



Santa Cruz Local Agency Formation Commission

Date: September 4, 2024
To: LAFCO Commissioners
From: Joe Serrano, Executive Officer
Subject: **CSA 48 Reorganization Effort**

SUMMARY OF RECOMMENDATION

Last month the Commission received and filed the feasibility study developed by AP Triton and directed staff to coordinate with the County of Santa Cruz and CalFIRE to develop a transition plan that would evaluate the reorganization of County Service Area 48 (CSA 48) from a dependent special district to an independent fire protection district. The Commission also directed staff to bring this item back for further discussion during the next regularly scheduled LAFCO Meeting (September 4). This report provides an update on the latest efforts.

It is recommended that the Commission direct staff to continue coordinating with the County of Santa Cruz and CalFIRE to develop a reorganization plan for CSA 48.

EXECUTIVE OFFICER'S REPORT

The Commission reviewed the findings from the AP Triton feasibility study¹ during the August 7th LAFCO Meeting. The study examined how future annexations within existing sphere boundaries would directly affect the annexing agencies, as well as the County as the agency responsible for the management of County Service Area 48 ("CSA 48"). In other words, the study showed the potential revenue within each fire agencies' sphere boundary if annexation was considered.

Table A on page 2 provides an overview of each sphere boundaries' key components. AP Triton determined that any potential annexation would impact CSA 48's existing operations and finances. Below is a direct quote from AP Triton within the feasibility study:

"This fire fund shift [of \$3,896,100] represents 55% of the total like funds (assessments and taxes) for county fire services. Most of this would go to the PAJ SOI inclusion, which would only absorb 32% of the expenses."

Due to this significant impact to CSA 48, the County and LAFCO agreed that it may be beneficial to explore the concept of reorganizing CSA 48 as an independent fire district. Under this new governance model, the CSA 48 residents would have increased representation and participation since the district will require an independent board of directors, a separate budgetary structure, and direct coordination with CalFIRE as their service provider.

¹ 8/7/24 LAFCO Staff Report: https://santacruzlafco.org/wp-content/uploads/2024/07/6b.0-Fire-Study-Staff-Report_Hyperlinked.pdf

Table A: Sphere Boundary Summary Chart (as of Fiscal Year 2023-24)

Agencies' Sphere	Number of Parcels	County Fire Tax Assessment	Fire Flow Assessment	CSA 48 2020 Assessment	Total Fire Funds
Ben Lomond FPD	492	\$910	\$16,439	\$10,723	\$28,072
Boulder Creek FPD	486	\$48,293	\$46,670	\$35,634	\$130,597
Central FD	676	\$180,794	\$90,873	\$92,752	\$364,419
Felton FPD	13	\$665	\$731	\$452	\$1,848
Pajaro Valley FPD (CSA 48)	2,508	\$992,970	\$441,717	\$472,270	\$1,806,957
Pajaro Valley FPD (CSA 4)	625	\$862,738	\$574,698	N/A	\$1,437,436
Scotts Valley FPD	220	\$46,653	\$35,984	\$21,243	\$103,880
Zayante FPD	5	\$2,561	\$639	\$848	\$4,048
Shared Sphere (BLFPD/BCFPD & BLFPD/ZFPD)	<u>5</u>	<u>\$16,972</u>	<u>\$731</u>	<u>\$1,140</u>	<u>\$18,843</u>
Total Amount	5,030	\$2,082,556	\$1,178,482	\$635,062	\$3,896,100
CSA 48	4,405	\$1,219,618	\$603,874	\$635,062	\$2,458,464
CSA 4	<u>625</u>	<u>\$862,738</u>	<u>\$574,698</u>	<u>N/A</u>	<u>\$1,437,436</u>
Total Amount	5,030	\$2,082,556	\$1,178,482	\$635,062	3,896,100

Fire Master Plan

The County hired an outside consultant to provide a master plan for CSA 48. A master plan provides an overview of the comprehensive analysis, planning, and vision that an agency uses to plan their course into the future of emergency services and fire prevention. For reference, Central Fire District developed a long-range master plan in 2022². It is LAFCO staff's understanding that the County Board of Supervisors will consider the master plan for CSA 48 in late-September.

Fire Department Advisory Commission

The County Fire Department Advisory Commission (FDAC) exercises various responsibilities in its efforts to ensure that the interests of the County Fire Department, career and volunteer fire companies, and citizens residing within the County Fire Department jurisdiction are protected and promoted by monitoring, studying, and advising the County Fire Chief and Board of Supervisors on the following:

- The preparation and implementation of the County Fire Department Master Plan;
- Methods for improving the cost effectiveness and delivery of the County's fire protection, as well as its rescue and emergency medical services programs;

² CFD Master Plan: <https://www.centrafire.org/2196/Master-Plan>

- County Fire Department’s budget priorities and specific budget recommendations;
- The changing role or mission of each of the volunteer fire companies and the resulting changes in their requirements; and
- Such other matters relating to the county’s fire protection, rescue and emergency medical services program, as the committee desires to bring to the attention of the Fire Chief and Board of Supervisors.

While FDAC has provided input over the years, the fire commission voted to sunset and transition to an advisory group supporting the Chief Administrative Office and General Services Department (GSD) on July 17, 2024. The Board of Supervisors subsequently took official action on August 27, 2024 to eliminate FDAC effectively on August 31, 2024. With this action, the new Fire Department Advisory Group will have the following duties:

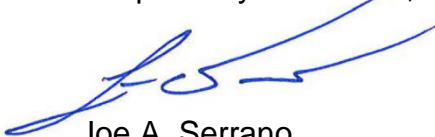
1. Consult and advise GSD on all matters relating to County Fire and the County’s fire protection, rescue, and emergency medical services program; and
2. Work closely with GSD to ensure that the interests of the volunteer fire companies and the people residing within the County Fire Department jurisdiction are protected and promoted.

Attachment A is an email from Becky Steinbruner, a member of the public, regarding the recent BOS action. LAFCO will coordinate with the County and this new advisory group as part of the proposed reorganization of CSA 48 and the development of the upcoming transition plan.

Transition Plan Update

In order to properly consider a change of organization, such as converting CSA 48 into an independent fire district, LAFCO and the County must develop a plan that clearly defines how the new fire district will operate. In other words, clearly explain why CSA 48’s current model is not sustainable and how the proposed reorganization will provide residents with more transparency, accountability, and sustainability under a standalone fire district model. There are several questions that need to be addressed as part of the plan. The County and LAFCO are still in the process of developing the outline.). The Board of Supervisors is expected to review the master plan for CSA 48 in late September and provide direction to County staff to work with LAFCO on this reorganization effort. It is our collective goal to present a finalized outline to the Commission at the next scheduled meeting (October 2).

Respectfully Submitted,



Joe A. Serrano
Executive Officer

cc: Carlos Palacio, CAO Office
Jed Wilson, CalFIRE

Attachment: [Becky Steinbruner Email \(dated August 28, 2024\)](#)