



Santa Cruz Local Agency Formation Commission

Date: May 7, 2025
To: LAFCO Commissioners
From: Joe Serrano, Executive Officer
Subject: **Fire Consolidation Feasibility Study – Memorandum of Understanding**

SUMMARY OF RECOMMENDATION

Santa Cruz LAFCO continues to play a key role in exploring service and governance efficiencies with local agencies, including but not limited to the 12 fire districts in Santa Cruz County. During the past year, LAFCO staff has been collaborating with the City of Santa Cruz, Central Fire Protection District and Scotts Valley Fire Protection District to determine if there are any opportunities to maximize existing resources, elevate service delivery, and meet the unique demands from their respective constituents. As a result, the three fire agencies and LAFCO have agreed to partner for the development of a fire-related feasibility study.

It is recommended the Commission approve the draft memorandum of understanding authorizing LAFCO staff to partner with the City of Santa Cruz, the Central Fire Protection District, and the Scotts Valley Fire Protection District to evaluate possible shared services opportunities, which may identify or lead to potential reorganizations and/or consolidations.

EXECUTIVE OFFICER'S REPORT:

October 2021 marked a significant milestone in Santa Cruz LAFCO history. The Commission adopted a countywide fire report that analyzed the existing fire agencies. The Countywide Fire Protection Service & Sphere Review sparked interest from various fire agencies, led to multiple LAFCO presentations and discussions, helped launch the reorganization of the Branciforte Fire Protection District, and reinforced the fact that the affected fire agencies, the County, and LAFCO play a critical role in the current and future delivery of fire protection and emergency medical services in Santa Cruz County. The Commission's analysis of the collected data and identification of possible solutions clearly demonstrated how potential changes of organization can come to fruition through joint efforts between the affected agencies and LAFCO. This collaborative effort continues to this day.

Latest Efforts

LAFCO staff has been part of a stakeholder group since July 2023 with representatives from the City of Santa Cruz and Central Fire Protection District to explore shared services opportunities. The Scotts Valley Fire Protection District later joined the group in November 2024. Based on the ongoing discussions, the group agreed to hire an outside consultant to analyze the benefits and constraints of potential shared services agreements, including but not limited to possible reorganizations and/or consolidations through the development of this feasibility study. As a result, a memorandum of understanding (MOU) was

developed to formalize the collaboration between the four parties and outlines the roles and responsibilities under this draft feasibility study agreement. **Attachment 1** provides a copy of the draft MOU. The goal is to issue a Request for Proposal by May 2025, select a consultant by August 2025, and complete the feasibility study by May 2026. The City of Santa Cruz adopted the MOU at its April 22 city council meeting. The boards of Central and Scotts Valley Fire Protection Districts are scheduled to consider the MOU for adoption on May 8 and May 14 respectively.

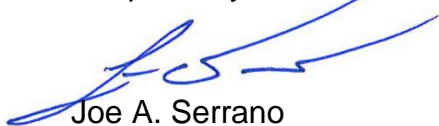
Funding & Resource Allocation

As the draft MOU notes, the three fire agencies have agreed to equally share the costs associated with the feasibility study, including any reasonable cost increases approved by these same parties. The affected agencies have also requested that LAFCO contribute to cover the cost of the study, which is consistent with past requests. LAFCO's contribution is yet to be determined but staff will bring this item back for commission consideration and action when more information is available. LAFCO anticipates that the study may cost between \$30,000 to \$60,000. To date, LAFCO has approximately \$29,500 remaining under the "Professional Services" budget line item in the FY 2024-25 budget. A portion of that funding could be earmarked for this feasibility study following commission consideration and approval.

CONCLUSION

Fire agencies throughout the state and nation continue to struggle in addressing growing costs, the decline in volunteer and professional firefighters, and the rise of year-round "fire seasons." Additionally, the population in Santa Cruz County is increasing while also aging, raising expectations for timely emergency medical services along with reliable fire protection services. Today, fire agencies are more open to exploring alternative methods to address these shared challenges. More importantly, our local fire agencies now see this Commission as a resource for efficient governance and have invited LAFCO to be part of the solution. Therefore, staff is recommending that the Commission approve the draft MOU and allow staff to work with the three fire agencies to complete the proposed fire-related feasibility study.

Respectfully Submitted,



Joe A. Serrano
Executive Officer

Attachments:

1. [Draft Memorandum of Understanding](#)