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April 8, 2009 (Agenda)

Contra Costa Local Agency Formation Commission
651 Pine Street, Sixth Floor
Martinez, CA 94553

Fire Service Providers – Sphere of Influence Updates

Dear Members of the Commission:

SUMMARY

In accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act), LAFCO must adopt a sphere of influence (SOI) for each city and special district. The SOI serves as the ultimate planning boundary for a local agency. Effective SOIs may discourage urban sprawl by preventing service duplications, overlapping service areas and premature conversion of agricultural land to urban uses.

Pursuant to State law, LAFCO must review and update SOIs at least every five years, as necessary. In order to prepare and update the SOIs, LAFCO must prepare a municipal service review (MSR).

In September 2008, LAFCO initiated a countywide fire and emergency medical (EM) services MSR. The Commission retained the independent firm of Burr Consulting to prepare the MSR report.

On February 11, 2009, the Commission held a workshop at which time the MSR consultant presented an overview of the Preliminary Draft Fire and EM MSR report and SOI options. The Commissioners and members of the public provided comments regarding the preliminary study. Although State law does not specify a review period for MSRs, the MSR report was circulated for a 21-day public review period, during which a number of comments were received. Burr Consulting has prepared a comment log and responses to comments. The MSR report and SOI recommendations will be presented to the Commission on April 8 for final consideration and approval. This report, along with copies of the public comments, the comment log and consultant's responses to comments are available on the LAFCO website at www.contracostalafco.org.

The Fire/EM MSR includes recommended determinations for the following agencies: cities of El Cerrito, Pinole and Richmond, Contra Costa County Fire Protection District (ConFire), Crockett-Carquinez Fire Protection District (CCFPD), East Contra Costa FPD (ECCFPD), Kensington FPD (KFPD), Moraga-Orinda FPD (MOFPD), Rodeo-Hercules FPD (RHFPD), San Ramon Valley FPD (SRVFPD), and County Service Area EM-1 (CSA EM-1).

In addition, the report presents SOI and Governance Structure options for the cities and districts listed above. The report presents SOI recommendations only for single-purpose agencies (districts), including ConFire, CCFPD, KFPD, MOFPD, RHFPD, SRVFPD and CSA EM-1; SOI recommendations for multi-purpose agencies (cities) will be included in the general service sub-regional reviews, to be completed later this year.

At this time, the Commission is asked to consider the SOI updates for each of the special districts included in the Fire and EM MSR. The SOI options and recommendations were presented in the various draft reports, and made available to the affected agencies and the public for review and comment.

The attached table presents a condensed summary of the Governance Structure and SOI options identified in the MSR report, along with the consultant and LAFCO staff recommendations, some of which differ; analysis on each agency is presented in the MSR report and is briefly summarized below.

DISCUSSION

LAFCO and MSRs/SOI Updates

Provisions for updating SOIs are contained in the CKH Act. In adopting or updating an SOI, the Commission must make determinations concerning the following:

- The present and planned land uses in the area, including agricultural and open-space lands.
- The present and probable need for public facilities and services in the area.
- The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
- The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.
- When adopting, amending or updating an SOI for a district, LAFCO must establish the nature, location and extent of any functions or classes of service.

The Commission may approve boundary changes using SOIs as a basis. LAFCO has also adopted policies and procedures for SOI updates. Among the more important factors is the need to consider whether services need to be provided in the next 5-20 years, or whether there is any other compelling reason for expanding an SOI, such as to enable funding of open space maintenance or to provide a logical boundary. Also, LAFCO should consider whether territory included in the SOI of one agency is already included in, or should be included in, the SOI of another agency more capable of providing services.

In considering SOI issues in the context of fire service, the Commission should recognize that fire service providers have unique “service areas” that differ from the LAFCO approved service boundary and SOI as a result of automatic aid, mutual aid and contract service arrangements.

All of these factors and policies were considered in developing the recommendations.

Based on the analysis completed in the MSR, options for each district’s SOI were evaluated. These included retaining the existing SOI, reducing or expanding the SOI, adopting a zero SOI which would signal that the district should either be dissolved or merged or consolidated with another agency, or adopting some other appropriate SOI (e.g., provisional, overlapping, partial, special study area, service-specific, smaller-than-agency, etc.).

Local Governance Options

The economic and financial market crises have dealt a severe blow to local government finances, both on the revenues and spending sides. Many local governments are reeling from the fallout of the subprime mortgage crisis and foreclosures, declines in property and sales taxes and development related revenue, downturn in economic activity and rising unemployment. Further, the impact of the financial market meltdown has severely disrupted the municipal bond market which impacts borrowing and pension benefit costs.

The National League of Cities and National Association of Counties report that there is typically an 18-24 month lag between the change in economic conditions and the impact on municipal government. According to economic forecasts, 2010 and 2011 will be even tougher on the fiscal health of local government.

In light of the severe strain to local government finances, it is critical to implement remedies to prevent or mitigate further fiscal distress and better adapt to changes in the economic climate. Such remedies include adopting best practices and implementing fiscal and governance reforms.

The MSR report identifies a number of potential consolidations, mergers and dissolutions. Government Code Section 56375(a) gives LAFCO the power to initiate certain types of boundary changes consistent with an MSR and other special studies. These boundary changes include:

- Consolidation of districts (joining two or more districts into a single successor district)
- Dissolution (termination of a district and its corporate powers)
- Merger (termination of a district by merging that district with a city)
- Establishment of a subsidiary district (city council becomes the board of directors of a district)
- Formation of a new district or districts
- A reorganization that includes any of the above

Any other type of boundary changes, such as an annexation or a detachment, must originate from affected local agencies (e.g., cities, districts) or landowners or registered voters.

Once again, an SOI is an area designated for probable service, and in essence, defines where and what types of government reorganizations (i.e., annexation, detachment, dissolution, consolidation) may be initiated. By statute, territory may not be annexed to a city or district unless it is already included within that agency's SOI.

An SOI change neither initiates nor approves government reorganization. If and when government reorganization is initiated, there are procedural steps required by law, including an application, a service plan, a noticed public hearing, and processes (protest hearing and/or election). Only the governing bodies of local agencies, affected landowners or registered voters may initiate annexations and detachments and so long as they are consistent with the SOIs of the affected agencies.

It is important to note that changes to an agency's SOI do not directly affect service, and do not guarantee that LAFCO will approve the associated annexation or governance change.

It is also important to note that the more complex options (e.g., mergers, consolidations, etc.) typically require a second, more comprehensive "reorganization study" to review in depth the fiscal impacts of such actions.

Summary of Governance Structure and SOI Options and Recommendations

The following includes a summary of the Governance Structure and SOI options and recommendations for each agency in the order in which they appear in the MSR report (see attached table for a condensed summary). Details and analysis regarding these options are presented in the MSR report.

City of El Cerrito is a general law city and incorporated in 1917. The City has provided fire protection services since it incorporated. The City provides fire/EM services within the city limits, to adjacent portions of the City of Richmond and to the unincorporated East Richmond Heights community. In addition, since 1996, the City of El Cerrito has provided fire/EM services under contract to the Kensington Fire Protection District serving the unincorporated Kensington community. The City of El Cerrito relies on the City of Richmond for dispatch and specialized hazardous materials response services.

The City's SOI extends beyond its corporate boundary and includes unincorporated areas including Kensington and the southern portion of East Richmond Heights. Under current operating agreements, the City of El Cerrito is the first-in service provider to a small area in the City of Richmond located along a strip of land just west of San Pablo Avenue. On the flip side, two pockets of land within the City of El Cerrito are served by the City of Richmond. In addition, overlapping services are provided by the East Bay Regional Park District (EBRPD), which specializes in brush fires and EM service incidents in regional parks; and EBRPD provides mutual aid in wildland interface areas.

The MSR report identifies several Governance Structure Options (GSOs) that are intended as an alternative to address the patchwork arrangement of fire and EM services currently provided in an around the City of El Cerrito, as described above. The alternatives include annexation of areas within the City's SOI and fire service area, potential consolidation with other west county fire/EM service providers, and formation of a subsidiary district of the City of El Cerrito that would provide the city could maximum control over fire service both within and outside its corporate boundary (see attached table).

Recommendations: No specific SOI recommendation is included in the MSR report for the City of El Cerrito, as it will be addressed later this year following completion of the West County Sub-regional MSR covering all west county cities.

The MSR provides a synopsis of the complexity and magnitude of illogical boundary, operational and fiscal issues that burden the delivery of west county fire services, and clearly suggests that organizational changes are in order to facilitate a more logical and efficient service delivery system. The current configuration and ancillary issues have evolved over many years as the agencies implemented operational changes and realigned resources in response to changing needs and circumstances.

Accordingly, LAFCO staff believes that the appropriate first step towards the development of a more appropriate GSO for west county fire agencies is for LAFCO to form a West County Ad Hoc Fire Service Committee and assign the Committee with the task of developing a reorganization plan based on the findings of the MSR. The committee should be comprised of representatives from all affected west agencies (cities of El Cerrito, Hercules, Pinole, Richmond and San Pablo, ConFire, CCFPD, KFPD and RHFPD) as well as the County and LAFCO.

City of Pinole is a general law city that incorporated in 1903 and has provided fire protection services since incorporation. The City provides fire/EM services within the city limits and to the unincorporated Tara Hills, Montalvin Manor and Alhambra Valley areas. The City of Pinole relies on ConFire for dispatch services and on Contra Costa County Health Services Department (CCCHSD) for specialized hazardous materials response services.

Similar to the situation described above regarding El Cerrito, Pinole's SOI extends beyond its corporate boundary and includes unincorporated adjacent areas including Tara Hills, Bayview and Montalvin Manor communities that are within the ConFire bounds and in the City of Pinole's fire service area. In addition, the City's SOI includes the portion of unincorporated El Sobrante that lies north of Manor and Rancho Roads; this SOI area is within ConFire's bounds and service area. The City's SOI does not include the unincorporated Alhambra Valley area which is within the City's fire service area.

The City of Pinole covers the command duty one-third of the time for the Battalion 7 area, which encompasses the City of Pinole, Rodeo-Hercules FPD and western ConFire service areas. The U.S. Coast Guard responds to off-shore incidents within navigable waters, such as those in the Bay that lie within the City's bounds but not its service area. The EBRPD specializes in brush fires and EMS incidents in regional parks (e.g., Point Pinole), although the City is the official first responder for structure fires and EMS incidents.

The MSR report identifies several Governance Structure Options (GSOs) for future consideration, including annexation of areas within the City's SOI and fire service area, and various potential consolidation options (i.e., all west county fire service providers, Battalion 7 providers, ConFire – see attached table).

Recommendations: No specific SOI recommendation is included in the MSR report for the City of Pinole. An SOI recommendation will be presented later this year following completion of the West County Sub-regional MSR covering all west county cities. However, LAFCO staff recommends including the City of Pinole in a West County Ad Hoc Fire Service Committee to study and develop a reorganization plan.

City of Richmond initially incorporated as a city in 1905 and became a charter city in 1909. The City has provided fire protection services since incorporation, during which a complex fire service boundary has evolved as described in the MSR report. The City provides fire/EM services within the city limits, to adjacent portions of the City of El Cerrito and to the unincorporated El Sobrante Hills area. The City of Richmond provides dispatch services for incidents originating in Richmond, El Cerrito and Kensington. In addition, the City of Richmond provides specialized hazardous materials response services to the cities of El Cerrito, Pinole, Richmond, Kensington FPD and Rodeo Hercules FPD.

The City's SOI extends beyond its corporate boundary and includes unincorporated areas including North Richmond, El Sobrante Hills, the southwestern portion of East Richmond Heights, and the portion of El Sobrante that lies south of Manor and Rancho Roads. The unincorporated areas within Richmond's SOI are within the bounds of ConFire.

With regard to boundary/SOI issues, two pockets within El Cerrito are served by the City of Richmond. The U.S. Coast Guard responds to off-shore incidents and EBRPD responds to incidents in regional parks.

The MSR report identifies several GSOs for future consideration, including annexation of areas within the City's SOI and fire service area, potential consolidation with other west county fire/EM service providers, formation of a subsidiary district whereby the city could maximize control over fire service both within and outside its corporate boundary, and provision of fire service to San Pablo either by contract or JPA (see attached table).

Recommendations: No specific SOI recommendation is included in the MSR report for the City of Richmond. An SOI recommendation will be presented later this year following completion of the West County Sub-regional MSR covering all west county cities. LAFCO staff recommends including the City of

Richmond in a future West County Ad Hoc Fire Service Committee to study and develop a reorganization plan.

Contra Costa County Fire Protection District (ConFire) was formed in 1964 as a county-dependent district through the consolidation of the Central and Mt. Diablo County fire districts. Fire districts subsequently consolidated into ConFire include Mountain View FPD, Lafayette FPD, Bay Point FPD, Island FPD, Briones County FPD, Pinole FPD, Riverview FPD, and West County FPD. The District has a complex fire service boundary history as detailed in the MSR report.

ConFire provides fire inspection and plan review services in its bounds as well as to East Contra Costa FPD. The ConFire Regional Fire Communications Center provides dispatch and radio services not only for the District, but also for Crockett-Carquinez FPD, East Contra Costa FPD, Moraga Orinda FPD, Rodeo-Hercules FPD, and City of Pinole. ConFire also provides these services to the City of El Cerrito, dispatching the City to incidents in East Richmond Heights.

ConFire is often designated as the first responder in marine areas, and handles incidents until the U.S. Coast Guard arrives. Contra Costa County Sheriff's Marine Patrol unit responds in the Delta waterways and marinas, and EBRPD responds to incidents in regional parks.

The ConFire boundaries encompass 257± square miles, extending from the City of Antioch in east county to the eastern border of the City of Richmond in the west, and as far south as the northern border of the City of Moraga. The District's boundary also includes 12 square miles on lands in the Carquinez Strait, Suisun Bay, Honker Bay, and San Joaquin River.

The existing SOI for ConFire extends beyond District boundaries in the unincorporated Avon area (including the Tesoro petroleum refinery and the Monsanto plant) and in the Bogue Ranch area. Otherwise, the District's SOI is smaller than its boundary area, as the SOI was not amended for consistency with consolidations and other boundary changes processed since 1984. The existing SOI excludes territory in the District's boundary in the cities of San Pablo, Antioch and Pittsburg, and in the unincorporated communities of Bayview, East Richmond Heights, El Sobrante, Montalvin Manor, North Richmond, and Tara Hills. This is due to LAFCO's previous policy regarding SOIs and fire districts as explained in the MSR report. Under State law and our current policies, any territory annexed to a local agency must be within that agency's SOI.

Recommendations: The MSR identified a number of boundary irregularities, as well as various Governance Structure and SOI options for ConFire (see attached table). Based on the MSR report, the following SOI actions are recommended by both the MSR consultant and LAFCO staff.

1. Expand SOI to include eastern boundary areas in cities of Antioch and Pittsburg (clean-up).
2. Continue to exclude from ConFire's SOI western boundary areas (i.e., City of San Pablo, unincorporated areas including Bayview, East Richmond Heights, El Sobrante, Montalvin Manor, North Richmond, Tara Hills) in anticipation of a west county fire consolidation. In addition, LAFCO staff recommends including ConFire in a West County Ad Hoc Fire Service Committee to develop a reorganization plan.
3. Expand SOI to include area southeast of Clayton
4. Expand SOI to include Roddy Ranch property in the southern part of Antioch
5. Reduce SOI to remove area in north Alamo and to allow SRVFPD to serve the area
6. Reduce SOI to remove Bogue Ranch which was previously annexed to SRVFPD and the 101-acre Orinda area previously annexed to MOFPD (clean-up)

The MSR consultant recommends removing the Avon refinery from ConFire's SOI. The Avon property is not within any fire district's bounds and is served by a private oil refinery fire brigade. LAFCO staff is concerned with the potential risk of a catastrophic fire or medical emergency given the nature of the industry; a catastrophe for which a private fire brigade may not have adequate resources. Thus, LAFCO staff does not recommend removing this area from ConFire's SOI, but on the contrary, that ConFire work with the property owner to pursue annexation of the property or to reach some other form of agreement that would assure adequate fire service in the event of a catastrophe.

Finally, with regard to ConFire's western service areas, LAFCO staff recommends including ConFire in a future West County Ad Hoc Fire Service Committee to study and develop a reorganization plan.

Crockett Carquinez Fire Protection District (CCFPD) was formed in 1965 as a county-dependent district through the consolidation of the Crockett County Fire Protection District and the Carquinez County Fire Protection District. Predecessor agencies – the Tenney Terrace and Crockett-Crolona fire districts – consolidated in 1932 to form the Crockett County Fire District.

CCFPD provides fire/EM services to the unincorporated communities of Crockett, Valona, Tormey and Port Costa. ConFire provides dispatch, emergency medical dispatch (i.e., pre-arrival instructions for the caller to assist the victim) and information service by contract. CCFPD is staffed entirely by on-call firefighters. Overlapping service providers include the U.S. Coast Guard, CAL FIRE and EBRPD.

With regard to boundary/SOI issues, the existing CCFPD SOI includes the entire boundary area and the C&H refinery "island" within the District. In addition, the CCFPD boundary includes territory east of I-80 (primarily Carquinez Strait Regional Park) which is currently served by Rodeo-Hercules FPD.

Recommendations: The MSR identified several Governance Structure and SOI options for CCFPD (see attached table). The MSR consultant and LAFCO staff submit differing recommendations as summarized below.

Based on the MSR report, the consultant recommends adopting a zero SOI for CCFPD in anticipation of a future west county fire service consolidation.

The basis for this recommendation as detailed in the MSR report, is due primarily to the following: CCFPD covers a relatively small service area which is low-density and relatively isolated; the District has limited resources, utilizes on-call staff, and has three fire stations two of which are partially staffed and one is unstaffed; and in comparison to other fire service providers in the County, CCFPD has a low ratio of population served per fire station and the lowest number of full-time staff per 1,000 people. However, CCFPD has the highest number of service calls per 1,000 people, which is due to a high number of miscellaneous calls (e.g., fire alarms, request for citizen assistance, etc.). CCFPD has a number of service challenges including meeting response time guidelines and infrastructure needs (i.e., fire hydrants, water). Further, CCFPD is already functionally consolidated to some extent in that the District relies on neighboring service providers for dispatch, radio and training facilities.

LAFCO staff recommends deferring the SOI update for CCFPD and including the District in a future West County Ad Hoc Fire Service Committee to study and develop a reorganization plan.

East Contra Costa Fire Protection District (ECCFPD) was formed in 2002 as a county-dependent district through the consolidation of the Bethel Island, East Diablo and Oakley fire protection districts.

The ECCFPD has a boundary area of 238± square miles, extending from Bethel Island and the City of Oakley in the north to the Contra Costa-Alameda County line in the south, and from the Contra Costa-San Joaquin county line in the east to the City of Clayton in the west. Areas within ECCFPD include the cities of Oakley, Brentwood, a portion of the cities of Antioch and Clayton, the unincorporated communities of Bethel Island, Byron, Discovery Bay, Knightsen, and other areas of unincorporated Contra Costa County. In addition, ECCFPD responds to calls outside its jurisdictional boundaries to areas including Jersey and Bradford islands and Webb Tract. Overlapping service providers include the U.S. Coast Guard, EBRPD and Contra Costa County Sheriff's Marine Patrol Unit.

The District's SOI is coterminous with its boundary and there have been no SOI or boundary changes since the District's formation in 2002.

Recommendations: The MSR identified a number of boundary irregularities, as well as various Governance Structure and SOI options for ECCFPD (see attached table).

Based on the MSR report, both the MSR consultant and LAFCO staff recommend that ECCFPD's SOI be adjusted to coincide with actual service areas as summarized on the attached table and detailed in the MSR report. In addition, the MSR consultant and LAFCO staff submit additional recommendations as summarized below.

The MSR consultant recommends that LAFCO designate the ECCFPD SOI as a 12-month "provisional" SOI to encourage ECCFPD and cities of Brentwood and Oakley to resolve governance, fiscal and service level issues. The MSR recommendation further states that LAFCO should require periodic progress reports and establish concrete objectives in conjunction with the provisional SOI. However, if no effort is made to resolve these issues, at the expiration of the 12-month period, the SOI would revert to a zero SOI.

The rationale for this recommendation is explained in the MSR report and is based primarily on the following: ECCFPD assumed fiscal and service challenges upon its formation in 2002. The District receives a relatively low share of property tax as compared to the other fire service providers. Consequently, ECCFPD lacks adequate revenues to provide urban staffing levels in urban areas, and relies in most areas on two-person crews; whereas all other fire service providers in Contra Costa County (except CCFPD) rely on three-person crews. Based on a previous study prepared for ECCFPD (Citygate), it was determined that a tax increase would be needed to fund adequate service levels. Rapid growth within the District's boundaries has impacted facilities and infrastructure. In addition, the recent decline in the housing market and property tax revenues has exacerbated the fiscal challenges and made service parity even more difficult to attain.

Finally, although not a boundary/SOI issue per se, the MSR report notes that included among LAFCO conditions approving the formation of ECCFPD was *to resolve and submit to the ECCFPD voters the question of governance by December 2004, if necessary*. This condition was in response to requests for an independent governing board or JPA and local control. The MSR report concludes that adoption of a provisional SOI by LAFCO would provide a needed incentive for the affected parties (i.e., cities of Brentwood and Oakley, the County and ECCFPD) to attempt to resolve their governance, financial and service level issues.

LAFCO staff agrees that the parties should work together to address ECCFPD's fiscal, service level and governance issues. The parties should consider submitting to District voters the question of governance as anticipated by LAFCO in 2002. In addition, the parties should consider mechanisms to address fiscal challenges, which could resolve service level issues. The parties should also consider formation of service zones within the District (e.g., Brentwood zone, Oakley zone), enhancing fees (e.g., development impact

fees, etc), and district-wide assessments and/or benefit zone assessments which would require voter approval. In addition, LAFCO staff agrees that the District should provide LAFCO with progress reports at six and 12 month intervals.

The concept of a “provisional SOI reverting to a zero SOI” is new to Contra Costa LAFCO. In the past, Contra Costa LAFCO has adopted a zero sphere to 1) indicate that an agency should cease to exist, and 2) when there is a feasible service alternative. For example, LAFCO recently adopted a zero SOI for County Sanitation District No. 6 (CS No. 6) in anticipation of a future annexation to or consolidation with Central Contra Costa Sanitation District (CCCSD). The CCCSD indicated its ability and willingness to serve the CS No. 6 area following future extension of the CCCSD sewer trunk. CCCSD anticipates completion of this project within five years.

However, the situation with ECCFPD is different. Should ECCFPD and affected parties fail to resolve their fiscal, service and governance issues, and the SOI revert to zero, it is uncertain at this time that there is a feasible service alternative. The cities of Brentwood and Oakley have not indicated a desire to *directly* provide fire service, and one potential successor agency – ConFire – will likely oppose a reorganization or consolidation of ConFire and ECCFPD due to service level and fiscal variances.

There may be other service options, but these were not examined in the MSR report. For example, CAL FIRE could potentially serve portions or all of east county. CAL FIRE has cooperative fire protection agreements with approximately 35 counties, including a number of urban counties (i.e., Alameda, Riverside, San Bernardino, San Diego, San Mateo, Santa Clara). CAL FIRE provides a wide variety of services including, but not limited to, truck company, paramedic, hazardous materials response and transport ALS.

In addition, there may be the potential for consolidation of ECCFPD with adjacent fire services providers to the northwest (Solano County), northeast (San Joaquin County), and south (Alameda County). However, these options were not considered in the MSR.

LAFCO staff agrees with the core finding in the MSR that the status quo is unacceptable, that changes need to be made, and that LAFCO should urge the parties to work out acceptable solutions within a prescribed time frame. However, LAFCO staff is not prepared at this time to recommend a zero SOI because, as noted above, there is no clear successor agency.

Therefore, the LAFCO staff recommendation is to urge ECCFPD and the cities of Brentwood and Oakley to resolve governance, fiscal and service level issues. At that in 12 months, following receipt of a report from the parties, should consider further action regarding the ECCFPD’s SOI.

Kensington Fire Protection District (KFPD) was formed in 1928 as an independent special district. Since 1996, KFPD has provided fire/EM services to the unincorporated Kensington community through a contract with the City of El Cerrito. The KFPD (and the Kensington community itself) are within the City of El Cerrito’s SOI.

With regard to SOI/boundary issues, since formation of the District, there have been several SOI and boundary changes. The District’s boundary and SOI are coterminous, and both exclude the EBMUD reservoir, resulting in an unserved pocket.

Recommendations: The MSR identified one boundary irregularity and two Governance Structure and SOI options for KFPD (see attached table).

The MSR consultant recommends adopting a zero SOI for KFPD in anticipation of a future consolidation. There is a potential for consolidation of west county fire service providers, and KFPD could be included in an overall consolidation.

There is also a potential for KFPD to consolidate with the Kensington Community Services District (KCSO) which provides law enforcement, solid waste collection and parks services to the Kensington community. The KCSO currently presently staffs its own police department. We understand that KCSO is facing ongoing fiscal challenges. Whereas, KFPD receives a higher share of the property tax revenue than all other fire service providers, has expenditures per capita higher than all other fire service providers (with the exception of MOFPD), has no debt other than the OPEB liability it is prefunding, and has adequate reserves.

The KFPD and KCSO currently share administrative offices.

Consolidation of the two districts would streamline local government, and offer potential administrative and governance cost saving opportunities.

LAFCO staff recommends deferring SOI action until completion of the West County Sub-regional MSR which includes a review of KCSO, and result of the recommended West County Ad Hoc Fire Service Committee effort.

Moraga Orinda Fire Protection District (MOFPD) was formed in 1997 as an independent special district through consolidation of the Moraga FPD and the Orinda FPD. In addition to fire/EM services, MOFPD provides ambulance transport services directly. MOFPD relies on ConFire for dispatch services. In addition, overlapping services are provided by EBRPD and BART.

The District has a boundary of approximately 47 square miles, including the cities of Moraga and Orinda and surrounding unincorporated areas to the east and west. The District's SOI is generally consistent with its boundary, but excludes 101 acres in eastern Orinda which was annexed to MOFPD in 1998. This was the only boundary change for MOFPD since its formation.

Recommendations: The MSR identified one SOI irregularity and several Governance Structure and SOI options for MOFPD (see attached table). Both the MSR consultant and LAFCO staff recommend expanding the SOI to include the 101 acres previously annexed to correct the boundary inconsistency.

In addition, the MSR consultant recommends that LAFCO designate the SOI as a 12-month "provisional" SOI to encourage MOFPD and cities of Moraga and Orinda to resolve financial issues. Further, LAFCO should establish concrete objectives in conjunction with the provisional SOI and require progress reports.

The basis for this recommendation as detailed in the MSR report is due primarily to the following: MOFPD receives a share of the property tax that is higher than most other fire service providers; and on average, the Orinda share (23%) is higher than the Moraga share (19%). The District has expenditures per capita that are highest among all other fire service providers in the County. The District has adequate financial reserves. However, MOFPD has unfunded capital projects, and significant long-term debt, most of which is associated with pension and OPEB liabilities. The MSR report indicates that MOFPD has the financial ability to provide adequate services, and could improve in terms of cost containment and efficiencies.

In addition, the MSR report indicates that the water infrastructure is in need of upgrading, hydrants are needed, and the roads within the District are decayed, which impede service delivery.

The condition of roads is based on a Pavement Condition Index (PCI). The PCI is a numerical index used to indicate the condition of a roadway. It is widely used in transportation civil engineering. The PCI, developed by the United States Army Corps of Engineers, is based on a visual survey of the pavement and a numerical value between 0 and 100 defines the condition with 90-100 representing an excellent pavement, 80-89 very good, 70-79 good, 60-69 fair, 50-59 at risk, and 25-49 poor.

The Metropolitan Transportation Commission (MTC) provides the PCI for the Bay Area jurisdictions, including cities and counties; unincorporated communities are included in the overall county rating. The MTC report is available online at www.mtc.ca.gov.

MTC uses a three-year moving average, with 2007 being the most recent year. For comparison purposes, Contra Costa County received a rating of 82. The City of Orinda received a 47 (lowest of all Contra Costa County local agencies) and the Town of Moraga received a 60.

The Orinda voters have twice rejected bond measures to fund infrastructure (road and water improvements).

The MSR also notes that an Orinda citizen's task force recently raised concerns regarding use of fire flow tax, and the disproportionately high Orinda contributions (i.e., property tax) to the District. The task force proposed that property tax revenue growth in excess of 4.5% annually be transferred to the City of Orinda for infrastructure improvements. In order for the City to recoup any of the property tax, the City would have to either detach from MOFPD and assume responsibility for providing fire service (direct or through a contract), 2) through formation of subsidiary district where the city would provide fire service (direct or via contract) or 3) through a voluntary exchange whereby MOFPD gives up a percentage to the city (or cities).

It should also be noted that pursuant to fire district law (Health & Safety Code Section 13800 et seq.), fire districts can provide the following services:

- (a) Fire protection services.
- (b) Rescue services.
- (c) Emergency medical services.
- (d) Hazardous material emergency response services.
- (e) Ambulance services, pursuant to Division 2.5 (commencing with §1797).
- (f) Any other services relating to the protection of lives and property.

Given that the District utilizes water and road infrastructure to provide its services, and these services are essential to the protection of lives and property, it is conceivable that the District could expend funds to improve infrastructure within the MOFPD.

Thus, LAFCO staff recommends that the Commission:

1. Encourage the recently formed Tri-Agency Funding Discussion Committee (representatives from MOFPD, Town of Moraga and City of Orinda) to continue to explore options to address water and road infrastructure deficiencies;
2. Request that MOFPD provide LAFCO with six- and 12-month progress reports; and
3. That the Commission reconsider SOI options for MOFPD in one year.

Rodeo Hercules Fire Protection District (RHFPD) – The District was originally formed in 1937 as the Rodeo Fire District, an independent fire district. In 1977, the City of Hercules was annexed to the District. The District subsequently changed its name. The District relies on ConFire for dispatch services and on

County Health Services for hazardous materials response. Overlapping service providers include EBRPD and the U.S. Coast Guard.

The District has a boundary of approximately 32 square miles, of which approximately 14 square miles is submerged (San Pablo Bay). The District's boundary includes the City of Hercules, the unincorporated Rodeo community and surrounding unincorporated areas including the Unocal Refinery. Since the District's formation, there have been nine boundary changes. The District uses a combination of full-time and paid on-call staff. In addition, RHFPD covers command duty one-third of the time for the Battalion 7 area.

Recommendations: The MSR identified a number of Governance Structure and SOI options for RHFPD (see attached table).

In addition, the MSR consultant recommends that LAFCO expand the District's SOI to include other Battalion 7 areas (City of Pinole, Rodeo-Hercules FPD and western ConFire service areas) plus CCFPD's service area in anticipation of a future reorganization. Also, the consultant recommends that the Commission remove from RHFPD's SOI off-shore areas served by the U.S. Coast Guard (with the exception of the Carquinez Strait).

This recommendation is based primarily on the following considerations: In many ways, RHFPD is already functionally consolidated with the City of Pinole and ConFire's western service areas (El Sobrante, Tara Hills, Bayview, San Pablo). Each of these providers has a relatively small service area with only two stations each. To marshal adequate resources for a structure fire response team and to backfill stations when there are simultaneous incidents, the three providers operate jointly as a battalion. They share dispatch, rotate battalion chief responsibilities, respond jointly to garner adequate resources for a structure fire response team, and respond to incidents regardless of boundaries.

The illogical boundaries of the City of Richmond contribute to the illogical and inefficient western service areas for ConFire, as ConFire must serve non-contiguous areas surrounded by the City of Richmond.

Further, RHFPD is an independent district, has adequate resources, and practices facility sharing and regional collaboration to economize on costs and improve services.

LAFCO staff recommends that the Commission defer SOI action pending the establishment and results of the West County Ad Hoc Fire Service Committee efforts.

San Ramon Valley Fire Protection District (SRVFPD) – The fire district now known as SRVFPD was originally formed in 1921 as an independent district. The District has a complex boundary history which includes numerous reorganizations, annexations and detachments.

Today, the District's boundary area is approximately 118 square miles. The District serves the City of San Ramon, Town of Danville, and unincorporated communities of Alamo, Blackhawk, Diablo and Tassajara. In addition to fire/EM services, SRVFPD provides ambulance transport services directly.

The District's SOI is smaller than its boundary area and excludes areas in the Tassajara Valley and Bogue Ranch, which were previously annexed to SRVFPD. This is due to LAFCO's previous policy regarding SOIs and fire districts as explained in the MSR report. Presently, any territory annexed to a local agency must be within that agency's SOI.

Recommendations: The MSR identified a number of boundary irregularities, as well as various Governance Structure and SOI options for ConFire (see attached table). Based on the MSR report, the following SOI actions are recommended by both the MSR consultant and LAFCO staff:

1. Expand the SOI to include previously annexed areas (i.e., Tassajara Valley – Morgan Territory and Bogue Ranch);
2. Expand the SOI to include the area east of Tice Valley in Alamo; and
3. Encourage SRVFPD and Alameda County Fire Department (ACFD) to resolve service and associated fiscal issues relating to the north Dublin and Crow Canyon areas

The basis for these recommendations is detailed in the MSR report are due primarily to the following: To correct SOI/boundary irregularities; to provide for a future boundary reorganization involving SRVFPD and ConFire to enable the Alamo community to have one fire service provider; and to encourage fiscal and service equity between SRVFPD and ACFD.

County Service Area EM-1 (CSA EM-1) was formed in 1989 as a dependent district to provide funding for enhancements to the County EMS system.

The boundaries of the District include all of Contra Costa County including the incorporated cities. There have been no SOI or boundary changes since the formation of the District.

CSA EM-1 is administered by the Emergency Medical Services (EMS) Division of the Contra Costa County Department of Health Services. Funding from CSA EM-1 is used to subsidize first responder paramedic services in ConFire, El Cerrito Fire (and KFPD via El Cerrito Fire), MOFPD, Pinole Fire, and RHFPD. CSA EM-1 provides a subsidy of \$30,000 per engine to these districts to offset part of the cost of providing first responder paramedic services.

The MSR found that 911 call processing times take as much as four times longer than National Fire Protection Association guidelines in some areas. Potential reasons why calls take longer than 60 seconds to process include understaffed dispatch centers, the length of time for the 911 caller to communicate the incident type and location, and the length of time for asking the 911 caller relevant questions to determine incident priority and response resources needed.

Recommendations: The MSR identified one SOI option for CSA EM-1. Based on the MSR report, both the MSR consultant and LAFCO staff recommend retaining the existing coterminous SOI. Also, the MSR recommends a coordinated effort among primary (law enforcement) dispatch and fire dispatch operations to implement technology and operational improvements to provide a more timely 911 call processing. The consultant suggests that Measure H funds might be used to document the delays and identify the reasons for delays; that the District coordinate a 911 dispatch study in conjunction with the County Sheriff's Department; that solutions be considered initially by the PSAP manager's group; and that study results relating to understaffed dispatch centers be published.

Environmental Analysis

The MSR is a study and the MSR and determinations are Categorically Exempt under §15306, Class 6 of the California Environmental Quality Act (CEQA) Guidelines. However, SOI changes are subject to CEQA. The recommended SOI updates are intended to align SOIs with existing service boundaries or remove areas where another service provider should assume service. Therefore, there is no potential for

causing significant effect on the environment, and the proposed SOI actions qualify for the General Rule exemption under CEQA.

RECOMMENDATIONS

1. As Lead Agency, determine that the SOI updates, as recommended by LAFCO staff, for Contra Costa County Fire Protection District, East Contra Costa FPD, Moraga-Orinda FPD, San Ramon Valley FPD, and County Service Area EM-1 are exempt pursuant to §15061(b)(3) of the California Environmental Quality Act (CEQA) Guidelines, and
2. Direct LAFCO staff to prepare and execute resolutions updating the SOIs for each of the districts in accordance with the Commission's actions and as required by the CKH Act.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

c: Distribution

Attachment – Governance Structure and SOI Options Table

**FIRE AGENCY SPHERE OF INFLUENCE (SOI) AND GOVERNANCE STRUCTURE (GS)
OPTIONS AND RECOMMENDATIONS**

Agency	SOI Options	GS Options	Consultant Recommendations	LAFCO Staff Recommendations
City of El Cerrito	No SOI options presented; SOI update to follow completion of west county sub-regional MSR	1a. Annex unincorporated areas within El Cerrito’s fire service area (i.e., Kensington, southern portion of East Richmond Heights) 1b. Consolidate with all west county fire providers 1c. Form a subsidiary district to provide fire service both inside and outside the city limits	No recommendation	Form a West County Ad Hoc Fire Service Committee comprised of representatives from all affected agencies and LAFCO to study/ develop a reorganization plan and report back to LAFCO within 12 months; defer SOI update pending completion of West County Sub-regional MSR, and committee report.
City of Pinole	No SOI options presented	2a. Annex unincorporated areas within Pinole’s fire service area (i.e., Tara Hills, Bayview and Montalvin Manor, portion of El Sobrante) 2b. Consolidate with all west county fire providers 2c. Consolidate with RHFPD and adjacent ConFire areas (Battalion 7) 2d. Consolidate with RHFPD, adjacent ConFire areas and CCFPD 2e. Discontinue direct fire service and either contract with ConFire or annex to ConFire	No recommendation	Form a West County Ad Hoc Fire Service Committee to study/ develop a reorganization plan; defer SOI update pending completion of West County Sub-regional MSR, and committee report.

Agency	SOI Options	GS Options	Consultant Recommendations	LAFCO Staff Recommendations
City of Richmond	No SOI options presented	<p>3a. Annex unincorporated areas within Richmond’s fire service area (i.e., North Richmond, El Sobrante Hill, southwest portion of East Richmond Heights, portion of El Sobrante)</p> <p>3b. Consolidate with all west county fire providers</p> <p>3c. Form a subsidiary district to provide fire service both inside and outside the city limits</p> <p>3d. Provide fire service to San Pablo either through a JPA or service contract</p>	No recommendation	Form a West County Ad Hoc Fire Service Committee to study/develop a reorganization plan; defer SOI update pending completion of West County Sub-regional MSR, and committee report.
ConFire	<p>I. Expand SOI to include eastern boundary areas in cities of Antioch and Pittsburg (clean-up)</p> <p>II. Continue to exclude from ConFire’s SOI western boundary areas (i.e., City of San Pablo, unincorporated areas including Bayview, E. Richmond Heights, El Sobrante, Montalvin Manor, North Richmond, Tara Hills) in anticipation of a west county fire consolidation</p>	<p>4a. Detach west county service areas (i.e., San Pablo, El Sobrante, Tara Hills, Bayview, Alhambra Valley, E. Richmond Heights) in anticipation of a west county fire consolidation</p> <p>4b. Detach San Pablo in anticipation of a JPA with another fire service agency</p> <p>4c. Detach E. Richmond Heights in anticipation of City of El Cerrito forming a subsidiary district and serving this area</p>	SOI options I – VII	<p>A. SOI central and east county clean-ups including options I, II, III, IV, V and VI</p> <p>B. With regard to west county, form a West County Ad Hoc Fire Service Committee to study and develop a reorganization plan.</p> <p>C. With regard to the Avon refinery area, encourage ConFire to work with the property owner to</p>

Agency	SOI Options	GS Options	Consultant Recommendations	LAFCO Staff Recommendations
<p>ConFire (Cont'd)</p>	<p>III. Expand SOI to include area southeast of Clayton (4e)</p> <p>IV. Expand SOI to include Roddy Ranch property (4f)</p> <p>V. Reduce SOI to remove area in north Alamo (4g)</p> <p>VI. Remove Bogue Ranch from SOI which was previously annexed to SRVFPD, and remove 101 acres in Orinda from SOI which was annexed to MOFPD in 1998 (clean-ups)</p> <p>VII. Remove Avon area from SOI which is not within any fire district's bounds and is served by a private oil refinery fire brigade</p> <p>VIII. Expand SOI to include City of Orinda (4j)</p> <p>IX. Expand SOI to include cities of Brentwood and Oakley (4h)</p> <p>X. Expand SOI to include all ECCFPD service area (4i)</p>	<p>4d. Detach El Sobrante Hills and other areas surrounding Richmond in anticipation of City of Richmond forming a subsidiary district and serving these areas</p> <p>4e. Annex areas within ConFire's service areas currently within ECCFPD's bounds (i.e., pockets in northwest Brentwood, west Oakley, area east of Clayton)</p> <p>4f. Annex Roddy Ranch property currently within the bounds and service area of ECCFPD</p> <p>4g. Detach area in north Alamo to allow all of Alamo to be served by one fire agency (SRVFPD)</p> <p>4h. Annex cities of Brentwood and Oakley</p> <p>4i. Annex all of ECCFPD service area</p> <p>4j. Annex City of Orinda</p> <p>4k. Annex all of MOFPD service area</p> <p>4l. Consolidate with all fire service providers in the County</p>		<p>pursue annexation of the property or reach some other form of agreement for to assure adequate fire service in the event of a catastrophe.</p>

Agency	SOI Options	GS Options	Consultant Recommendations	LAFCO Staff Recommendations
ConFire (cont'd)	XI. Expand SOI to include City of Pinole (2e)	4m. Encourage ConFire to consider becoming independent		
CCFPD	<p>XII. Adopt a zero SOI in anticipation of consolidation with other fire providers</p> <p>XIII. Adjust SOI to coincide with service area</p>	<p>5a. Consolidate with Battalion 7 agencies (2d)</p> <p>5b. Consolidate with all west county fire providers</p> <p>5c. Detach territory served by RHFPD (east of I-80 primarily within Carquinez Straight Regional Park)</p> <p>5d. Detach submerged areas not requiring fire service (Carquinez Straight)</p>	Option XII	Defer SOI update; form a west county ad hoc committee to study/develop a reorganization plan.
ECCFPD	<p>XIV. Expand SOI to include Jersey and Bradford islands and Webb Tract not currently in any fire agency's bounds (6e)</p> <p>XV. Reduce SOI to remove Russellman Park and Clayton areas currently served by ConFire (6e)</p> <p>XVI. Reduce SOI to remove Brentwood city bounds/SOI</p> <p>XVII. Reduce SOI to remove Oakley city bounds/SOI</p>	<p>6a. Detach cities of Brentwood and Oakley and annex cities to ConFire</p> <p>6b. Detach cities of Brentwood and Oakley in anticipation of forming an independent fire district</p> <p>6c. Detach cities of Brentwood and Oakley and contract with another service provider (CAL FIRE)</p> <p>6d. Consolidate ECCFPD and Con Fire</p>	<p>A. Adjust SOI to coincide with actual service area (XIV, XV, XVIII).</p> <p>B. Designate the SOI as a 12-month "provisional" to encourage ECCFPD and cities of Brentwood and Oakley to resolve governance, fiscal and service level issues. If no effort is made to resolve these issues, at the expiration of the 12-month period, the SOI would revert to a zero SOI. LAFCO</p>	<p>A. Adjust SOI to coincide with actual service area (XIV, XV, XVIII).</p> <p>B. Encourage ECCFPD and cities of Brentwood and Oakley to pursue a directly elected board subject to voter approval; and addressing fiscal and service level issues (e.g., forming zones, pursuing a special tax, etc.) as anticipated in accordance with district formation.</p>

Agency	SOI Options	GS Options	Consultant Recommendations	LAFCO Staff Recommendations
ECCFPD (cont'd)	<p>XVIII. Remove Roddy Ranch property from SOI (4f)</p> <p>XIX. Remove northwest portion of Brentwood from SOI which is currently served by ConFire (6e)</p> <p>XX. Adopt a zero SOI in anticipation of annexation to ConFire, consolidation with Confire, or other governance structure option</p>	6e. Align boundary with actual service area	should consider requiring progress reports. Further, LAFCO should establish concrete objectives in conjunction with the provisional SOI.	Require ECCFPD to provide six and 12 month progress reports to LAFCO. Reconsider SOI action in one year.
KFPD	<p>XXI. Expand SOI to include EBMUD reservoir area</p> <p>XXII. Adopt a zero SOI in anticipation of consolidation</p>	<p>7a. Annexation of EBMUD reservoir currently served by KFPD</p> <p>7b. Consolidation of KFPD and KCSD</p> <p>7c. Consolidation of west county fire providers</p>	Consider zero SOI to allow consolidation with KCSD to be initiated following completion of West County Sub-regional MSR	Defer SOI action pending completion of West County Sub-regional MSR which includes KCSD, and completion of a future West County Ad Hoc Fire Service Committee effort.
MOFPD	<p>XXIII. Expand SOI to include 101 acres annexed to MOFPD in 1998 (adjacent to City of Lafayette - clean-up)</p> <p>XXIV. Remove City of Orinda from SOI in anticipation of an alternative fire service provider</p> <p>XXV. Adopt a zero SOI in anticipation of an alternative service provider</p>	<p>8a. Detachment of City of Orinda</p> <p>8b. Annexation of MOFPD to ConFire</p> <p>8c. Align boundary with actual service area</p>	<p>A. Expand SOI to include 101 acres (Option XXIII)</p> <p>B. Designate the RSOI as a 12-month provisional to encourage MOFPD and cities of Moraga and Orinda to report back to LAFCO on funding solutions within one year.</p>	<p>A. Expand SOI to include 101 acres (Option XXIII)</p> <p>B. Encourage MOFPD and cities of Moraga and Orinda to explore options to address road and water infrastructure challenges. Require MOFPD to provide six and 12 month progress reports to LAFCO. Reconsider SOI action in one year.</p>

Agency	SOI Options	GS Options	Consultant Recommendations	LAFCO Staff Recommendations
RHFPD	<p>XXVI. Expand SOI to include other Battalion 7 service areas (i.e., City of Pinole, western ConFire service areas)</p> <p>XXVII. Expand SOI to include other Battalion 7 and CCFPD service areas</p> <p>XXVIII. Remove submerged areas from SOI</p> <p>XXIX. Adjust SOI to coincide with actual service areas (9d, 9e)</p> <p>XXX. Remove Unocal refinery from SOI</p> <p>XXXI. Expand SOI to include all west county areas in anticipation of a west county fire consolidation where RHFPD is successor agency</p> <p>XXXII. Adopt a zero SOI in anticipation of a west county fire consolidation where another entity is successor agency</p>	<p>9a. Consolidate with City of Pinole and adjacent ConFire areas (Battalion 7)</p> <p>9b. Consolidate with City of Pinole, adjacent ConFire areas and CCFPD</p> <p>9c. Consolidate with all west county fire providers</p> <p>9d. Align boundary with actual service area and annex area east of I-80 (Carquinez Strait Regional Park)</p> <p>9e. Detach submerged area (San Pablo Bay)</p> <p>9f. Detachment of Unocal refinery property</p>	Options XXVII and XXVIII (with exception of Carquinez Strait)	Defer SOI action pending completion of West County Ad Hoc Fire Service Committee report.
SRVFPD	XXXIII. Expand SOI to include previously annexed areas (Tassajara Valley/ Morgan Territory, Bogue Ranch)	<p>10a. Align boundary with actual service area (i.e., north Dublin and Crow Canyon areas)</p> <p>10b. Annex area east of Tice</p>	Options XXXIII and XXXV	<p>A. Options XXXIII and XXXV</p> <p>B. Encourage SRVFPD and Alameda County Fire</p>

Agency	SOI Options	GS Options	Consultant Recommendations	LAFCO Staff Recommendations
	<p>XXXIV. Increase SOI to include north Dublin and Crow Canyon areas</p> <p>XXXV. Increase SOI to include area east of Tice Valley in Alamo</p>	<p>Valley to provide for a single fire agency serving the Alamo community</p>		<p>Department to resolve service and associated fiscal issues relating to the north Dublin and Crow Canyon areas</p>
CSA EM-1	<p>XXXVI. Retain existing SOI</p>	<p>None identified</p>	<p>Option XXXVI</p>	<p>A. Option XXXVI</p> <p>B. Encourage the District to coordinate a 911 dispatch study in conjunction with the County Sheriff's Department and the PSAP manager's group</p>