, wastewater, and storm drainage systems would be less than significant.

Commission Policies

Detachment: The current application under consideration made by The City of Tracy includes a request for detachment consistent with their Governance Plan as referenced in the Municipal Service Review.

The proposed annexation territory is currently being served by the Tracy Rural Fire District. On April 22, 2019 the Commission adopted Resolution No. 1402 adopting a fire governance model requiring future annexations to the City of Tracy to detach from the Tracy Rural Fire District. Upon annexation, Tracy Village will receive fire service and all other services the City provides. LAFCo received letters from Tim Smith, Chairman, Tracy Rural County Fire Protection District (Tracy Rural) dated September 17, 2019, and from Randall Bradley, Fire Chief, South San Joaquin County Fire Authority (SSJCFA) dated September 16, 2019 opposing the detachment (Exhibit D). [1] A letter was also received from Monica Nino, San Joaquin County Administrator Office, dated September 30, 2019, in support of the City of Tracy's annexation application proposing the property will detach from the Tracy Rural Fire District upon annexation.

[1] Confirmed by Chief Bradley on September 24, 2019 the matter regarding Tracy Village Reorganization to the City of Tracy has not been considered by the Fire Authority Board and that the comments contained in the letter dated September 17, 2019 reflect only the opinions of Chief Bradley and not that of the "Authority".

A letter from Tracy Rural states "the provision detaching annexation land from TRFD will impair fire protection services by eliminating TRFD's ability to assess properties and raise critical, life and property saving funds." The loss of property tax and assessments is approximately $16,707 annually. The TRFD letter did not provide supplementary information demonstrating how fire protection services will be impaired with a decrease in revenue. Upon annexation, Tracy Rural will no longer be responsible for fire services to the 180 acres.

A letter from Chief Bradley, the South San Joaquin County Fire Authority, outlines four areas regarding detachment including: a. detachment jeopardizes the current level of service; b. non-detachment attract more commercial investment; c. financial benefits of detachment have not been demonstrated; and d. detachment risks inhibiting development. The letter from Chief Bradley did not provide any substantive information or supporting documentation in demonstrating how detachment would affect any of these areas.

A letter from Monica Nino, County Administrator, summarizes the history and status of the tax sharing agreement with the City of Tracy and provides a reiteration of the information and analysis provided to the Commission for its deliberations regarding the fire governance model in April 2019. The conclusion of that analysis was that the County will have a cumulative loss of approximately $74.2 million in revenue due to annexation without detachment for the twelve existing annexations for FY 2001/02 through 2026/27. The letter also stated that the County's loss of revenue for Tracy Village without detachment would be approximately $225,463 over the next seven years. It should be noted that the loss of revenue could be significantly higher since this project is expected to build out at a much faster rate than the projected city-wide growth rate. The letter states further that the County is in support of the City of Tracy's annexation application proposing the property will detach from the Tracy Rural Fire District upon annexation. The letter concludes with the statement that:

> "Requiring future annexations to the City of Tracy to detach from the Tracy Rural Fire Protection District will ensure the County is provided necessary funding for increased demand on County services."

At the LAFCo Commission's special meeting on April 22, 2019, the City and Tracy Rural was afforded the opportunity to provide testimony on the subject of detachment and after due consideration the Commission adopted a Fire Governance Model including a policy that the fire district will detach upon a city annexation. This process was a culmination of extensive efforts since 2011 to address the duplication of fire services and to adopt a fire governance model as required by LAFCo's County Fire Municipal Service Review adopted on October 21, 2011.

The City's application to annex Tracy Village requests detachment in compliance with the adopted fire governance model. In addition, the City's Services Plan prepared by the City of Tracy and submitted with the application demonstrates that the city has the ability to provide adequate fire services to the newly annexed territory. The City Services Plan states that upon annexation, the property will detach from the Tracy Rural Fire District. Payment of applicable City development impact fees will also be required in support of fire and police facilities as development of the site occurs. Additional funding of fire and police services will come from annual payment of property taxes and payment of a Community Facilities District fee for services, along with sales taxes and other revenues generated

citywide. The City Services Plan concludes with the statement that the Tracy Village Project is not expected to increase response times or trigger new fire station construction.

In July 2019 the Commission approved a Municipal Service Review (MSR) for the City. The MSR provides a comprehensive analysis of services provided by the City including fire. The Commission adopted written determinations that the City can provide adequate fire service and has the resources available to fund fire service. The determination reads, in part:

> "The City has an appropriate process in place to plan and fund fire protection services, including regular review of its service levels and funding sources and annual budgeting of resources, that will ensure adequate fire protection staffing, performance levels, and facilities are maintained to serve the City's existing population as well and future growth within the SOI."

Commission's policy regarding Adverse Impact of Annexation on Other Agencies

It is Commission's policy to consider any significant adverse effects that may be caused by an annexation, (i.e. a negative impact on a special districts' budget) and if adequate mitigation has been provided. The proposed annexation of 180.23 acres to the City will result in a financial impact to Tracy Rural in the annual amount of $16,707 loss in property tax and direct charges revenue to the District. Financial mitigation by the City to Tracy Rural has not been proposed. However, the Commission's policy requires that the special district must demonstrate that the action will negatively impact the special district's budget or services or require the continuation of services without the provision of adequate funding. Tracy Rural has not provided information in support of this finding.

(c) The effect of the proposed action and of alternative actions, adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.

The proposed action will not have an effect on any social interests or any effect on economic interests, as the area will no longer be utilized for agricultural purposes. There will be no effect of the proposed action on the local governmental structure of the county.

(d) The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in Section 56377.

Section 56377 requires that the Commission, in reviewing proposals that would reasonably induce, facilitate, or lead to the conversion of existing open-space lands to uses other than open-space uses, to consider the following policies and priorities:

> (1) Development of land for other than open-space uses shall be guided away from existing prime agricultural lands towards areas containing nonprime agricultural land unless that action would not promote the planned, orderly, and efficient development of the area; and
>
> (2) Development of existing vacant or non-prime agricultural lands for urban uses within the jurisdiction or within the sphere of influence should be encouraged before any proposal is approved which would allow for or lead to the development of existing open-space lands for non-open space uses outside of the jurisdiction or sphere of influence.

The City's Open Space Statement (Exhibit E: Statement on Open Space) addresses the development of Tracy Village on open- space lands. The City's statement determined that none of the annexation land is classified as Prime Farmland and identifies 126.4 acres as Farmland of Local Importance. LAFCo policies however requires that a determination first be made if the annexation land to be converted is "Prime *Agricultural* Land." "Prime agricultural land" is different from Prime Farmland and would qualify as Prime Agricultural land if it meets <u>any</u> of the following: (a) class I or class II rating, if irrigated" in the USDA Natural Resources Conservation Service land use capability classification; (b) has an 80-100 Storie Index Rating; (c) land that supports livestock used for the production of food and fiber; (d) land planted with fruit or nut-bearing trees, vines, bushes, or crops that will provide a return of at least $400 annually; or (e) is land that has returned from the production of unprocessed agricultural plant products of at least $400 annually for three of the previous five years. The vacant parcel to be developed is class II when irrigated, does not meet the Storie Index Rating, and has historically been used for agricultural production according to the City's Statement.

The Tracy Village site was included in the City's 10-year sphere of influence boundary as it was anticipated for development. The site is adjacent to the City boundary and is surrounded by urban development or lands planned for eventual development. The City addressed the conversion of open-space lands in its General Plan and EIR and adopted a Statement of Overriding Considerations and provided mitigation measures for the loss of agricultural lands. In 2015 voters approved an amendment to the City's General plan to create an "Active Adult Residential" land use designation. The initiative was designed to reserve this specific property to be used for senior living residential units. Development of the site would promote the planned, orderly, and efficient development of the area.

(e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.

Agricultural lands are defined as land that is currently used for the purpose of producing an agricultural commodity for commercial purposes. The 135-acre parcel in this annexation has been historically used for agricultural production and will be developed to urban uses. The City addresses the conversion of agricultural lands to urban uses in its EIR and adopted a Statement of Overriding Considerations and mitigation measures for the loss of agricultural lands. Mitigation measures includes the implementation of a "Right to Farm" and participation in the City's agricultural mitigation fee program. The City's Agricultural Mitigation Fee program requires a payment of $2,906.23 per acre which will be remitted to the Central Valley Farmland Trust to be used to fund conservation easements on comparable or better agricultural lands.

(f) The definiteness and certainty of the boundaries of the territory.

The annexation area is consistent with LAFCO's policy and includes full assessor parcels.

(g) A regional transportation plan adopted pursuant to Section 65080 and consistency with city or county general and specific plans.

The 2018 Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS) services as the region's long range transportation plan and provide guidance for decisions about transportation spending priorities. The proposal is consistent with the City's General Plan and other applicable planning documents. The Plan was adopted by the San Joaquin

Council of Governments (COG) Board on June 28, 2018. The Plan appears to be consistent with the city general plan.

(h) The sphere of influence of any local agency, which may be applicable to the proposal being received.

Tracy Rural Fire District's SOI is contiguous with its service boundary and the proposed annexation area will be taken out of Tracy Rural's SOI.

Byron Bethany Irrigation District currently provides irrigation water to the 133-acre vacant parcel only and detachment from the district is not being proposed. The BBID boundary will not change with this annexation.

(i) The comments of any affected local agency or other public agency.

The proposal was distributed to local and affected agencies for their review and comment. (Exhibit F: Comment Letters)

Byron Bethany Irrigation District (BBID): A portion of the Tracy Village Reorganization lies within BBID's Central Valley Project service area and should remain within the District in order to provide the City with a future municipal water source. Staff is recommending no change to BBID's service boundary.

County Public Works Department: No comment.

SJ County Administrator's Office: See previous discussion regarding comments received from Tracy Rural, South San Joaquin County Fire Authority, and SJ County Administrator (section (b)).

(j) The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.

The City will extend municipal services to the proposed annexation area. As required by Government Code § 56653 the City submitted a plan for providing services (Exhibit G). GC 56653 requires that the plan address the following: 1) an enumeration and description of services to be provided; 2) the level and range of those services; 3) an indication of when those services can feasibly be extended; 4) improvements or upgrading of services or other conditions that would be imposed or required by the annexation; and 5) how the services will be financed. Detailed information can be found in the City's Services Plan.

<u>Water:</u> The City's water supply is provided by various sources including surface water from the Delta-Mendota Canal, surface water delivered by South San Joaquin Irrigation District, and groundwater from nine City wells. The City's Water Supply Assessment report indicates that the City's existing and additional planned future water supplies are sufficient to meet the projected water demands of the proposed project to the year 2040 under all hydrologic conditions including normal years, single dry years, and multiple dry years.

Water service to the proposed development will be will be extended by connections to an existing 24-inch water main in Corral Hollow Road and an existing 16-inch water main in Valpico Road. In addition, the developer is required to design and install water laterals to

the point of service (within the right-of way) for the existing homes to the north of Valpico Road and the existing homes along the east side of Corral Hollow Road.

Stormwater: Storm drain improvements will include a 36-inch storm drain main in Valpico Road. The primary stormwater treatment control measure would be the on-site man-made lake system. It will serve as the primary drainage conveyance and peak attenuation/storage facility, and will provide water quality treatment for urban stormwater runoff.

Sewer: The City will provide wastewater collection and treatment upon annexation. TVDP's proposed internal sewer network would collect effluent from TVDP into a main line to be constructed in Valpico Road. From there, it would flow to a main line, also to be constructed in Corral Hollow Road. This would connect to the existing sewer line north of the project area and to the City's Wastewater Treatment Facility. The City indicates that the treatment facility has the capacity to receive and treat the effluent anticipated to be produced by the project. In addition, the developer is required to design and install sewer laterals to the point of service (within the right-of-way) for the existing homes to the north of Valpico Road and the existing homes along the east side of Corral Hollow Road.

Police: Law enforcement services are currently provided by the County Sheriff's Office and will be provided by the City's Police Department (TPD) upon annexation. The police department is located 3.5 miles north of the site. Response times for emergency calls in 2017 was 7 minutes 7 seconds, and the City determined that the annexation is not expected to increase the response times. Funding will be provided by the collection of development impact fees and a Community Facilities District. The Police Chief determined that no new or expanded policy facilities would be necessary to serve the development.

Fire: The project site will detach from the Tracy Rural Fire District. LAFCo annexation policies require that the loss of financial resources due to detachment be mitigated by the annexing agency if financial loss will negatively impact the detaching fire district. See discussion in section (b) above.

Fire service is provided by the South San Joaquin County Fire Authority (SSJCFA) whose membership includes the City of Tracy and Tracy Rural. The nearest City fire station is located at 595 West Central Avenue, less than 2 miles from the annexation site. Revenues for services will be generated from applicable City development impact fees, property taxes, Community Facilities Fees, and sales taxes.

(k) Timely availability of water supplies adequate for projected needs as specified in Government Code Section 65352.5.

The City prepared a Statement of Timely Availability of Water Supplies. The City an Urban Water Management Plan that evaluates potential population growth and the availability of water based on existing water use patterns. The City determined that an adequate water supply can be reasonably available through 2040.

(l) The extent to which the proposal will affect a city and the county in achieving their respective fair share of the regional housing needs

The City's Regional Housing Needs Allocation for the period 2014-2023 is 4,976 housing units. Of those, 2,463 are allocated for the above to moderate income ($43,012 to $64,517 annual income) category. The annexation proposal would create up to 600 new housing unity, all of which fall into the above-moderate category. The development of Tracy

Village, however, will satisfy the City's recently passed Measure K which created a secondary allocation system for Active Adult Residential Growth Allotments. The Ordinance provides an allocation of 600 units for active adults housing (Exhibit H: Housing Statement).

(m) Any information or comments from the landowner or owners, voters, or residents of the affected territory.

No information or comments have been received from landowners, voters, or residents of the affected territory.

(n) Any information relating to existing land use designations.

There is no other land use information related to this project.

(o) The extent to which the proposal will promote environmental justice (fair treatment of people of all races cultures, and incomes with respect to the location of public facilities and the provision of public services).

The project does not result in the unfair treatment with respect to the location of public facilities and provision of public services.

DISCUSSION

The Cortese-Knox-Hertzberg Reorganization Act of 2000 provides guidance to local LAFCo's in the review of proposals for reorganizations. This staff report provides a summary of the review factors for consideration by the Commission in its review of the annexation proposal. The project represents a logical extension of the City boundary and provides for the orderly development of the western area of the City. The proposed annexation should include all territory as submitted in the City's application otherwise annexation of only the portion of the site specifically for the Tracy Village Development Plan would create an unincorporated island that cannot be annexed under the island provisions in the future and would result in an inefficient delivery of services. The proposed development has been addressed in the City's General Plan and the MSR/SOI Plan approved by the Commission in July 2019. The City Services Plan provides adequate information that the City can appropriately provide full municipal services for the proposed development.

Protest Proceedings: For an inhabited annexation, if any owner of land or registered voter within the proposed annexation boundary submits a written statement protesting the Tracy Village annexation by the close of the Commission public hearing, a protest proceeding will be triggered. If, by the close of the protest hearing, 50% or more of the voters protest the annexation, the proceedings are terminated. If more than 25% but less than 50% of the voters or more than 25% of the number of owners of land who also own at least 25% of the assessed value of land protest the annexation, the action is subject to an election. If less than 25% of the registered voters or less than 25% of the number of owners of land owning less than 25% of the assessed value of land protests the annexation, the action requires approval of the annexation.

The Commission may waive the protest proceedings if all of the following have occurred:

(a) The mailed public hearing notice has been given to and landowners and registered voters in the affected territory

(b) The mailed notice discloses that unless written opposition is received before the conclusion of the hearing, the commission intends to waive the protest proceeding and that there is potential for the extension or continuation of any previously authorized charge, fee, assessment, or tax

(c) Written opposition to the proposal from landowners or registered voters is not received before the conclusion of the hearing on the proposal

By policy, Commission has delegated the responsibility to hold protest proceedings to the Executive Officer. If a protest proceeding is needed, the Commission should direct the Executive Officer to hold the protest proceedings.

Attachments: LAFCO Resolution No. 1417 and Alternate Resolution-Requires Protest Proceeding
Exhibit A: Vicinity Map
Exhibit B: City Resolution and Justification of Proposal
Exhibit C: Notice of Determination
Exhibit D: Letters from Tracy Rural, SSJCFA, and County Administrator
Exhibit E: Open Space Statement
Exhibit F: Referral Comments
Exhibit G: City Service Plan
Exhibit H: Housing Statement

ATTACHMENT L

SAN JOAQUIN
COUNTY
Greatness grows here.

Office of the County Administrator
Monica Nino, County Administrator
Jerry Becker, *Assistant County Administrator*

September 30, 2019

James Glaser
Executive Officer
San Joaquin LAFCO
509 West Weber Avenue, Suite 420
Stockton, CA 95203

Tracy Village Reorganization to the City of Tracy (LAFC 23-19)

Dear Mr. Glaser:

This letter is in response to the City of Tracy annexation application to annex approximately 180 acres of property to the City for the development of 590 single family homes in an age-restricted community and the annexation of the adjacent 42 lots.

In order to process annexation applications, State law requires that an agreement be in place between the requesting city and the county to specify how the existing property tax in the area to be annexed will be redistributed. In San Joaquin County, master agreements between the County and each of the cities have facilitated annexations since 1997.

On August 13, 2019, the City of Tracy entered into its most recent extension of the existing tax sharing agreement with San Joaquin County to extend the previous tax sharing agreement until January 31, 2020. The term of the previous Master Annexation Agreement between San Joaquin County and the City of Tracy was for the period of November 20, 2012 through July 31, 2019. Negotiation of a new Master Annexation Agreement between the County and the City began in early June 2019, but has not concluded. The City of Tracy formally requested an extension of the 2012 Master Annexation Agreement for six (6) months to January 31, 2020 to allow the City time to explore alternative tax sharing options and to ensure that its projects going before LAFCo in the next three to six months move forward without delay as negotiations between the County and City continue.

Pursuant to the tax sharing agreement, for annexations that involve detachment from a fire district, reallocated property taxes are shared in the ratio of 80% for the County and 20% for the City. For annexations that do not involve detachment from a fire district, reallocated property taxes are shared in the ratio of 85% for the County and 15% for the City for consolidated fire districts established between June 15, 1996 and June 15, 2003.

Since 1996, the City of Tracy has annexed twelve properties within its Sphere of Influence and the properties were annexed into the City without detachment from the Tracy Rural Fire District. Annexation without detachment has resulted in a significant loss of revenue for the County. Utilizing the time frame identified in the Governance Review between Fiscal Years (FY)

2019/20 through 2026/27, the San Joaquin County Auditor Controller's Office (ACO) identified County revenues would have increased by $3.5 million in FY 2019/2020 and continued to increase to $10.1 million in FY 2026/27, with a cumulative loss of potential revenue totaling $55 million during the 2019/20 through 2026/27 fiscal year time frame for annexations without detachment. The ACO also calculated revenue loss that occurred in the past from annexations utilizing the time frame of FY 2001/02 through 2018/19, which has resulted in a loss of revenue totaling $19.2 million for the County. Combining both time frame periods, the County will have a cumulative loss of approximately $74.2 million in revenue due to annexation without detachment for the twelve existing annexations. For the proposed 180 acre Tracy Village annexation, utilizing the same time frame between FY 2019/20 through 2026/27, the County will lose a total of approximately $225,463 in revenue if annexation without detachment occurs.

On April 22, 2019, the LAFCo commission unanimously determined all future annexations in the City of Tracy would require detachment from the Tracy Rural Fire District. The County is in support of the City of Tracy's annexation application proposing the property will detach from the Tracy Rural Fire District upon annexation. The County continues to encourage the City of Tracy to adhere to the same process as other cities that provide fire service in the County (Stockton, Lodi, and Manteca) which is to perform annexation with detachment. Requiring future annexations to the City of Tracy to detach from the Tracy Rural Fire Protection District will ensure the County is provided necessary funding for increased demand on County services.

Thank you for your consideration. If you have any questions, I can be reached at (209) 468-3203 or by contacting Mo Hatef, Senior Deputy County Administrator at (209) 468-2996.

Sincerely,

Monica Nino
County Administrator

MN09-06

c: City of Tracy
Board of Supervisors
Auditor-Controller
Tracy Rural County Fire Protection District
South San Joaquin County Fire Authority