

LOCKWOOD FIRE PROTECTION DISTRICT

23141 Shake Ridge Road Volcano, CA 95689

Meeting of the Board of Directors Minutes - July 24, 2023 - 6:00 p.m.

1. Board Meeting: 6:00pm

2. Board Attendees: Kelly McGee, JoAnne McLachlan, Cookie Stevens, Don Dowell and Jan Hewitt

3. Closed Session: none

4. Local Agency Formation Commission (LAFCO) presentation by Rosanne Chamberlain - Overview of LAFCO functions and processes in consolidating agencies/districts.

Rosanne introduced Byron Damiani, new LAFCO Executive Officer and Legal Counsel.

LAFCO (categorized as “other government” agency) functions as an intermediary in the organization and structure of local government. LAFCO’s primary function is to maintain and regulate the boundaries of many local agencies, cities and special districts. LAFCO also has planning functions and provides a significant amount of information about local government in any county, through studies called Municipal Service Reviews. LFPD hasn’t had one a few years, however, LAFCO is grateful for the recent information provided (financial information, activities, work logs, etc.) from the Board. LAFCO is required to compare among government agencies and provide the public and commissioners background information they need to make good decisions in the public interest.

The boundary regulatory function of LAFCO revolves around setting the boundaries through annexation of territory, including spheres of influence, which are areas planned for future annexation. Annexation is a ‘Boundary Change Action’; there are many of these, however, Annexation is the most common. The public has the right to learn about what is happening and proposed actions, and there is transparency and accessibility as part of the decision-making process. There are multiple points in the process where notice has to be given and the opportunity for comment/protest/object/request quantifications of LAFCO, the commission accepts and hears that information, and are responsible to weigh and balance the various needs and desires of the citizens, and to try to modify and amend the proposals for the best affect and help the greatest number of people.

With any governmental decision making, there will be people who are less than happy with the result; people who will profit and people who will be frustrated because they feel it’s going to be more costly, but LAFCO looks mostly at the financial aspects of all boundary changes, those requirements are spelled out in state law. There are a set of 28 separate analysis elements that have to be considered by LAFCO for every decision made regarding boundary changes.

‘Reorganizing’ could mean combining 2 districts, or one district being absorbed by another district, modifying the boundary for the successor or district you end up with in the end, to include the territory of both the two government agencies. The crucial factor for CA is that the whole historic model for fire protection districts that are staffed primarily by volunteer citizens and funded through events such as pancake breakfasts and other grassroots kind of efforts to pay for cost of service, is no longer viable. Throughout the state, LAFCO has tried to figure out how to get the most out of every tax payer dollar and the highest level of service for the citizens, in a climate where the regulations are higher, the training requirements are higher, cost of equipment is astronomical, cost of insurance is extreme, the cost of operating the stations are more expensive, etc. It has been observed that it’s just not feasible to

support the kind of infrastructure and personnel-intensive services of small fire protection districts, especially in high fire risk/rural areas, with the old model of having volunteers. The restructuring of Measure M funding has been suggested to supplement the funding, but most say this is not enough. Most small fire protection districts are seriously struggling with their obligations regarding the expected services to protect life and extinguish fire and the financial ability to be able to do so. Throughout the state, there are increased conversations of combining fire protection districts primarily for the financial savings, but also to increase levels of service. LAFCO is charged with looking at the financial picture, and have seen the smaller fire protection districts are financially struggling.

Reorganization vs. Consolidation (in LAFCO law):

Reorganization - more general term - i.e., a small fire protection district wants to combine with another fire protection district, not by consolidating in the technical term, but by annexing the territory of the small fire protection district into the second fire protection district, and dissolving the first. The hearing process and requirements are different than the technical aspect of consolidating.

Consolidation - specific technical meaning that requires a specific process. Two agencies both go away, create one new agency with a new name, structure, governing board, etc.

There are many flexible ways to structure the final outcome, and this is the most critical thing for people to think about and be aware of. (i.e., Do you want to have a single larger fire protection district, that has more/less Board Members?; do you want two assessment different zones?, etc.) All of these creative solutions can be worked out at the table with LAFCO.

Questions/Discussion for Roseanne:

Q: Don Dowell- When reorganizing, is there the possibility of independent control of local funds when two districts combine (smaller into larger?) **A:** Can be structured that way, however, there is one single board of directors - they could have 2 separate funds (zone of benefit).

Q: Don Dowell - Is it possible to reorganize the Board Members as well, to include members from smaller agency on new organizations Board? **A:** Yes, LAFCO has ability to provide transition period, so that the new consolidated entity has 'x' number of Board Members, to possibly include members from previous district - still having to go through election process, etc.

Q: Don Dowell- Confirm percentage of Amador County LAFCO commission that are also Amador County Supervisor's? **A:** 2 (Frank Ax and Pat Crew- alternate is Richard Forster, alternates can't vote); 2 City representatives: Valerie Kleinfelter of Plymouth and Ann of Amador City - alternate is Bob Stimpson); 1 community member (Jim Vinciguerra). Will soon be issuing a Notice of Vacancy on Amador County's LAFCO commission. All 4-year terms.

Statement: Deb Elliot- Was very appreciative and said thank you for describing differences in "reorganizing" and "consolidation". In your experience, has reorganizing always been beneficial? **A:** Can't speak for entire state and every situation, but I can't remember a situation where there were any long-term financial liabilities. In some situations, there could be pension liability or pending lawsuits that have generated damage payments that would have to factor into the equation and who would be responsible for that. The kind of financial analysis that LAFCO does when there are complicated situations, like a Fire Department consolidation, is to research and find the issues/challenges that would need to be resolved, usually through negotiation. To the best of my knowledge, there won't be any surprises with LFPD.

Q: Rob Withrow- If LFPD reorganizes or consolidates - what happens with funding structure, base funding (outside of Measure M). **A:** Have to look at what you've got, how to be fair as an overarching

perspective - this is where a benefit sum specific to the prior boundary of LFPD would be the mechanism that would preserve and protect your revenue stream. Writing terms and conditions is an artform. These things need to be word smithed- don't want any 'subject to interpretation'. LAFCO's real task would be to define the agreement and structure to protect financial benefits that have been approved by LFPD, that might not be approved by AFPD.

Q: Don Dowell - Is there a mechanism for BOS on the LAFCO commission to excuse themselves from voting. **A:** Yes.

Q: Sharon Dowell - What is the goal of public participation in regard to discussion and advertising of potential consolidation? Will LAFCO be an agent in making the public aware? **A:** Workshops/meetings to educate the public are/will be available and accessible via LAFCO. LAFCO utilizes a very carefully structured public process, to make this information as accessible to the public as possible.

If both entities decide to adopt a resolution requesting LAFCO to do the reorg/consolidation **in their public board meeting**, LAFCO cannot say no, because the power stays with both districts. LAFCO can add conditions of approval for fairness and equity, i.e. requiring zone for assessment, etc., but LAFCO can't deny the annexation if it's requested through substantially similar resolutions by both agencies. In some cases, there are opportunities for citizens to protest through a vote, but depends on the path the Board wants to go: reorganization as annexation + dissolution, consolidation process, merger, etc.

LAFCO makes understandable decisions through public process.

Q: Jackie Vaughn- Have there been instances where a reorganization or consolidation didn't work?

A: When Board members didn't have best interests at heart, etc.

Q: Robert Withrow- Is it possible this situation could not be worth it for AFPD to consolidate with LFPD and if so, would this come to light through LAFCO's process? **A:** Yes. **RW:** Looking at the numbers, strictly the sustainability thereof, it's not sustainable for LFPD. **RC:** The unanimous thought, from experienced departments and Fire Chiefs, Board Members, etc., is that the time to consolidate is *not* when you're at the bottom- needs to be done when there is reasonable stability, good financial assets, etc.

Unfortunately, the community hubris or unreasonable self-determination or pride when things are good, blocks the view of the future when the situation is *not* good and what's at risk. Many districts are forced into consolidation, as they've waited until they were at rock bottom and had no other choice.

RW: There is viability in a volunteer program that is *supported* by career staff. We only generate about \$72,000 roughly in parcel tax; liability insurance cost is \$24,000 alone (Treasurer said it will be going up next year), fuel is \$4,000 x 3-5/year times a year.

Statement: Rosanne Chamberlin- Hopes the LAFCO commission is able to (or hire someone to) effectively review and describe (in a way everyone can understand) who gets what money, what the funding sources are, and how that funding moves.

Statement: Jan Hewitt- The LFPD Board is here to be maintain fiscal responsibility, not to operate the district, but to make sure it's solvent and provide the appropriate response for life and property. Be open to what the options could be.

Statement: JoAnne McLachlan- Public involvement in our functions is very important. There has been very little public attendance over the past 8 years. Budget has come up recently, and public participation is encouraged. Budget is available on website - look at the budget each month, it's evident why the Board is concerned.

Amador.lafco@gmail.com - email questions to LAFCO, anytime.

- 5-minute adjournment

July Board Meeting Minutes approval - Don Dowell motioned / JoAnne McLachlan seconded (All in)

5. Action Item 1 - Approval of Command Vehicle Swap: Don Dowell motioned / Cookie Stevens seconded (All in)

6. Action/Discussion Item 2 - Volunteer stipend increase LFPD: Don Dowell motioned / JoAnne McLachlan seconded (All in)

7. Treasurer's Report: Latest info is from April. Expecting May numbers within the week.

8. Chief's Report:

- Letter to State Fire Marshall's office in opposition to FHSZ - asked to take into consideration the county's fuel reduction efforts. August 9th is open public hearing, unsure of location.
- Ponderosa way- AFD said no Ingress/Egress at this point
- Steve Clark has passed written and practical paramedic exam - now licensed. Steve Clark introduced himself and gave his background.
- Finished another round of Driver Operator training with Vol FF, 6 more dr/op on roster now. Tom has been doing an exceptional job teaching the class.
- Draft of letter to Top Cop- sent requesting additional donation monies
- Secured funding through Auxiliary for hose order (6530, 6520)
- Forest Service rents our WT - Contract/agreement coming, will need JH signature
- 3 different fires giving payment: Jackson, Echo, Carbon (Amador's jurisdiction, but committed LFPD operator to)
- June - 26 calls (12 medical, 5 public assist, 1 vehicle accident, 2 vegetation fire, 1 structure fire, 5 calls on a controlled burn)

Grants - USDA grant, Don Dowell is willing to work on after discussion with Board. Chief and Don Dowell says might not want to commit to the 25% match. Tim Worny says we want to think twice about spending money right now with the forecasted loss of funds for next year. Chief says ok to explore raising revenue for an addition to building (sleeping quarters). Don Dowell suggests scoping the project prior to making a decision.

Fiscal/Planning - none

Policy/Procedures - none

Building - none

Comm/Outreach - Upcountry Newsletter is published every month and available on our website as well.

Auxiliary Report - see Board Packet

Adjourn @ 7:50pm - Cookie Stevens motioned / Don Dowell seconded (all in)

Next Meeting: August 28th, 2023