

Local Agency Formation Commission of Santa Cruz County



Countywide Fire Protection Service and Sphere Review:

Aromas Tri-County Fire Protection District	Felton Fire Protection District
Ben Lomond Fire Protection District	Pajaro Valley Fire Protection District
Boulder Creek Fire Protection District	Santa Cruz City Fire Department
Branciforte Fire Protection District	Scotts Valley Fire Protection District
Central Fire District of Santa Cruz County	Watsonville City fire Department
County Service Area 4 (Pajaro Dunes)	Zayante Fire Protection District
County Service Area 48 (County Fire)	Total: 13 Fire Agencies

Adopted Version – October 13, 2021

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EXECUTIVE SUMMARY

Introduction

This Service and Sphere of Influence Review provides information about the services and boundaries involving the 13 fire service providers in Santa Cruz County. The report will be used by the Local Agency Formation Commission (LAFCO) to conduct a statutorily required review and update process. The Cortese-Knox-Hertzberg Act requires that LAFCO conduct periodic reviews and updates of Spheres of Influence for all cities and special districts in Santa Cruz County (Government Code section 56425).

It also requires LAFCO to conduct a review of municipal services before adopting sphere updates (Government Code Section 56430). The last service review for the nine independent fire districts was adopted on November 2, 2016. The last service review for the two dependent fire districts (CSA 4 and CSA 48) was adopted on June 29, 2018. The last service reviews for the two cities (Watsonville and Santa Cruz) were adopted on May 2, 2018 and January 9, 2019, respectively. In order to analyze the fire protection offered throughout Santa Cruz County, all fire agencies will be evaluated in this countywide service and sphere review.

Findings and Determinations

The service review process does not require LAFCO to initiate changes of organization based on service review conclusions or findings; it only requires that LAFCO make determinations regarding the delivery of public services in accordance with the provisions of Government Code Section 56430. However, LAFCO, local agencies, and the public may subsequently use the determinations and related analysis to consider whether to pursue changes in service delivery, government organization, or spheres of influence.

CEQA Determination

Service and sphere reviews are informational documents and are generally exempt from environmental review. LAFCO staff has conducted an environmental review of the Districts' existing spheres of influence pursuant to the California Environmental Quality Act (CEQA) and determined that this report is exempt from CEQA. Such exemption is due to the fact that it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment (Section 15061[b][3]).

Structure of Report

This **Executive Summary** presents a brief overview of the service review, key findings, and recommended actions. The **Agency Profile** chapters contain individual evaluations for each of the fire service providers - highlighting specific characteristics, ongoing operations, current fiscal health, existing governance structure, ability to provide services, and its importance within its jurisdictional area. The profiles conclude with statutory determinations required for all service and sphere of influence reviews pursuant to the Cortese-Knox-Hertzberg Act. These chapters are followed by **Appendices** with sources used to conduct the service review.

Fire Service Providers

Fire protection and other fire-related services are provided by nine independent special districts, two county service areas, and two city departments, as shown below. In accordance with the Commission's Multi-Year Work Program, these 13 fire service providers will be analyzed in this report. **Figure 1** on page 8 provides an overview map depicting the subject agencies.

List of Subject Agencies:

1. Aromas Tri-County Fire Protection District ("ATCFPD" or "Aromas TCFPD")
2. Ben Lomond Fire Protection District ("BLFPD" or "Ben Lomond FPD")
3. Boulder Creek Fire Protection District ("BCFPD" or "Boulder Creek FPD")
4. Branciforte Fire Protection District ("BFPD" or "Branciforte FPD")
5. Central Fire District ("CFD" or "Central FD")
6. County Service Area 4 ("CSA 4")
7. County Service Area 48 ("CSA 48")
8. Felton Fire Protection District ("FFPD" or "Felton FPD")
9. Pajaro Valley Fire Protection District ("PVFPD" or "Pajaro Valley FPD")
10. Santa Cruz City Fire Department ("SCCFD" or "Santa Cruz City Fire")
11. Scotts Valley Fire Protection District ("SVFPD" or "Scotts Valley FPD")
12. Watsonville City Fire Department ("WCFD" or "Watsonville City Fire")
13. Zayante Fire Protection District ("ZFPD" or "Zayante FPD")

Other Districts (Under LAFCO's Purview)

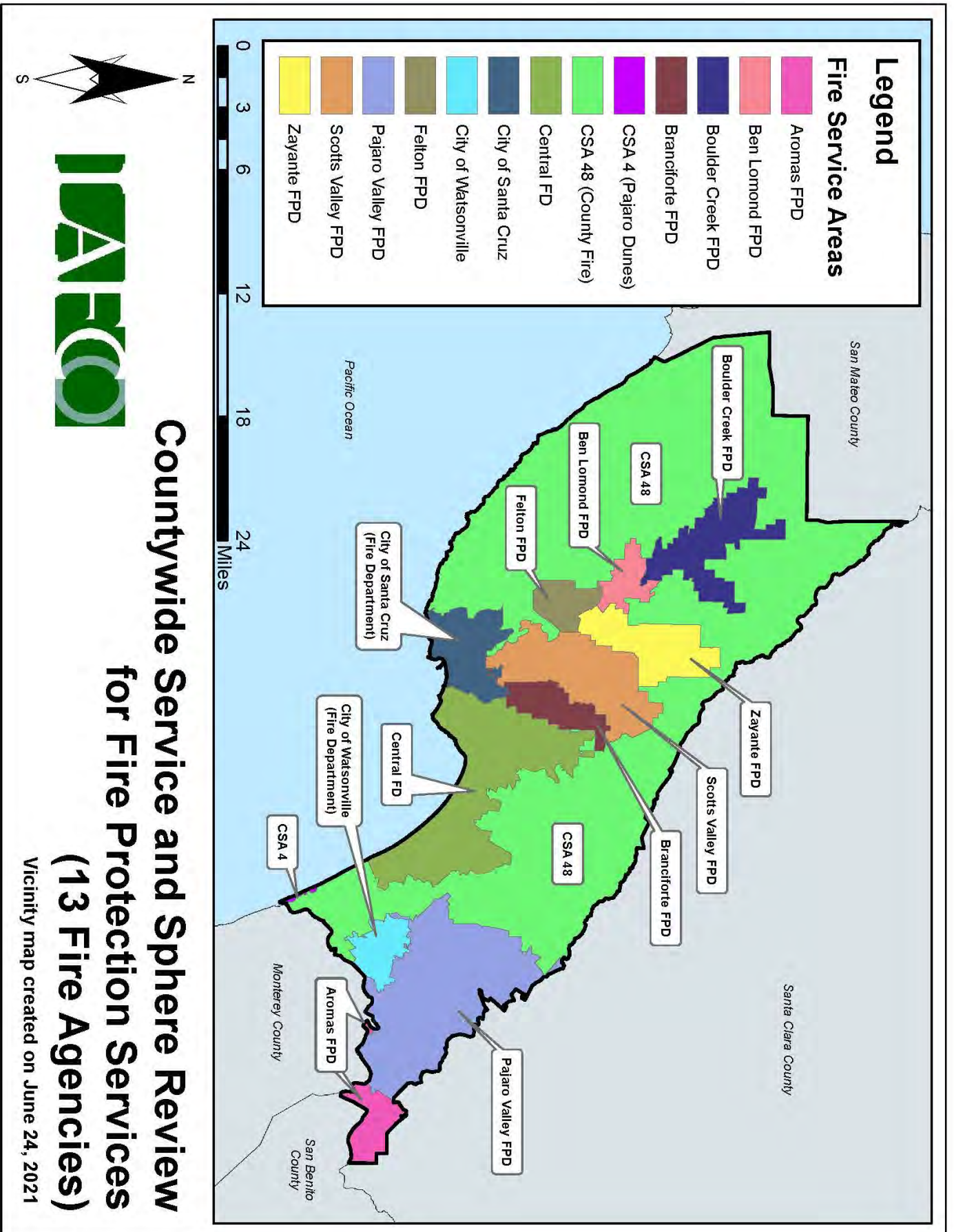
The Resource Conservation District of Santa Cruz County ("RCD") is an independent special district that has a long history of collaborating with local community and agency stakeholders to provide residents with educational and cost share assistance to reduce wildfire threat. RCD collaborates with CAL FIRE and the Fire Safety Council of Santa Cruz County to identify high priority areas for fire breaks and other fuel management projects as outlined in their Community Wildfire Protection Plan. The District's Forest Health and Fire Resiliency Program also provides a number of services to Santa Cruz residents, including chipping, fuel load reduction around homes and structures, fire breaks in wildlands, wildfire awareness and prevention, and post-fire recovery. RCD will be discussed in this report but will not be subject to an in-depth analysis since its service and sphere review was adopted in December 2020. All past service and sphere reviews can be accessed on LAFCO's website: <https://www.santacruzlafco.org/reviews/>.

Other Organizations (Not Under LAFCO's Purview)

Santa Cruz County has a number of other local organizations with goals to protect each resident from fire-related situations, natural disasters, or other public concerns. These entities are not subject to LAFCO's jurisdiction, therefore, are not required to be analyzed in this report. LAFCO does value their mission – that is why staff reached out to the organizations listed below for their input throughout the review process:

- Civil Grand Jury of Santa Cruz County
- County of Santa Cruz, Office of Emergency Services
- Fire Department Advisory Commission of Santa Cruz County
- Fire Safe Councils of Bonny Doon, Santa Cruz County, and South Skyline
- UC Santa Cruz, Office of Emergency Services

Figure 1: Countywide Vicinity Map



Fire Protection District Law of 1987

The Fire Protection District Law (Health & Safety Code §13800, et seq.) is the source of statutory authority for more than 380 fire protection districts. The California Legislature adopted this revised statute in 1987 after a study that culminated in Senate Bill 515. The Chairman of the Senate Local Government Committee at that time, State Senator Marian Bergeson, authored SB 515 which was the first complete revision of the fire district laws since 1961. The statute is also known as the Bergeson Fire District Law (§13800) in her honor. The Golden Gate University of Law developed a detailed report explaining how and why the 1987 law was established¹.

Growth and Population

The Association of Monterey Bay Area Governments (AMBAG) produces population projections for cities and counties. However, projections for special districts are not included in their estimate. AMBAG's reporting does indicate that the unincorporated areas within Santa Cruz County will experience a slow growth over the next fifteen years. The 2018 AMBAG Regional Growth Forecast Report states that the population in unincorporated territory will grow at a rate of less than 1% every five years. Based on this anticipated growth rate, LAFCO staff calculated the estimated population for each subject agency from 2020 to 2040, as shown in **Table 1**:

Table 1: Population Estimates (Listed in Alphabetical Order)

Fire Service Providers	2020	2025	2030	2035	2040
Aromas TCFPD (Size: 24,960 acres)	5,850	5,900	5,950	6,001	6,053
Ben Lomond FPD (Size: 4,167 acres)	7,132	7,193	7,254	7,317	7,379
Boulder Creek FPD (Size: 11,273 acres)	5,226	5,271	5,316	5,362	5,408
Branciforte FPD (Size: 5,756 acres)	1,715	1,729	1,744	1,759	1,774
Central FD (Size: 25,400 acres)	90,377	91,152	91,933	92,721	93,516
CSA 4 (Size: 259 acres)	250	252	254	257	259
CSA 48 (Size: 167,153 acres)	24,206	24,413	24,622	24,834	25,046
Felton FPD (Size: 4,052 acres)	6,051	6,103	6,156	6,208	6,262
Pajaro Valley FPD (Size: 30,268 acres)	18,154	18,310	18,467	18,625	18,785
Santa Cruz City (Size: 7,974 acres)	68,381	72,091	75,571	79,027	82,266
Scotts Valley FPD (Size: 13,465 acres)	20,171	20,344	20,519	20,695	20,872
Watsonville City (Size: 4,024 acres)	53,536	55,187	56,829	58,332	59,743
Zayante FPD (Size: 11,451 acres)	5,043	5,086	5,130	5,174	5,218
Total Population Within a Fire Agency's Jurisdiction	306,092	313,032	319,746	326,311	332,580

Footnote: Unincorporated population projections are based on an annual growth of 0.86%.

¹ A new Law for a New Mission: Senate Bill 515 and the "Fire Protection District Law of 1987" - https://digitalcommons.law.ggu.edu/cgi/viewcontent.cgi?referer=https://www.google.com/&httpsredir=1&article=1232&context=caldocs_senate

Financial Health

Fire service providers are primarily funded through property taxes and service charges. **Table 2** depict these two revenue streams for each district as of June 30, 2020. **Table 3** also highlights whether each district had enough revenue to cover annual expenses during FY 2019-20. A full review of all revenue funds for each district and the two cities during the past six years is discussed in the **Agency Profile Chapters** within this report.

Table 2: Primary Revenue Sources (FY 2019-2020 – Lowest to Highest)

Fire Districts	Taxes & Assessments	Charges for Services	Other Revenue	Total Revenue
Zayante FPD	\$535,852	\$1,446	\$99,102	\$636,400
Felton FPD	\$844,456	\$ -	\$84,565	\$929,021
Ben Lomond FPD	\$940,293	\$ -	\$85,511	\$1,025,804
Branciforte FPD	\$972,692	\$ -	\$62,320	\$1,035,012
CSA 4	\$765,192	\$508,056	\$30,251	\$1,303,499
Boulder Creek FPD	\$1,238,228	\$3,722	\$66,706	\$1,308,655
Aromas TCFPD	\$1,521,410	\$107,426	\$68,084	\$1,696,920
Pajaro Valley FPD	\$2,010,977	\$21,814	\$97,791	\$2,130,582
CSA 48	\$3,720,840	\$132,472	\$150,259	\$4,003,571
Scotts Valley FPD	\$7,592,265	\$300,759	\$281,236	\$8,174,260
Central FD	\$37,215,167	\$ -	\$2,984,116	\$40,199,283

Footnote: Cities of Santa Cruz and Watsonville were excluded in order to compare each special district that provides fire protection services only.

Table 3: Total Revenue vs. Total Expense (FY 2019-2020 – In Alphabetical Order)

Fire Service Providers	Total Revenue	Total Expense	Surplus/(Deficit)
Aromas TCFPD	\$1,696,920	\$1,387,108	\$309,812
Ben Lomond FPD	\$1,025,804	\$731,511	\$294,293
Boulder Creek FPD	\$1,308,655	\$1,154,561	\$154,094
Branciforte FPD	\$1,035,012	\$1,018,426	\$16,586
Central FD	\$40,199,283	\$38,066,315	\$2,132,968
CSA 4	\$1,303,499	\$1,422,654	\$(119,155)
CSA 48	\$4,003,571	\$3,309,177	\$694,394
Felton FPD	\$929,021	\$710,811	\$218,210
Pajaro Valley FPD	\$2,130,582	\$2,748,070	\$(617,488)
Santa Cruz City	\$3,676,667	\$19,808,182	\$(16,131,515)
Scotts Valley FPD	\$8,174,260	\$9,153,910	\$(979,650)
Watsonville City*	\$9,193,009	\$8,907,871	\$285,138
Zayante FPD	\$636,400	\$526,244	\$110,156

Footnote: Total revenue for the City of Watsonville includes Sales Tax Measure G.

Table 4 highlights the cost per capita. Per capita means the average per person and is often used in place of "per person" in statistical observances. In this case, LAFCO has calculated the average cost per person to fund their fire agencies' operations. Total cost is based on the audited financial statements from FY 2019-2020. Based on staff's analysis Ben Lomond FPD has the lowest cost per capita with \$103/person living within the agency while CSA 4 has the highest cost per capita with \$5,688/person living within the District.

Table 4: Cost Per Capita (FY 2019-2020 – Lowest to Highest)

Fire Districts	Population (2020)	Total Expense	Cost Per Capita
Ben Lomond FPD	7,132	\$731,511	\$103
Zayante FPD	5,043	\$526,244	\$104
Felton FPD	6,051	\$710,811	\$117
CSA 48	24,206	\$3,309,177	\$137
Pajaro Valley FPD	18,154	\$2,748,070	\$151
Boulder Creek FPD	5,226	\$1,154,561	\$221
Aromas TCFPD	5,850	\$1,387,108	\$237
Central FD	90,377	\$38,066,315	\$421
Scotts Valley FPD	20,171	\$9,153,910	\$454
Branciforte FPD	1,715	\$1,018,426	\$594
CSA 4	250	\$1,422,654	\$5,688

Footnote: Cities of Santa Cruz and Watsonville were excluded in order to compare each special district that provides fire protection services only.

Level of Service

Under state law, the fire agencies in Santa Cruz County can provide the following services: fire protection services, rescue services, emergency medical services, hazardous material emergency response services, ambulance services, and other services relating to the protection of lives and property is critical to the public peace, health, and safety of the state. These fire agencies, specifically fire districts, were created for and by the local communities. Local control over the types, levels, and availability of these services is a long-standing tradition in California which the State Legislature and LAFCO intend to retain. Recognizing that our communities have diverse needs and resources, it is the intent of the LAFCO to analyze how the 13 fire agencies are providing services within those unique communities but also ensure that the residents are aware of the opportunities and challenges faced by their local fire service provider.

Fire Standards

State Standards (OSHA)

The Occupational Safety and Health Administration (OSHA) was established in 1970 to ensure safe and healthful working conditions for workers by setting and enforcing standards and by providing training, outreach, education and assistance. OSHA is part of the United States Department of Labor. The administrator for OSHA is the Assistant Secretary of Labor for Occupational Safety and Health. OSHA's administrator answers to

the Secretary of Labor, who is a member of the cabinet of the President of the United States. In the late-1990s, OSHA established the Respiratory Protection Standard. This provision requires that at least two employees enter the Immediately Dangerous to Life or Health (IDLH) atmosphere and remain in visual or voice contact with each other at all times. It also requires that at least two employees be located outside the IDLH atmosphere, thus the term, "two in/two out". This assures that the "two in" can monitor each other and assist with equipment failure or entrapment or other hazards, and the "two out" can monitor those in the building, initiate rescue, or call for back-up. One of the "two out" can be assigned another role such as incident commander.

National Standards (NFPA)

One of the most well-known and respected standards organizations is the National Fire Protection Association (NFPA)². Since 1896, NFPA has developed standards directly affecting the fire service at the department level. As an advocate of fire prevention and an authoritative source on public safety, NFPA develops, publishes, and disseminates more than 300 consensus codes and standards intended to minimize the possibility and effects of fire and other risks. Their vision is to advocate for the elimination of death, injury, property and economic loss due to fire, electrical and related hazards. Their mission is to help save lives and reduce loss with information, knowledge and passion.

The NFPA has developed standards specifically for volunteer departments known as the NFPA 1720 Standard for the Organization and Deployment of Fire Suppression Operations, Emergency Medical Operations, and Special Operations to the Public by Volunteer Fire Departments. NFPA believes that volunteer departments must maximize resources and be able to evaluate and improve firefighter safety and service to meet the modern challenges of local firefighting operations. The 1720 Standards offer a framework for defining levels of service, deployment capabilities, and staffing requirements for volunteer and combination fire departments.

NFPA cites that the National Board of Fire Underwriters recommendation is a minimum staffing of seven members on engines in high value districts, and five members on engines in other districts (NFPA, 1954). By 1969, the NFPA recommended the minimum staffing level be reduced to four members per engine (NFPA, 1969). At present, NFPA mandates a minimum of four firefighters. **Table 5** shows the proposed staffing, under the 1720 Standards, for structural fires based on a low-hazard occupancy (ex. two-story, single-family home without basement and exposures).

Table 5: NFPA Standards for Volunteer Fire Agencies (Staffing and Deployment)

Demand Zone^a	Demographics	Minimum Staff to Respond^b
Urban Area	More than 1,000 people	9
Suburban Area	500 – 1,000 people	10
Rural Area	Less than 500 people	14
Remote Area	Traveling distance is more than 8 miles	Directly dependent on travel distance

Footnote: (a) a jurisdiction can have more than one demand zone; (b) minimum staffing includes members responding from the fire agencies and automatic aid.

² Understanding & Implementing Standards (NFPA 1500, 1720, and 1851): https://www.nvfc.org/wp-content/uploads/2015/09/Standards_Guide_1500_1720_1851.pdf

Table 6 summarizes the number of fire stations, the current staffing within the stations, and whether state and national standards are being met by each fire agency. As the table shows, 54% of the fire agencies meet the state standards (7 out of 13) and only 15% meet the national standards (2 out of 13). LAFCO is concerned with these findings. The affected agencies must address OHSA's standards immediately if not already done so through policies, and develop a plan to fulfill NFPA's standards before LAFCO's next round of service reviews (August 2026). **Appendix A** depicts the location of all 36 fire stations throughout Santa Cruz County.

Table 6: Fire Stations (Lowest to Highest)

Fire Agencies	Number of Fire Stations	Number of People on Duty (Shift per Station)	Meeting State Standards (2 minimum)	Meeting National Standards (4 minimum)
Aromas	1	Station: 3-person crew	Yes	No
Ben Lomond	1	Station: 1-person crew	No	No
Branciforte	1	Station: 1-person crew	No	No
CSA 4	1	Station: 3-person crew	Yes	No
Felton	1	Station: 1-person crew	No	No
Pajaro Valley	1	Station: 3-person crew	Yes	No
Boulder Creek	2	Station 1: 1-person crew Station 2: None	No	No
Scotts Valley	2	Station 1: 5-person crew Station 2: 3-person crew	Yes	No
Watsonville City	2	Station 1: 3-person crew (2x) Station 2: 3-person crew	Yes	No
Zayante	3	Station 1: 3-person crew Stations 2-3: None	No	No
Santa Cruz City	4	Station 1: 3-person crew (2x) Station 2-4: 3-person crew	Yes	No
Central	7	Station 1: 3-person crew Station 2: 4-person crew Stations 3-7: 3-person crew	Yes	No
CSA 48	10	Stations: 3-person crew (Varies)	Yes	No

Fire Vehicles

The National Fire Protection Association Standard 1906, Standard for Automotive Fire Apparatus, as well as the National Wildlife Coordinating Group Standards for Wildland Fire Resource Typing classifies vehicles by type and function. The standards mandate that every fire truck 'type' is designed with specific components and features and must carry specific gear³.

Type 1 Fire Engine

A Type 1 Fire Engine, often referred to as an engine company, engine pumper or structural firefighting truck, is the most common type of fire truck in use today. Type 1 Fire Engines are purposefully designed to support urban, rural and suburban departments because they carry all of the required NFPA firefighting equipment. These versatile vehicles are often the first on scene because they support both structural firefighting and initial Emergency Medical Service (EMS) response. Every Type 1 Fire Engine is required to have a pump with a minimum tank size of 300 gallons, although most Type 1 Fire

³ Pierce Website (Types of Fire Trucks): <https://www.piercemfg.com/pierce/blog/types-of-fire-trucks>

Engines feature a 400- to 500-gallon water tank. Additionally, the vehicle must offer a minimum of 1000 Gallons Per Minute (GPM) of water transfer. Following the standards of NFPA, Type 1 Fire Engines are equipped at a minimum with a 2 ½ inch and 1 ½ inch diameter hoses of varying lengths. In addition, these vehicles must include a full complement of ground ladders, nozzles, forcible entry equipment, rear access and egress, some level of first aid equipment and other unique items depending on the local jurisdiction. Some examples include self-contained breathing apparatus (SCBA), chainsaws, full EMS gear, hazmat equipment, advanced life support (ALS) equipment and additional structural or ballistic gear as needed. Typically, Type 1 Fire Engines are designed to carry 3 to 4 firefighters.

Type 2 Fire Engine

A Type 2 Fire Engine features many of the same specifications and tools of the Type 1 Fire Engine. Type 2 Fire Engines are not as common in fire departments, but they are versatile trucks that are often found in urban and suburban applications performing vehicle accident and rescue response as a first response unit or heavy rescue engine. Type 2 Fire Engines may be ideal for a fire department looking for a more compact rescue engine, wet rescue or heavy-duty rescue featuring a smaller water tank and pump, but with storage capabilities that can still hold a lot of equipment. A Type 2 Fire Engine is an ideal fire truck to arrive on scene first to start fire extinguishing tasks until more support arrives. Much like a Type 1 Fire Engine, a Type 2 Fire Engine typically carries 3 or 4 firefighters. It includes a lot of basic firefighting gear and tools, like SCBAs, circular saws, as well as many different types of specialized equipment.

Type 3 Fire Engine

A Type 3 Fire Engine is often referred to as a wildland fire truck. Typically used in rural and wildland settings, a Type 3 Fire Engine includes several unique design and configuration details to match the terrain it services. Wildland fire trucks commonly sit on a commercial 4x4 chassis and can be used as wildland urban interface vehicles. They are designed to be sleek and maneuverable with the ability to manage off-road and variable terrain.

Type 3 Fire Engines are often responding to wildfires and must be able to get as close to the fire as possible while maintaining both stability and vehicle control. The Gross Vehicle Weight Rating (GVWR) is often more than 26,000 lbs. and the vehicle must be equipped to carry at least 3 passengers. NFPA standards require a Type 3 Fire Engine to have a minimum of a 500-gallon water tank and a pump capable of a minimum of 150 US gallons per minute at a pressure of 250 pounds per square inch. Type 3 Fire Engines can be equipped with a power-take-off (PTO) pump. A PTO pump is designed so that a vehicle can remain in motion while fighting fire simultaneously.

Many Type 3 Fire Engines also feature an auxiliary pump in addition to the main water pump configured on a truck. The auxiliary pump can be powered by a separate diesel engine that is connected to the pump, or a hydraulic auxiliary pump can be powered by an additional PTO hydraulic circuit with its own pressure governor. This pump-and-roll technique means that a truck operator can drive the truck while crew members man the pump and hoses walking beside the moving vehicle. This is critically important to allow firefighters to follow along as forest fires and brush fires move with the weather, and to create fire lines, wetting down areas ahead of an advancing wildfire.

Type 6 Fire Engine

Type 5, Type 6 and Type 7 Fire Engines are often grouped together because they feature many of the same design qualities. These vehicles are typically pick-up truck-based with 4-wheel drive on a medium duty-chassis. The main difference between Type 5, Type 6 and Type 7 fire trucks is the difference in their maximum GVWR, as shown below:

- Type 5 fire engines have a maximum GVWR of 26000 lbs.;
- Type 6 fire engines have a maximum GVWR of 19,500 lbs.; and
- Type 7 fire engines have a maximum GVWR of 14,000 lbs.

Type 5 Fire Engines are used in various ways depending on a fire department's needs. For example, some Type 6 Fire Engines are used as a fire response unit and include a small EMS response kit, while other vehicles are equipped with a water tank and water pump and can provide water suppression resources before larger rigs arrive on the scene. This configuration is common in wildland environments, where they are often referred to as mini pumpers or brush trucks. When equipped with water suppression capabilities, Type 6 Fire Engines typically carry a 300-gallon water tank and a small booster pump with a minimum capacity of 50 gallons per minute.

LAFCO staff has identified 20 different types of vehicles carried by fire agencies, as shown in **Table 7**. As the table shows, Type 1 Fire Engines are the most equipped while Type 2 Fire Engines and Type 6 Fire Engines are among the lowest equipped in Santa Cruz County. The table also indicates that CSA 4 has the lowest amount of fire vehicles with 3 in total while CSA 48 has the highest with 29 fire vehicles. Other trucks and vehicles are exemplified in more detail in each **Agency Profile Chapter**.

Table 7: Fire Vehicles (Lowest to Highest)

	Type 1 Engine	Type 2 Engine	Type 3 Engine	Type 6 Engine	Other Trucks	Other Vehicles	Total
CSA 4	2	-	-	-	1	-	3
Aromas TCFPD	2	-	1	-	-	2	5
Pajaro Valley FPD	2	-	-	-	3	1	6
Branciforte FPD	1	-	2	1	-	3	7
Boulder Creek FPD	3	-	1	1	-	2	7
Zayante FPD	4	-	1	-	-	2	7
Felton FPD	2	-	1	-	2	3	8
Ben Lomond FPD	3	1		-	-	6	10
Scotts Valley FPD	3	-	2	-	5	4	14
Watsonville City	5	-	1	-	2	7	15
Central FD	10	-	3	1	1	6	21
Santa Cruz City	6	-	1	-	2	13	22
CSA 48	<u>5</u>	<u>4</u>	<u>2</u>	<u>1</u>	<u>10</u>	<u>7</u>	<u>29</u>
Total Amount in Santa Cruz County	48	5	15	4	25	56	153

Call Data & Response Time

Calls-for-service or “call data” includes all fire unit responses to calls made within their jurisdiction. Each fire agency keeps track of the number of calls, type of incident, and response time. Based on staff’s analysis, fire service providers attend to several types of emergency calls, beyond fire-related situations such as medical calls, mutual aid, and vehicle accidents. LAFCO staff has identified 14 different types of calls responded by fire agencies. **Table 8** highlights the annual call data from 2015 to 2020 for each agency and their average call per year. As the table shows, CSA 4 received the lowest amount of calls during the last six years. The City of Santa Cruz received the highest amount of calls during that same time frame. The table also shows that the City of Watsonville has the quickest average response time (4 minutes) while CSA 48 has the longest average response time (14 minutes).

Table 8: Average Response Time (Fastest to Slowest)

Fire Agencies	Population (2020)	Number of Fire Stations	Number of Calls (2015-2020)	Average Calls Per Year	Average Response Time
Watsonville City	53,536	2	35,612	5,935	4 minutes
Ben Lomond	7,132	1	2,976	496	5 minutes
Scotts Valley	20,171	2	12,731	2,122	5 minutes
Boulder Creek	5,226	2	7,199	1,200	6 minutes
Central FD	90,377	7	48,292	8,049	6 minutes
Santa Cruz City	68,381	4	51,214	8,536	6 minutes
Pajaro Valley	18,154	1	5,526	921	7 minutes
Branciforte	1,715	1	1,212	202	8 minutes
Felton	6,051	1	3,996	666	8 minutes
CSA 4	250	1	814	136	10 minutes
Zayante	5,043	3	861	144	11 minutes
CSA 48	24,206	10	12,428	2,071	14 minutes
Aromas	5,850	1	-	-	-

Footnote: Aromas Tri-County FPD did not provide LAFCO call data or response time information.

ISO Rating

The Insurance Services Office (ISO) creates ratings for fire agencies and their surrounding communities. These “ISO Ratings” calculate how well-equipped fire departments are to put out fires in that community. ISO provides this score to homeowners insurance companies. Insurers then use it to help set homeowners insurance rates. The better equipped a fire agency is to put out a fire, the better the rating. An ISO fire rating, also referred to as a fire score or Public Protection Classification (PPC), is a score from one to 10 that indicates how well-protected a community is by the fire agency. In the ISO rating scale, a lower number is better: Class 1 is the best possible rating, while a 10 means the fire department did not meet ISO's minimum requirements.

Table 9 on page 17 categorizes each fire agency into three tiers. Based on staff’s analysis, the highest rating in Santa Cruz County is a “Class 2” and was given to four agencies: Central FPD, Scotts Valley FPD, and the Cities of Santa Cruz and Watsonville. Branciforte FPD has the lowest rating in the county with a “Class 5.”

Table 9: ISO Rating (Ranked By Tiers)

	Tier 1 (Class 1 and 2)	Tier 2 (Class 3 and 4)	Tier 3 (Class 5 and Lower)
Aromas TCFPD	-	Class 4	-
Ben Lomond FPD	-	Class 3	-
Boulder Creek FPD	-	Class 4	-
Branciforte FPD	-	-	Class 5
Central FD	Class 2	-	-
CSA 4	-	Class 4	-
CSA 48	-	Class 4	-
Felton FPD	-	Class 4	-
Pajaro Valley FPD	-	Class 3	-
Santa Cruz City	Class 2	-	-
Scotts Valley FPD	Class 2	-	-
Watsonville City	Class 2	-	-
Zayante FPD	-	Class 4	-

Disadvantaged Unincorporated Communities

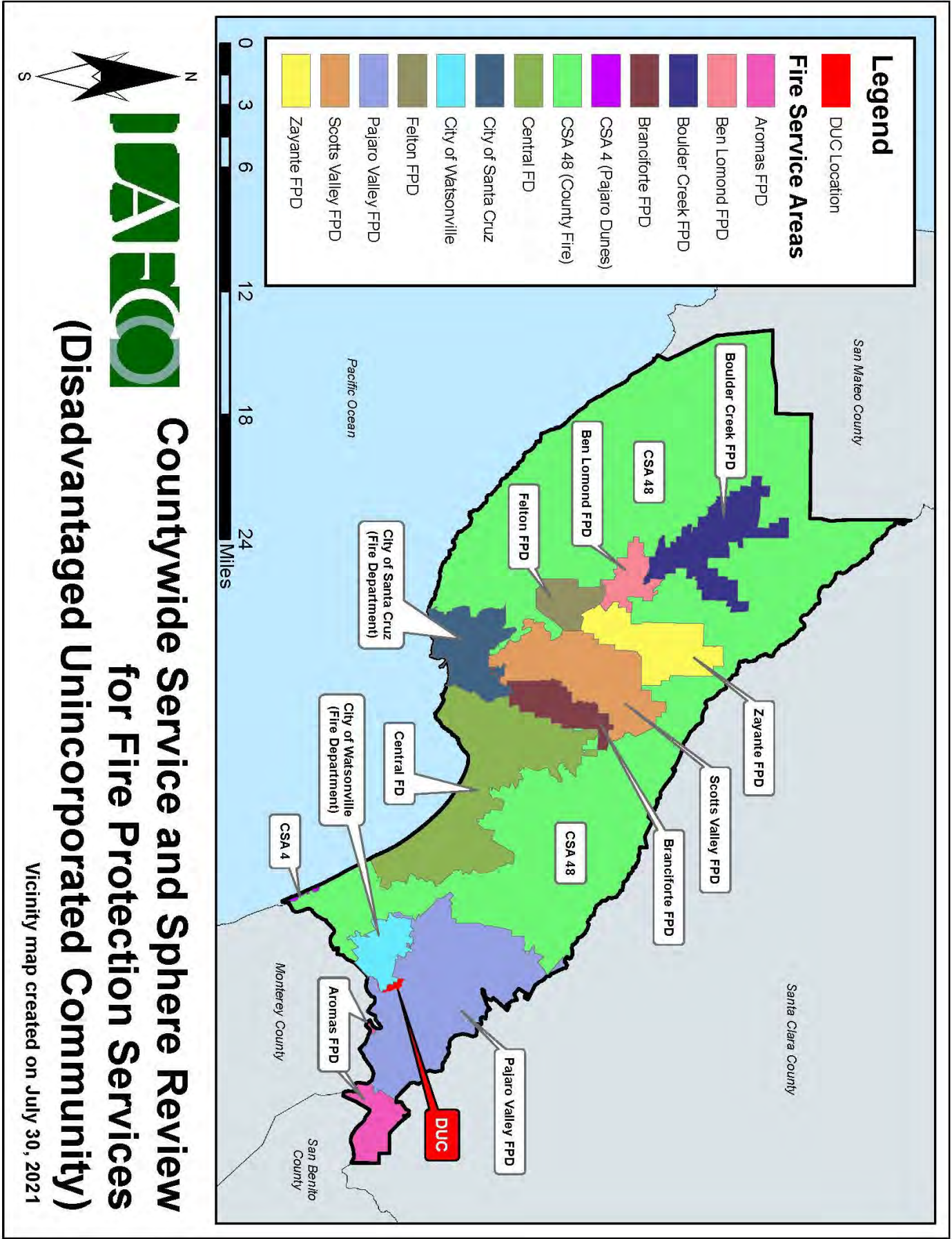
In accordance with Senate Bill 244, which became effective on January 1, 2012, state law requires the identification and description of all “disadvantaged unincorporated communities” (DUCs) located within or contiguous to the existing spheres of influence of cities and special districts which provide fire protection, sewer, and/or water services (Government Code Section 56046). DUCs are defined as inhabited unincorporated areas with an annual median household income that is 80% or less than the statewide annual median household income. The identified disadvantaged unincorporated communities must be addressed by LAFCO when:

- Considering a city annexation proposal involving 10 or more acres with an existing disadvantaged unincorporated community located contiguous to the proposal area; and
- Approving sphere of influence and municipal service review determinations associated with the update or establishment of spheres of influence for local agencies subject to SB 244 requirements.

In 2017, the California statewide annual median household income was \$67,169⁴, and 80% of that was \$53,735. LAFCO staff utilized the ArcGIS mapping program to locate potential DUCs in Santa Cruz County. Based on the criteria set forth by SB 244, in conjunction with further evaluation of these areas, staff determined that there is only one official DUC located outside the City of Watsonville, as shown in **Figure 2** on page 18. The DUC continues to receive an adequate level of service from the Pajaro Valley Fire Protection District.

⁴ 2013-2017 American Community Survey 5-year Estimates

Figure 2: Disadvantaged Unincorporated Community Map (Located in PVFPD)



Spheres of Influence

City and special district spheres of influence define the probable physical boundaries and service area of a local agency, as determined by the Commission (Government Code Section 56076). The law requires that spheres be updated at least once every five years, either concurrently or subsequently to the preparation of Municipal Service Reviews. Spheres are determined and amended solely at the discretion of the Commission. In determining the sphere of influence for each local agency, the Commission is required by Government Code Section 56425(e) to consider certain factors, including:

- The present and planned 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; and
- An update on a sphere of influence for a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

Sphere Determinations

Most of the spheres of influence for each fire agency were originally adopted between 1983 to 1994. Since then, the sphere boundaries have been evaluated twice during the last two rounds of service reviews back in 2008 and 2016. **Table 10** on page 20 shows the past and proposed sphere determinations for each district. A full discussion about the proposed sphere determinations as part of this report is available in each agencies' profile chapter.

Table 10: Sphere Determinations (1988 to 2021)

Fire Service Providers	Original Adoption	1st Sphere Review	2nd Sphere Review	Latest Sphere Review (2021)
Aromas TCFPD	Coterminous with District (1989)	Sphere Reaffirmed (2008)	Sphere Reaffirmed (2016)	Proposed: Reaffirm Existing Sphere
Ben Lomond FPD	Larger than District (1989)	Sphere Reaffirmed (2008)	Sphere Reaffirmed (2016)	Proposed: Reaffirm Existing Sphere with Condition
Boulder Creek FPD	Larger than District (1989)	Sphere Reaffirmed (2008)	Sphere Reaffirmed (2016)	Proposed: Reaffirm Existing Sphere with Condition
Branciforte FPD	Larger than District (1994)	Sphere Reaffirmed (2008)	Sphere Reaffirmed (2016)	Proposed: Reaffirm Existing Sphere with Condition
Central FD	Larger than District (2020)	N/A	N/A	Proposed: Reaffirm Existing Sphere
CSA 4	Coterminous with District (1989)	Sphere Reaffirmed (2008)	Sphere Reaffirmed (2016)	Proposed: Zero Sphere (Precursor to Dissolution)
CSA 48	Larger than District (1985)	Sphere Reaffirmed (2008)	Sphere Reaffirmed (2016)	Proposed: Sphere Reduction to Eliminate Overlapping
Felton FPD	Larger than District (1994)	Sphere Reaffirmed (2008)	Sphere Reaffirmed (2016)	Proposed: Reaffirm Existing Sphere with Condition
Pajaro Valley FPD	Larger than District (1995)	Sphere Reaffirmed (2008)	Sphere Reaffirmed (2016)	Proposed: Reaffirm Existing Sphere with Condition
Santa Cruz City	Larger than District (1983)	Sphere Reaffirmed (2008)	Sphere Expanded (2016)	Proposed: Reaffirm Existing Sphere
Scotts Valley FPD	Larger than District (1994)	Sphere Reaffirmed (2008)	Sphere Reaffirmed (2016)	Proposed: Reaffirm Existing Sphere with Condition
Watsonville City	Larger than District (1983)	Sphere Reaffirmed (2008)	Sphere Reaffirmed (2016)	Proposed: Reaffirm Existing Sphere
Zayante FPD	Different than District (1994)	Sphere Reaffirmed (2008)	Sphere Reaffirmed (2016)	Proposed: Reaffirm Existing Sphere with Condition

Footnote: "Reaffirm Existing Sphere with Condition" requires the affected agency to coordinate with LAFCO to develop a plan to address the areas within the agency's sphere boundary. These discussions may lead to sphere amendments that will reflect the agency's future plans.

Key Findings

The following are key findings of the 2021 Countywide Fire Protection Service and Sphere of Influence Review:

Aromas Tri-County Fire Protection District

1. The District provides services in three different counties.

Aromas Tri-County FPD has been providing fire protection services to three different counties through a contract with the California Department of Forestry and Fire Protection (CAL FIRE) for the past 28 years. Monterey LAFCO is, and continues to be, the “Principal LAFCO,” which has direct purview of the District. This designation is based on assessed value. At present, approximately 7 square miles are located in Santa Cruz County out of the District’s 40 square mile service area.

2. The District provides services from one fire station.

The station, which was built in 1979, is located in Monterey County (392 Carpenteria Road, Aromas CA). The station is staffed with a daily minimum of a 3-person company consisting of 1 battalion chief, 1 fire captain, and 1 apparatus engineer. Based on staff’s analysis, the District meets the state standards regarding firefighters on duty but it does not meet the national standards.

3. The District is financially sound.

Aromas Tri-County FPD has ended with an annual surplus in the last five years. As of June 30, 2019, the District is operating with a net position of approximately \$2 million. LAFCO staff believes that this positive trend may continue going forward under the current strategic partnership with CAL FIRE.

4. The District has a multi-county sphere.

Monterey LAFCO, as the principal LAFCO, has adopted a multi-county sphere of influence for the District. The District’s multi-county sphere of influence is generally coterminous with its jurisdictional boundary. In addition to this multi-county sphere, Santa Cruz LAFCO also adopted a sphere of influence for ATCFPD within Santa Cruz County originally in March 1989. The sphere boundary within Santa Cruz County is coterminous with the District’s service area and has remained unchanged. LAFCO staff recommends reaffirming the existing sphere boundary.

Ben Lomond Fire Protection District

1. The District provides services to a small community.

Ben Lomond FPD currently provides fire protection services to the unincorporated community of Ben Lomond through one fire station. It currently operates with one full-time employee, one part-time employee, and 30 volunteer firefighters. As of August 2021, the District has one staff member on duty from Monday to Friday from 8:00am to 4:00pm. Based on staff’s analysis, the District does not meet the state or national standards regarding firefighters on duty.

2. The District is financially stable.

Ben Lomond FPD has ended with an annual surplus in the last six years. As of June 30, 2020, the District is operating with a net position of approximately \$2.3 million. LAFCO believes that this positive trend may continue going forward under the current management practices.

3. The District has a sphere expanding beyond its service area.

Santa Cruz LAFCO adopted BLFPD's original sphere of influence on September 1, 1976, which included areas beyond the District's jurisdictional boundary. In January 2008 and subsequently in November 2016, the Commission reaffirmed this sphere boundary. Staff is recommending that the current sphere of influence be reaffirmed as part of this report. However, LAFCO encourages the District to coordinate with CSA 48 and LAFCO to determine BLFPD's future service area. Based on these discussions, LAFCO may consider amending the sphere boundary by December 2022.

Boulder Creek Fire Protection District

1. The District provides services to a small community.

Boulder Creek FPD currently provides fire protection services to the unincorporated community of Boulder Creek through one fire station. It currently operates with one full-time employee, one part-time employee, and 43 volunteer firefighters. As of August 2021, the District has one staff member on duty at all times (365 days a year/24 hours a day). Based on staff's analysis, the District does not meet the state or national standards regarding firefighters on duty.

2. The District is financially stable.

Boulder Creek FPD has ended with an annual surplus in four of the last six years. As of June 30, 2020, the District is operating with a net position of approximately \$1.5 million. LAFCO believes that this positive trend may continue going forward under the current management practices.

3. The District has a sphere expanding beyond its service area.

Santa Cruz LAFCO adopted BCFPD's original sphere of influence on March 10, 1994, which included areas beyond the District's jurisdictional boundary. In January 2008 and subsequently in November 2016, the Commission reaffirmed this sphere boundary. Staff is recommending that the current sphere of influence be reaffirmed as part of this report. However, LAFCO encourages the District to coordinate with CSA 48 and LAFCO to determine BCFPD's future service area. Based on these discussions, LAFCO may consider amending the sphere boundary by December 2022.

Branciforte Fire Protection District

1. The District provides services to a small community.

Branciforte FPD currently provides fire protection services to the unincorporated community of Branciforte through one fire station. It currently operates with three full-time employees and 13 volunteer firefighters. The station is staffed with one captain 24 hours a day. Based on staff's analysis, the District does not meet the state or national standards regarding firefighters on duty.

2. The District does not have an official fire chief or administrative staff.

Branciforte FPD currently provides fire protection services to the unincorporated community of Branciforte. It currently operates with three full-time employees and 13 volunteer firefighters. However, the District does not have any administrative staff, including no Fire Chief. Since September 2015, Branciforte FPD has relied heavily on Scotts Valley FPD to provide all administrative and command services under an existing contract. Under this agreement, the Scotts Valley FPD Fire Chief also functions as the

Fire Chief for BFPD. This contract expired on September 30, 2021. The Board recently hired a retired CalFire employee on September 16 as a part-time Fire Chief. LAFCO staff is significantly concerned that the part-time employee will not have the time and resources to complete all the administrative services fulfilled by SVFPD. At present, the District has no other admin staff or a strategic plan on how to address all daily, monthly, annual and statutory responsibilities previously fulfilled by SVFPD.

3. The District is financially stable.

Branciforte FPD has ended with an annual surplus in the last six years. As of June 30, 2020, the District is operating with a net position of approximately \$948,000. LAFCO believes that this positive trend was the direct result of existing contract between BFPD and Scotts Valley FPD. Under this agreement, Scotts Valley FPD has been managing all internal operations, including the budgetary practices on behalf of BFPD. This positive trend may discontinue following the contract's September 2021 sunset date.

4. The District has a sphere expanding beyond its service area.

Santa Cruz LAFCO adopted BFPD's combined sphere of influence on March 10, 1994, which included areas beyond the District's jurisdictional boundary. This sphere determination indicated that BFPD and Scotts Valley FPD should be merged or consolidated in the foreseeable future. LAFCO staff believes that the merger concept should be considered by BFPD and its residents to ensure the level of service remains the same or improve as a result of the proposed reorganization. LAFCO staff recommends reaffirming the existing sphere boundary.

Central Fire District

1. The District is a result of a recent consolidation.

CFD is a result of a multi-year effort to consolidate two fire agencies: Aptos/La Selva and Central Fire Protection Districts. This consolidation was able to preserve the current levels of service, maintain local demand expectations, and continue the existing funding sources while maximizing economies of scale, combining best practices, and ultimately lead to cost-savings. Today, CFD encompasses 55 square miles of territory and includes the City of Capitola and the unincorporated communities of Live Oak, Soquel, Aptos, Rio Del Mar, and La Selva Beach.

2. The District provides services to various communities.

CFD currently provides fire protection services to a large portion of the county through 7 fire stations. It currently operates with 101 full-time employees, 1-part time employee, 3 seasonal personnel, and 10 volunteer firefighters. All stations are staffed with a minimum of a 3-person crew. Based on staff's analysis, the District meets the state standards regarding firefighters on duty but it does not meet the national standards.

3. The District is expected to be financially sound.

CFD is expected to have an annual surplus each year starting in FY 2022-23. As of June 30, 2020, the District is operating with a net position of approximately \$29 million. LAFCO believes that the anticipated positive trend may continue going forward under the current management practices.

4. The District has a sphere expanding beyond its service area.

Santa Cruz LAFCO adopted CFD's sphere of influence on November 4, 2020 as a result of the consolidation involving Aptos/La Selva and Central FPDs. The sphere goes beyond the District's existing jurisdictional boundary indicating that those areas should be annexed into the District in the foreseeable future. LAFCO staff recommends reaffirming the existing sphere boundary.

County Service Area 4 (Pajaro Dunes)

1. The District is a dependent special district of Santa Cruz County.

CSA 4 is a dependent special district governed by the County Board of Supervisors. All CSAs are formed and operate pursuant to the County Service Area Law (Government Code Section 25210 et seq.). Santa Cruz County currently contracts with CAL FIRE for the administration of CSA 4 including operational oversight and supervision of all career and volunteer firefighters.

2. The District provides services from one fire station.

The station is located at 2661 Beach Road in Watsonville. The station's staffing varies with a 3-person company consisting of 1 fire captain and 1 apparatus engineer 24 hours a day, 7 days a week. Based on staff's analysis, the District meets the state standards regarding firefighters on duty but it does not meet the national standards.

3. The District is financially stable.

CSA 4 has ended with an annual surplus in five of the last six years. As of June 30, 2020, the District is operating with a net position of approximately \$944,000. LAFCO believes that this positive trend may continue going forward under the current strategic partnership with CAL FIRE.

4. The District has a coterminous sphere.

LAFCO originally adopted a coterminous sphere of influence for the District on March 1, 1989. A coterminous sphere is identical to the agency's jurisdictional boundary. For the past 32 years, the sphere boundary has remained unchanged. LAFCO staff is recommending a zero sphere designation. A "zero" sphere of influence indicates that the district should be dissolved, and fire responsibilities should be transferred to another local agency. LAFCO believes that CSA 4 should be dissolved and concurrently annexed into CSA 48. The County may create a zone of benefit to ensure that the collected funds remain within the Pajaro Dunes community.

County Service Area 48 (County Fire)

1. The District is a dependent special district of Santa Cruz County.

CSA 48 is a dependent special district governed by the County Board of Supervisors. All CSAs are formed and operate pursuant to the County Service Area Law (Government Code Section 25210 et seq.). Santa Cruz County currently contracts with CAL FIRE for the administration of CSA 48 including operational oversight and supervision of all career and volunteer firefighters.

2. The District provides services to all unincorporated areas outside a fire agency.

Approximately 43% of the entire county is unincorporated lands outside a fire district or city that provides fire protection. That is why the County formed CSA 48 to protect those residents. CSA 48 currently operates 10 fire stations. Staffing within each station varies. The 5 CAL FIRE paid stations are staffed with a 3-person company consisting of 1 fire captain or 1 apparatus engineer, and 2 firefighters, 24 hours a day, 7 days a week. The 5 volunteer stations are not staffed. Based on staff's analysis, the District meets the state standards regarding firefighters on duty but it does not meet the national standards.

3. The District has financial constraints.

CSA 48 has ended with an annual surplus in five of the last six years. As of June 30, 2020, the District is operating with a net position of approximately \$6.2 million. LAFCO believes that this positive trend may continue going forward under the current strategic partnership with CAL FIRE.

4. The District has a multi-county sphere.

LAFCO originally adopted a sphere of influence for the District on October 16, 1985 as part of its formation. The original sphere included areas beyond CSA 48's jurisdictional boundary. The 1985 resolution included language that stated, "Annexations to fire districts and cities with municipal fire departments shall be accompanied by detachments from this county service area." For the past 36 years, areas have been detached from CSA 48 and annexed into the other fire agencies. Additionally, CSA 48's existing sphere of influence overlaps with other fire agencies – causing confusion on which entity is the most logical service provider. Therefore, staff is recommending that CSA 48's sphere be modified to remove all overlapping areas.

Felton Fire Protection District

1. The District provides services to a small community.

Felton FPD currently provides fire protection services to the Felton community through one fire station. It currently operates with 1 full-time employee, 1 part-time employee, and 28 volunteer firefighters. The station is staffed with 1 firefighter during regular business hours (Monday to Friday). Based on staff's analysis, the District does not meet the state or national standards regarding firefighters on duty.

2. The District is financially stable.

Felton FPD has ended with an annual surplus in five of the last six years. As of June 30, 2020, the District is operating with a net position of approximately \$2 million. LAFCO believes that this positive trend may continue going forward under the current management practices.

3. The District has a sphere expanding beyond its service area.

Santa Cruz LAFCO originally adopted a sphere of influence for FFPD on March 10, 1994. The sphere goes beyond FFPD's current jurisdictional boundary, indicating that these areas should be annexed into the District in the foreseeable future. LAFCO staff recommends reaffirming the existing sphere boundary.

Pajaro Valley Fire Protection District

1. The District provides services to various communities.

Pajaro Valley FPD has been providing fire protection services to a populated area in the southern portion of the county through a contract with the California Department of Forestry and Fire Protection (CAL FIRE) for the past 24 years. The station is staffed with a daily minimum of a 3-person company consisting of 1 battalion chief, 1 fire captain, and 2 apparatus engineers (24 hours a day). Based on staff's analysis, the District meets the state standards regarding firefighters on duty but it does not meet the national standards.

2. The District is financially stable.

Pajaro Valley FPD has ended with an annual surplus in five of the last six years. As of June 30, 2020, the District is operating with a net position of approximately \$1.5 million. LAFCO believes that the overall positive trend may continue going forward under the current strategic partnership with CAL FIRE.

3. The District has a sphere expanding beyond its service area.

Santa Cruz LAFCO adopted PVFPD's sphere of influence on June 7, 1995 as a result of the consolidation involving Freedom and Salsipuedes FPDs. The sphere goes beyond the District's existing jurisdictional boundary indicating that those areas should be annexed into the District in the foreseeable future. LAFCO staff recommends reaffirming the existing sphere boundary.

Santa Cruz City Fire Department

1. The City has its own fire department.

The City of Santa Cruz was incorporated in 1866 and now operates as a charter city. Santa Cruz provides a variety of municipal services, including fire protection under the City's Fire Department (SCCFD). The City currently operates four fire stations. The stations are staffed with a minimum of 3-person company. Based on staff's analysis, the District meets the state standards regarding firefighters on duty but it does not meet the national standards.

2. The Department has financial constraints.

SCCFD has ended with an annual deficit during the last six years. As of June 30, 2020, the City is operating with a net position of approximately \$54 million. LAFCO believes that this negative trend will continue unless total revenue is increased in order to cover annual costs.

3. The City has a sphere expanding beyond its service area.

Santa Cruz LAFCO adopted the City's original sphere of influence on August 3, 1983. In January 2019, the Commission amended the City's sphere to include 3 nautical miles offshore to reflect the city's legal limits. The sphere goes beyond the City's current jurisdictional boundary, indicating that these areas should be annexed in the foreseeable future. LAFCO staff recommends reaffirming the existing sphere boundary.

Scotts Valley Fire Protection District

1. The District provides services to various communities.

Scotts Valley FPD currently provides fire protection services to the City of Scotts Valley and its surrounding areas including the Branciforte community. It currently operates with 22 full-time firefighters, 3 full-time Battalion Chiefs, 1 full-time Fire Chief, 2 full-time and 1-part time administrative personnel, with 15 volunteer firefighters. In addition to their internal operations, Scotts Valley FPD has been providing administrative and command services to BFPD under an existing contract since 2015. The District currently operates two fire stations. Station 1 is staffed with 4.5 administrative personnel during regular business hours and 5 firefighters 24 hours a day. Based on staff's analysis, the District meets the state standards regarding firefighters on duty but it does not meet the national standards.

2. The District is financially stable.

Scotts Valley FPD has ended with an annual surplus in five of the last six years. As of June 30, 2020, the District is operating with a net position of approximately \$3 million. LAFCO believes that this positive trend may continue going forward under the current management practices.

3. The District has a sphere expanding beyond its service area.

Santa Cruz LAFCO adopted SVFPD's combined sphere of influence on March 10, 1994, which included areas beyond the District's jurisdictional boundary. This sphere determination indicated that BFPD and Scotts Valley FPD should be merged or consolidated in the foreseeable future. LAFCO staff believes that the merger concept should be considered by Scotts Valley FPD. LAFCO staff recommends reaffirming the existing sphere boundary.

Watsonville City Fire Department

1. The City has its own fire department.

The City of Watsonville was incorporated in 1868 and now operates as a charter city. Watsonville provides a variety of municipal services, including fire protection under the City's Fire Department (WCFD). The City currently operates two fire stations. Station 1 is staffed by a minimum of 6 fire suppression personnel and one battalion chief. Station 2 is staffed by a minimum of 3 fire suppression personnel. Both stations are staffed 24 hours a day, 7 days a week. Based on staff's analysis, the District meets the state and national standards regarding firefighters on duty.

2. The Department is financially stable.

WCFD has ended with an annual surplus in five of the last six years. As of June 30, 2020, the City is operating with a net position of approximately \$39 million. LAFCO believes that this positive trend may continue going forward under the current management practices.

3. The City has a sphere expanding beyond its service area.

Santa Cruz LAFCO adopted the City's original sphere of influence on January 12, 1983. The sphere has been amended to reflect the approved annexations that have occurred throughout the years. The sphere goes beyond the City's current jurisdictional boundary, indicating that these areas should be annexed in the foreseeable future. LAFCO staff recommends reaffirming the existing sphere boundary.

Zayante Fire Protection District

1. The District provides services to a small community.

Zayante FPD currently provides fire protection services to the Zayante community through three fire stations. It currently operates with 3 full-time firefighters, 2 part-time employees, and 22 volunteer firefighters. Station 1 is staffed with a 3-person crew at minimum during regular business hours (Monday to Friday from 8:00am to 5:00pm). Based on staff's analysis, the District meets the state standards regarding firefighters on duty but it does not meet the national standards.

2. The District is financially stable.

Zayante FPD has ended with an annual surplus in five of the last six years. As of June 30, 2020, the District is operating with a net position of approximately \$671,000. LAFCO believes that this positive trend may continue going forward under the current management practices.

3. The District has a sphere expanding beyond its service area.

Santa Cruz LAFCO adopted ZFPD's original sphere of influence on March 10, 1994, which included areas beyond the District's jurisdictional boundary. The sphere also indicates that certain areas should be detached and annexed into surrounding agencies. It may be beneficial for ZFPD and LAFCO to discuss the current sphere and determine how to address these areas. LAFCO staff recommends reaffirming the existing sphere boundary.



Recommended Actions

Based on the analysis and findings in the 2021 Countywide Fire Protection Service and Sphere of Influence Review, the Executive Officer recommends that the Commission:

1. Find that pursuant to Section 15061(b)(3) of the State CEQA Guidelines, LAFCO determined that the service and sphere of influence review is not subject to the environmental impact evaluation process because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment and the activity is not subject to CEQA;
2. Determine, pursuant to Government Code Section 56425, the Local Agency Formation Commission of Santa Cruz County is required to develop and determine a sphere of influence for the 13 affected agencies, and review and update, as necessary;
3. Determine, pursuant to Government Code Section 56430, the Local Agency Formation Commission of Santa Cruz County is required to conduct a service review before, or in conjunction with an action to establish or update a sphere of influence; and
4. Adopt a Resolution (LAFCO No. 2021-17) approving the 2021 Countywide Fire Protection Service and Sphere Review with the following terms and conditions:
 - a. Reaffirm the existing spheres of influence with no conditions for Aromas TCFPD, Central FD, City of Santa Cruz, and City of Watsonville;
 - b. Reaffirm the existing spheres of influence for Ben Lomond FPD, Boulder Creek FPD, Branciforte FPD, Felton FPD, Pajaro Valley FPD, Scotts Valley FPD, and Zayante FPD with the following condition: the fire protection districts shall coordinate with LAFCO to determine the affected district's future service area. These discussions should occur by August 2022. LAFCO will consider amending the sphere boundaries based on these discussions no later than December 2022;
 - c. Adopt a zero sphere of influence for County Service Area 4 as a precursor to dissolution;
 - d. Adopt an amended sphere of influence for County Service Area 48 to eliminate the overlapping of spheres from other surrounding fire agencies; and
 - e. Direct the Executive Officer to distribute a copy of the adopted service and sphere review to the 13 fire agencies, Monterey LAFCO, San Benito LAFCO, and any other interested or affected parties, including but not limited to the Civil Grand Jury of Santa Cruz County, County of Santa Cruz (Office of Emergency Services), Fire Department Advisory Commission of Santa Cruz County, Fire Safe Councils of Bonny Doon, Santa Cruz County, and South Skyline, and UC Santa Cruz (Office of Emergency Services).

AROMAS TRI-COUNTY FIRE PROTECTION DISTRICT

District Overview

Aromas Tri-County Fire Protection District (ATCFPD) was formed on October 29, 1951 and operates under the Fire Protection District Law of 1987. The District has been providing fire protection services to three different counties through a contract with the California Department of Forestry and Fire Protection (CAL FIRE) for the past 28 years. ATCFPD encompasses nearly 40 square miles of territory located in the County of Monterey (approximately 17 square miles; \$661 million in assessed value), the County of San Benito (approximately 15 square miles; \$393 million in assessed value), and the County of Santa Cruz (approximately 7 square miles; \$18.2 million in assessed value). **Figure 3**, on page 31, is a vicinity map depicting ATCFPD's current jurisdictional and sphere boundaries. **Figure 4**, on page 32, also shows the current land use designation under the County's General Plan. At present, the lands within the District are designated as Agriculture.

Principal LAFCO

Since the District is in multiple counties, the principal county's LAFCO has purview over ATCFPD. A "principal county" is the county that has "the greater portion of the entire assessed value, as shown on the last equalized assessment roll of the county or counties, of all taxable property within a district or districts for which a change or organization or reorganization is proposed" (Government Code Section 56066). Based on this criteria, Monterey LAFCO has been, and continues to be, the principal LAFCO. The principal LAFCO is statutorily responsible for ATCFPD's proposed boundary changes, sphere amendments, and service reviews. The last service review for ATCFPD's was adopted by Monterey LAFCO in June 2020⁵.

Affected LAFCO

State law does not prohibit other "affected" LAFCOs, such as Santa Cruz LAFCO in this instance, from adopting additional or supplemental service reviews involving a multi-county special district. The last service review for ATCFPD was adopted by Santa Cruz LAFCO in November 2016, as part of a countywide service review.

The goal of this service review is to complete three main objectives: (1) fulfill the Commission's direction to complete a service review for ATCFPD under the 2019 Work Program, (2) fulfill the service and sphere determinations for ATCFPD under the Cortese-Knox-Hertzberg Act, and (3) complete an analysis that is supplemental to Monterey LAFCO's 2020 Service Review. For purposes of this report, and to ensure our analysis provides additional and distinctive information, this service review will primarily focus on areas involving the District and Santa Cruz County. These areas consist of 81 parcels (totaling 4,624 acres). An overview of ATCFPD's entire operation and finances will also be provided in this report. Any staff recommendations identified in this review will be shared with Monterey LAFCO.

⁵ Monterey LAFCO's 2020 Fire Report - <https://www.co.monterey.ca.us/home/showdocument?id=97314>

Figure 3: ATCFPD's Vicinity Map

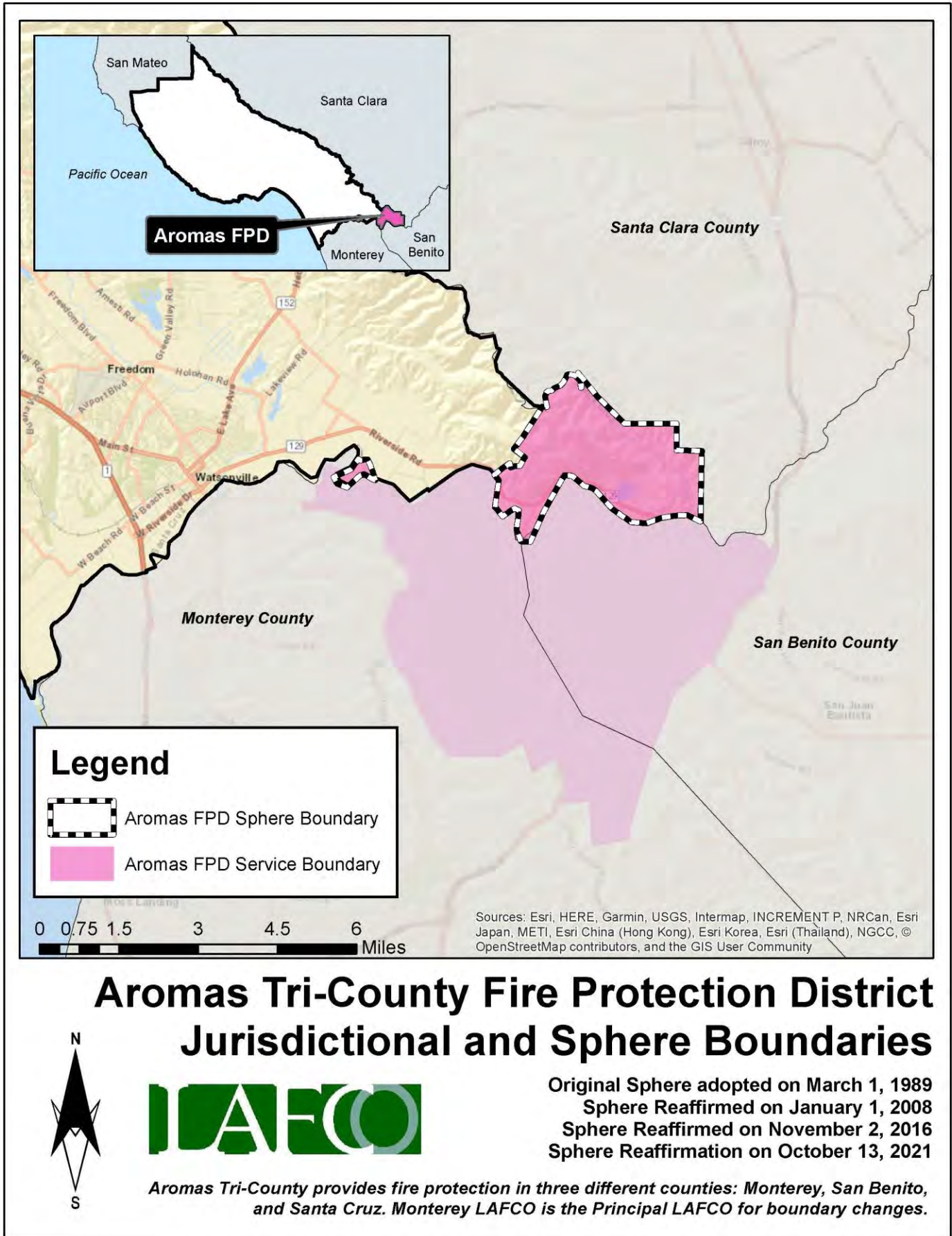
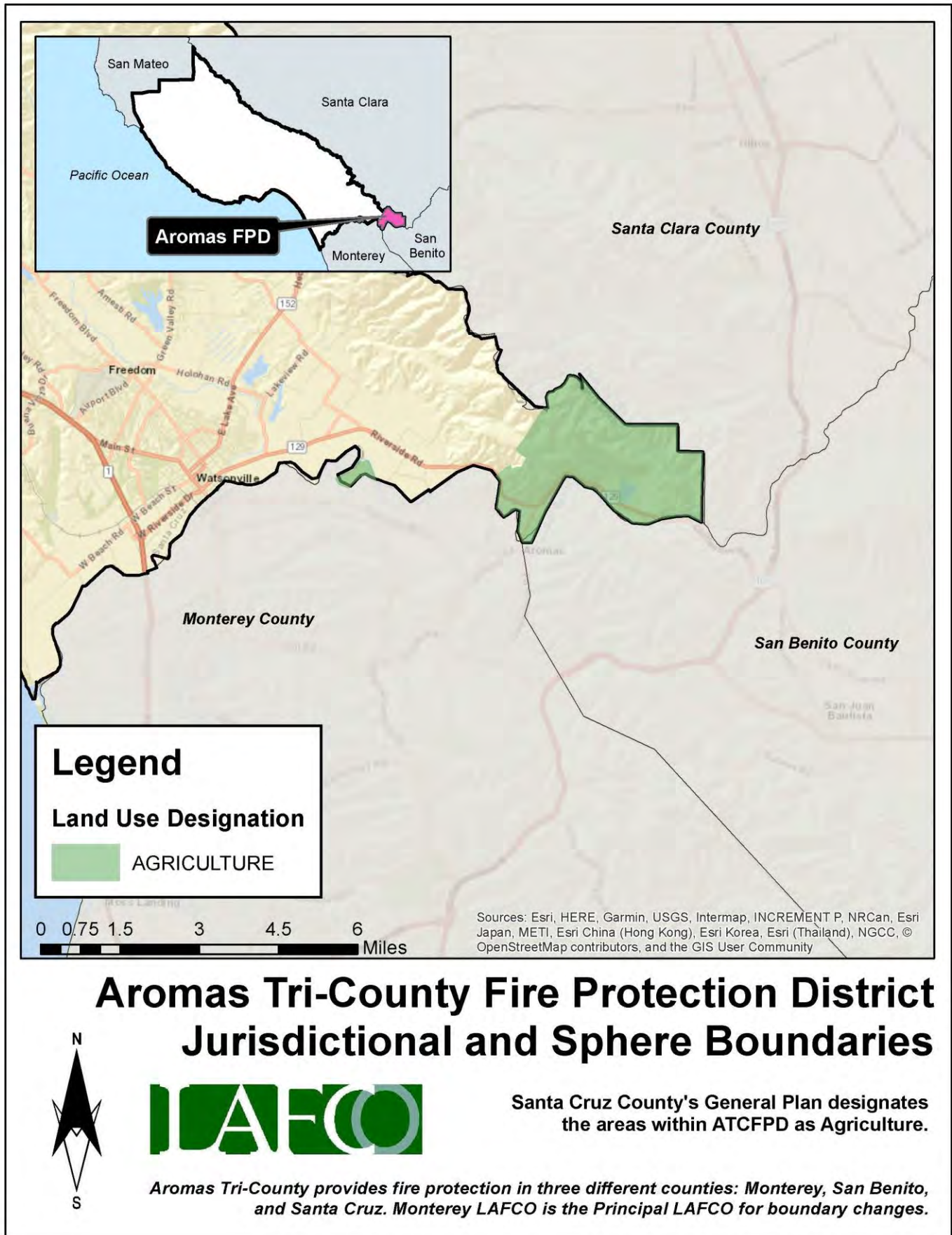


Figure 4: ATCFPD's Land Use Map



Services & Operations

ATCFPD passed a resolution on May 25, 1993 to contract CAL FIRE and on July 1, 1993 the District officially entered into an agreement with the State of California whereby the ATCFPD pays the State for fire protection services. Under the terms of the agreement, either party may terminate the agreement with or without cause by giving a one-year written notice. On May 21, 2018, the terms of the agreement were extended to June 30, 2020. Under the terms of the agreement, the District maintains the burden of the cost of operating and maintaining equipment and property under its ownership. In addition, the District is to maintain commercial insurance providing at least \$1,000,000 and \$5,000,000 of general liability coverage at a combined single limit occurrence for dispatch services and fire protection and emergency services, respectively.

Types of Services

Fire protection covers a variety of services from basic life support to vegetation management. LAFCO staff has identified 18 different types of services provided by fire agencies. At present, ATCFPD offers 61% of those services (11 out of 18), as shown in **Table 11**. ATCFPD is in the low-tier when compared to the other 13 fire agencies that provide similar services. The lowest is BFPD with 9 services and the highest is Ben Lomond FPD with 17 different services.

Table 11: ATCFPD's Type of Services

Advance Life Support	Ambulance Transportation	Ambulance Transportation (Non-Emergency)	Basic Life Support	Basic Rescue	Community Education
-	-	-	Yes	Yes	Yes
Construction Plan Check	Fire Code Enforcement	Fire Code Permitting	Fire Investigation	Fire Suppression	Haz Mat Administration
Yes	Yes	Yes	Yes	Yes	-
Haz Mat Response	Public Awareness	Technical Rescue	Vegetation Management	Water Rescue	Other Service
Yes	Yes	Yes	-	-	-

Types of Training

Similar to services, fire protection covers a variety of training requirements from auto extrication to swift water rescue. LAFCO staff has identified 17 different types of training offered by fire agencies. At present, ATCFPD offers 59% of those training courses (10 out of 17). **Table 12** illustrates those training opportunities.

Table 12: ATCFPD's Type of Training

Administration	Advance Life Support	Auto Extrication	Basic Life Support	Confined Space Awareness	Fire Prevention & Inspection
-	-	Yes	Yes	Yes	Yes
Hazardous Materials	Ocean Rescue	Physical Fitness	Rapid Intervention	Rescue Systems	Surf Rescue
Yes	-	Yes	Yes	Yes	-
Swift Water Rescue	Technical Rescue	Transport	Truck Company Operations	Other Training	Total
-	Yes	Yes	-	-	10

Fire Station

The District currently operates one fire station. The station, which was built in 1979, is located in Monterey County (392 Carpenteria Road, Aromas CA). The station is staffed with a daily minimum of a 3-person company consisting of 1 battalion chief, 1 fire captain, and 1 apparatus engineer. **Figure 5** on page 35 shows the location of the fire station.

Insurance Services Office (ISO) Rating

An ISO rating is based on a fire station's five road mile proximity to a credible water source for fighting fires. The District has an ISO Public Protection Classification of 4. The District provides fire protection, technical rescue, and basic life support (EMT) services. **Figure 6** on page 36 shows the distance the fire station crew can reach within 5 and 10 minutes. Based on staff's analysis, it may require the District more than 10 minutes to arrive to certain areas within their jurisdiction.

Apparatus & Inventory

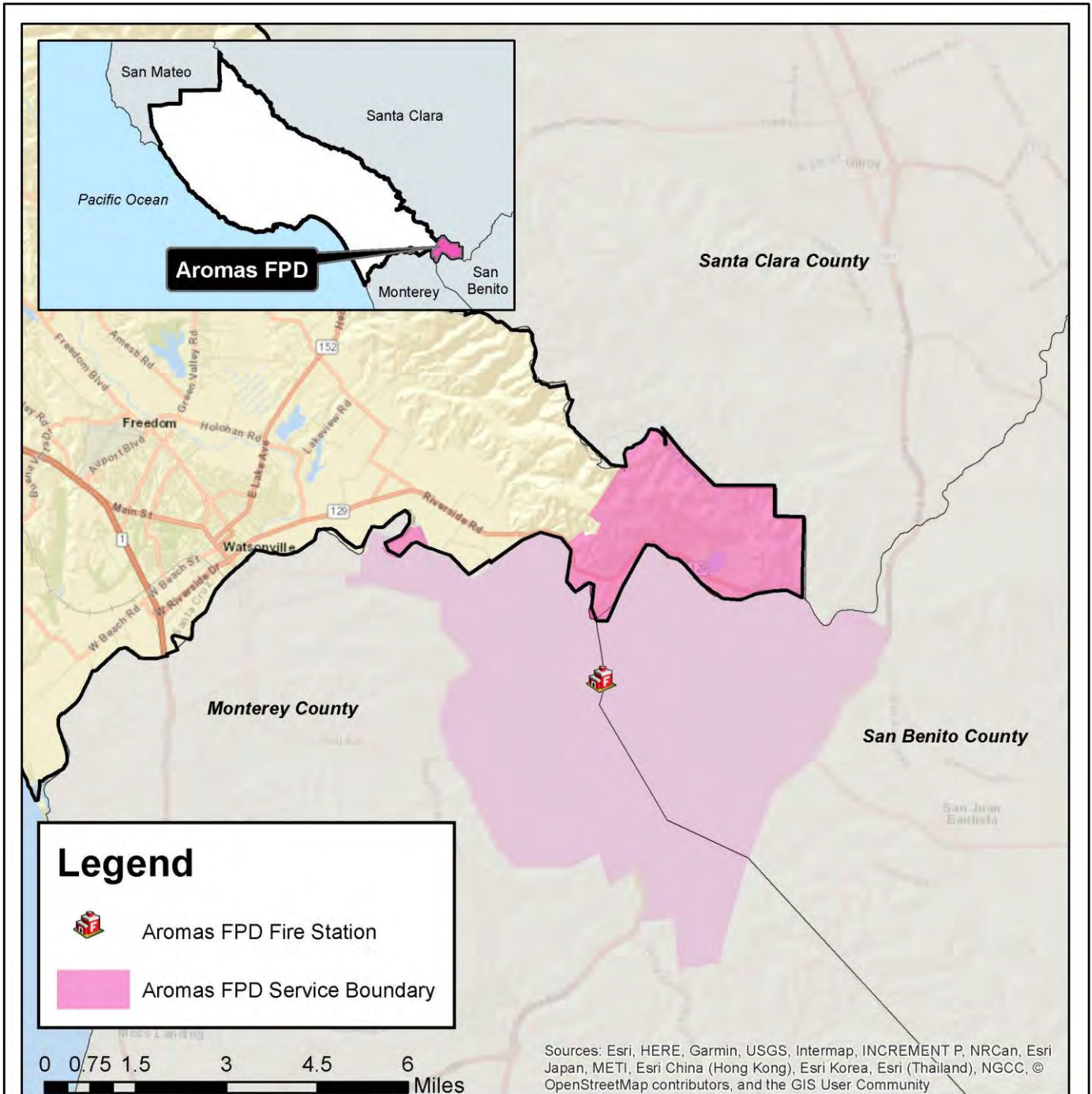
In order to provide the necessary fire protection to its constituents, fire agencies are equipped with various apparatuses and vehicles. LAFCO staff has identified 20 different types of apparatuses carried by fire agencies. At present, ATCFPD operates using 5 apparatuses. **Table 13** provides an overview of the District's inventory.

Table 13: ATCFPD's Inventory

Aircraft Rescue	Ambulance	Admin/Battalion SUV	Chief Officer SUV	Command Vehicle
-	-	-	-	1
Fire Engine (Type 1)	Fire Engine (Type 2)	Fire Engine (Type 3)	Fire Engine (Type 6)	Haz Mat
2	-	1	-	-
Truck (4x4)	Truck (Ladder)	Truck (Pick-Up)	Truck (Medic)	Truck (Rescue)
-	-	-	-	-
Utility Vehicle	Urban Search & Rescue	Water Craft	Water Tender	Other Vehicle
1	-	-	-	-

ATCFPD has the second lowest amount of apparatuses (5 vehicles in total) when compared to the other fire agencies that have inventory. The lowest is CSA 4 with 3 vehicles and the highest being CSA 48 with 29 vehicles.

Figure 5: ATCFPD's Fire Station

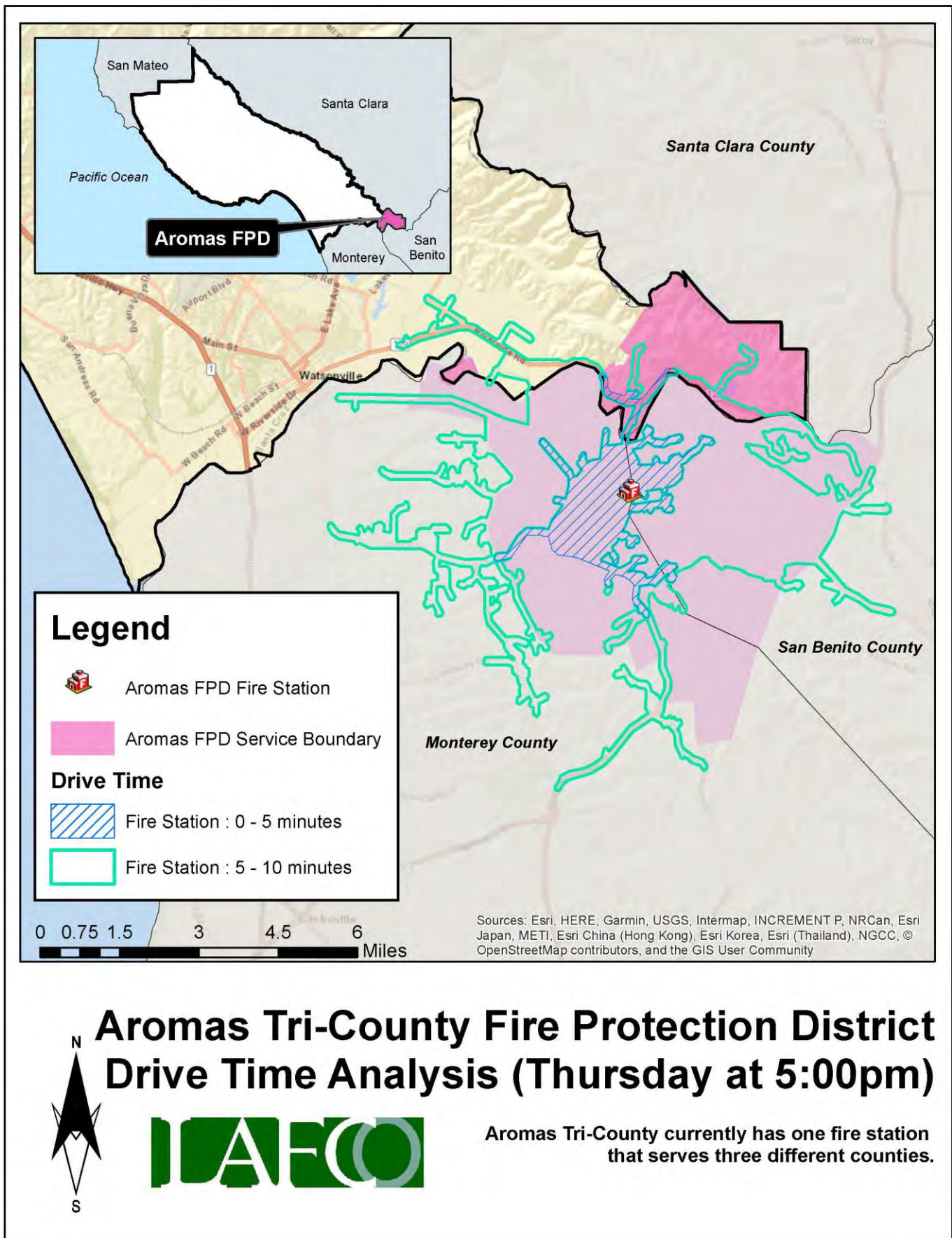


Aromas Tri-County Fire Protection District Jurisdictional and Sphere Boundaries



Aromas Tri-County currently has one fire station
that serves three different counties.

Figure 6: ATCFPD's Fire Station (5 and 10 Mile Drive Time)



Call Data

Based on staff's analysis, fire service providers attend to several types of emergency calls, beyond fire-related situations such as medical calls, mutual aid, and vehicle accidents. LAFCO staff has identified 14 different types of calls responded by fire agencies. **Table 14** was left blank because the District did not provide LAFCO the necessary call date or response time information to conduct the necessary analysis for this section.

Table 14: ATCFPD's Call Data

Auto Aid	EMS (Medical Call)	False Alarm	Fire	Good Intent Call
-	-	-	-	-
Haz Mat	Mutual Aid	Overpressure/ Explosion/Overheat	Rescue Call	Service Call
-	-	-	-	-
Severe Weather & Natural Disaster	Special Incident	Vehicle Accident	Other	Total
-	-	-	-	-

Population & Growth

Based on staff's analysis, the population of ATCFPD in 2020 was approximately 5,900. The Association of Bay Area Governments (ABAG) and the Association of Monterey Bay Area Governments (AMBAG) provide population projections for cities and counties in the Coastal Region. Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. **Table 15** shows the anticipated population within the District.

Population Projection

Based on the projections for Santa Cruz County, LAFCO was able to develop a population forecast for ATCFPD. LAFCO staff increased the District's 2020 population amount by 0.86% each year. Under this assumption, our projections indicate that the entire population of ATCFPD will be approximately 6,100 by 2040.

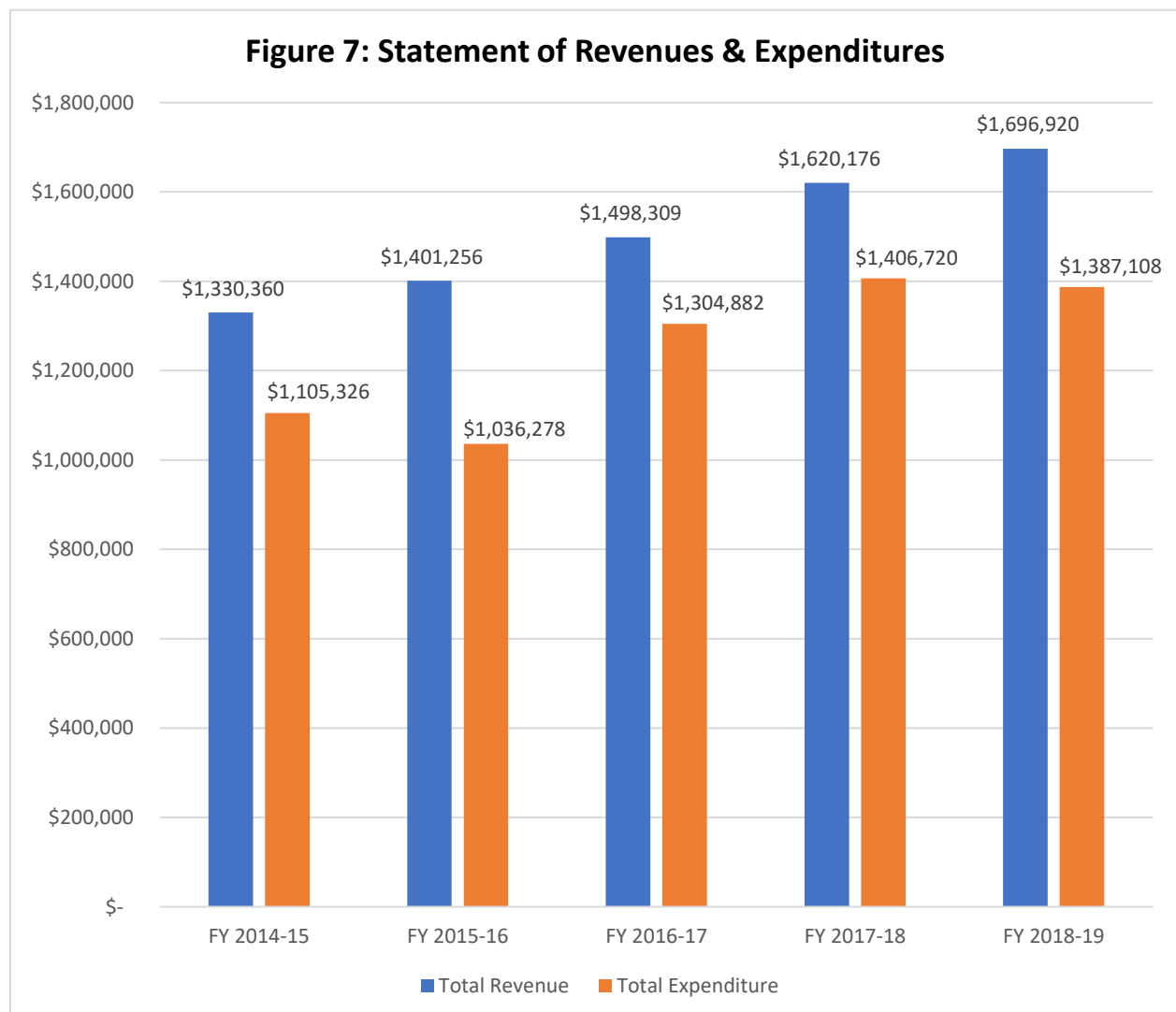
Table 15: Projected Population

	2020	2025	2030	2035	2040	Average Rate of Change
Santa Cruz County (unincorporated area)	136,891	137,896	139,105	140,356	141,645	0.86%
Aromas Tri-County Fire Protection District	5,850	5,900	5,950	6,001	6,053	0.86%

Finances

State law requires special districts to conduct an annual audit. The law also requires special districts to file a report of the completed audit to the State Controller's Office and LAFCO (Government Code Section 56036). For purposes of this report, the District provided financial documents covering the last six years. However, no audits were available on the District's website as statutorily required (Government Code Sections 6270.6 and 53087.8). For purposes of this section, LAFCO staff requested the necessary financial documents. This section will highlight the District's financial performance during the most recent fiscal years based on information retrieved. Specifically, LAFCO evaluated ATCFPD's financial health from FY 2014-15 to FY 2018-19. ATCFPD does not have the FY 2019-20 audit available at this time.

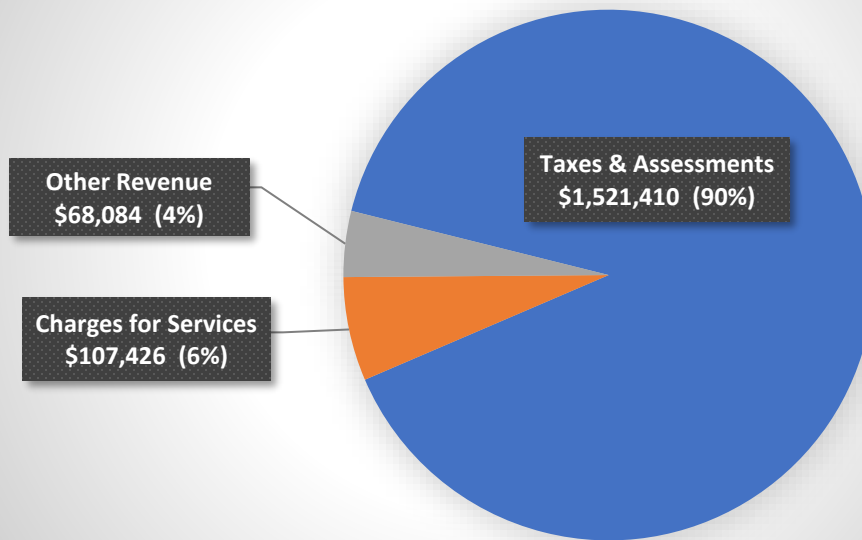
At the end of FY 2018-19, total revenue collected was approximately \$1.7 million, representing a 5% increase from the previous year (\$1.6 million in FY 2017-18). Total expense for FY 2018-19 was approximately \$1.4 million, which decreased from the previous year by 1% (\$1.4 million in FY 2017-18). The District has ended with an annual surplus in the last five years, as shown in **Figure 7**. LAFCO believes that this positive trend may continue going forward under the current strategic partnership with CAL FIRE.



District Revenues

ATCFPD's revenue stream can be categorized into three groups: Taxes & Assessments, Charges for Services, and Other Revenue. ATCFPD's primary source of revenue is from Taxes & Assessments. This category includes Property Taxes, Proposition 172 Funds, and Measure A funds. **Figure 8** highlights the revenue received during FY 2018-19.

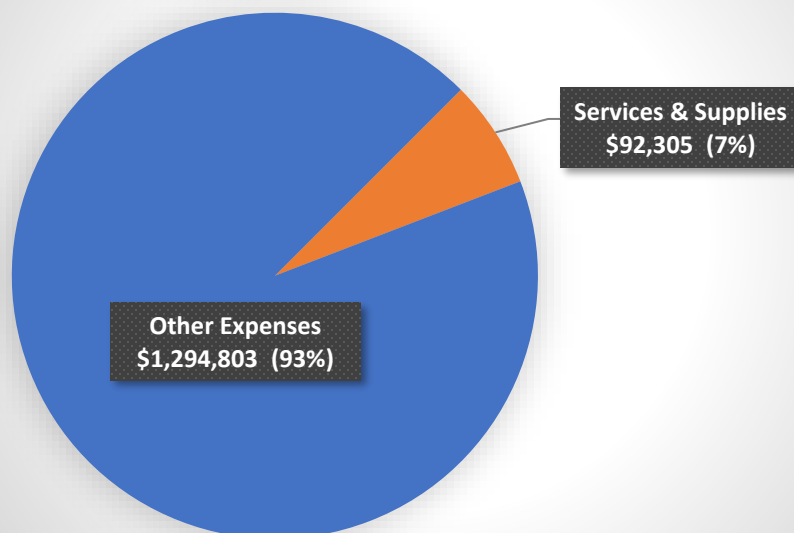
Figure 8: Revenue Breakdown (FY 18-19)



District Expenditures

ATCFPD's total expenditures can be categorized into two groups: Services & Supplies and Other Expenses. **Figure 9** below distinguishes the cost and percentage per category. As shown below, Other Expenses are the highest expenditure during FY 2018-19. This category is primarily the CAL FIRE contract that allows the State to provide fire protection services within the District's jurisdiction.

Figure 9: Expense Breakdown (FY 18-19)



Fund Balance/Net Position

As of June 30, 2019, the total fund balance is approximately \$2 million. The fund balance has been increasing on an annual basis since 2014, as shown in **Table 16**. The current balance represents 149% of the District's total expenditure from FY 2018-19. This amount would be more than sufficient to cover any unanticipated costs. The overall financial performance of ATCFPD during the last five years can be found in **Table 17** below.

Table 16: Fund Balance/Net Position

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19
Net Position (Ending Balance)	\$990,695	\$1,355,673	\$1,549,100	\$1,762,556	\$2,072,368
Change in (\$) from previous year		\$364,978	\$193,427	\$213,456	\$309,812
Change in (%) from previous year		37%	14%	14%	18%

Table 17: Total Revenues & Expenditures

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
REVENUE						
General Property Taxes	\$ 1,155,342	\$ 1,183,979	\$ 1,267,319	\$ 1,335,341	\$ 1,442,914	
Proposition 172 Funds	\$ 65,068	\$ 77,792	\$ 78,913	\$ 71,546	\$ 74,517	
Homeowners Property Tax Relief	\$ 8,473	\$ 7,572	\$ 7,285	\$ 8,237	\$ 7,823	
Measure A	\$ 4,121	\$ 3,722	\$ 4,192	\$ 3,835	\$ 3,979	
Service Charges and Fees	\$ -	\$ -	\$ -	\$ 130,067	\$ 107,426	
Interest	\$ 4,764	\$ 11,743	\$ 19,683	\$ 24,590	\$ 44,726	
Capital Grants	\$ 29,255	\$ -	\$ 11,094	\$ 25,865	\$ -	
Other Revenue	\$ 63,337	\$ 116,448	\$ 109,823	\$ 20,695	\$ 15,535	
Total Revenue	\$1,330,360	\$1,401,256	\$1,498,309	\$1,620,176	\$1,696,920	\$ -
EXPENDITURE						
Cal Fire Contract	\$ 904,292	\$ 934,330	\$ 1,126,527	\$ 1,249,630	\$ 1,271,702	
Maintenance and Operations	\$ 105,209	\$ 96,812	\$ 140,845	\$ 113,274	\$ 92,305	
Capital Outlay	\$ 95,825	\$ 5,136	\$ 37,510	\$ 43,816	\$ 21,536	
Contingency	\$ -	\$ -	\$ -	\$ -	\$ 1,565	
Total Expenditure	\$1,105,326	\$1,036,278	\$1,304,882	\$1,406,720	\$1,387,108	\$ -
Surplus/(Deficit)	\$ 225,034	\$ 364,978	\$ 193,427	\$ 213,456	\$ 309,812	\$ -
FUND BALANCE						
Beginning Balance	\$ 765,661	\$ 990,695	\$ 1,355,673	\$ 1,549,100	\$ 1,762,556	
Ending Balance	\$ 990,695	\$1,355,673	\$1,549,100	\$1,762,556	\$2,072,368	\$ -

Governance

ATCFPD is an independent special district governed by a five-member Board of Directors elected at-large by the voters within the District. When candidates run unopposed, or when there is a vacancy, seats are appointed by the County Board of Supervisors in lieu of conducting the election. **Table 18** shows the current board members.

Table 18: Board of Directors

Board Member	Title	Term of Office Expiration	Years in Office
Ken Mahler	Board Member	First Appointed: 1993 Next Election: General 2022	28 years
Ron Mesiroff	President	First Appointed: 2011 Next Election: General 2022	10 years
Michael Miller	Vice President	First Appointed: 2014 Next Election: General 2024	7 years
George Mortan	Board Member	First Appointed: 1993 Next Election: General 2022	28 years
Kevin Stottrup	Board Member	First Appointed: 2020 Next Election: General 2024	1 year

Public Meetings

The Board of Directors typically meets every two months at the Aromas Fire Station. The meeting dates are posted at the fire station and on the District's Website. Public meetings are typically held at 6:30pm. Based on LAFCO staff's analysis, ATCFPD met only twice in 2020. **Table 19** provides an overview of the publicly-held meetings from 2016 to 2020.

Table 19: Public Meetings

2016 (Calendar Year)	2017 (Calendar Year)	2018 (Calendar Year)	2019 (Calendar Year)	2020 (Calendar Year)
3	6	6	6	2

Opportunities & Challenges

Independent special districts are tasked to operate in an efficient and transparent manner on a regular basis. It is LAFCO staff's position that public agencies should always prepare and consider future opportunities and potential challenges in order to properly provide services to their constituents. The following section explores possible actions that should be considered by the District.

Website Requirements

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. SB 929 states that the Internet Web Site, maintained by the independent special district, shall conform with various laws in Government Code Sections 6270.5, 53893, 53908, 54954.2, and Section 32139 of the Health and Safety Code. In summary, the District's Internet Website is required to have the following:

- Access to past and current, agendas, staff reports, and minutes
- Adopted budgets;
- Contact information and list of current board members;
- Information regarding public meetings (Brown Act);
- Service Reviews adopted by LAFCO;
- Recipients of grant funding or assistance provided by the district, if any;
- Audits (pursuant to GCS 26909) and adopted annual policies; and
- Any other information the board deems relevant

The District currently has an operating website and fulfills most of the requirements listed above. However, there are still opportunities to include more information that would benefit the residents in understanding the governance of ATCFPD as a special district, specifically the availability of financial documentations such as budgets and audits. ATCFPD should also consider including LAFCOs' adopted service and sphere reviews on their website as another valuable resource.

LAFCO Staff Recommendation: *The District should continue updating its website to fulfill the legal requirements under SB 929.*

Governance Structure Options

State law does not require LAFCO to initiate changes of organization based on this report's conclusions or findings; however, LAFCO, local agencies, and the public may subsequently use the determinations and related analysis to consider whether to pursue changes in service delivery, government organization, or spheres of influence. Therefore, LAFCO is encouraging the affected agency to consider the following governance option.

Potential Boundary Changes

ATCFPD currently provides services to two non-contiguous areas in Santa Cruz County. One of the areas is substantially surrounded by Pajaro Valley FPD (shown in map as *Subject A*). It also appears that there is an area within Monterey County that is not part of a fire district (shown in map as *Subject B*). **Figure 10** on page 44 shows the two subject areas. It may be beneficial if ATCFPD, Monterey LAFCO, and Santa Cruz LAFCO discuss how to address these discrepancies and ensure the efficient delivery of fire protection to the areas.

LAFCO Staff Recommendation: *The District should coordinate with the two LAFCOs to determine the most logical service provider for the subject areas.*

District Best Practices

All fire districts are public agencies that must follow statutory requirements – regardless of its size or level of service. Based on LAFCO’s analysis, ATCFPD is a single-function special district. Nearly 85% of California’s special districts perform a single function. In order to comply with statutory requirements, as well as adapt to current and future demands, LAFCO staff strongly recommends that the District conduct periodic updates to ensure its compliance with certain laws including but not limited to audits, public records requests, ethics training, policies and procedures, and meeting protocols. It may be beneficial for the District to also consider joining the California Special Districts Association (CSDA) to help keep track of all current and new laws. LAFCO co-hosted an online webinar with CSDA in August 2021 to discuss all the statutory requirements that must be fulfilled by all special districts. 14 out of the 22 independent special districts in Santa Cruz County attended the webinar. However, ATCFPD did not attend.

LAFCO Staff Recommendation: *The District should strongly consider developing a strategic plan to ensure all statutory requirements are being fulfilled on a regular basis.*

Sphere of Influence

Monterey LAFCO, as the principal LAFCO, has adopted a multi-county sphere of influence for the District. The District’s multi-county sphere of influence is generally coterminous with its jurisdictional boundary. In addition to this multi-county sphere, Santa Cruz LAFCO also adopted a sphere of influence for ATCFPD within Santa Cruz County originally in March 1989. In January 2008 and subsequently in November 2016, Santa Cruz LAFCO reaffirmed this sphere boundary. The sphere boundary within Santa Cruz County is coterminous with the District’s service area and has remained unchanged.

Staff is recommending that the current sphere of influence be reaffirmed as part of this report. **Figure 11** on page 45 depicts the proposed sphere boundary.

Figure 10: ATCFPD's Potential Reorganization Areas

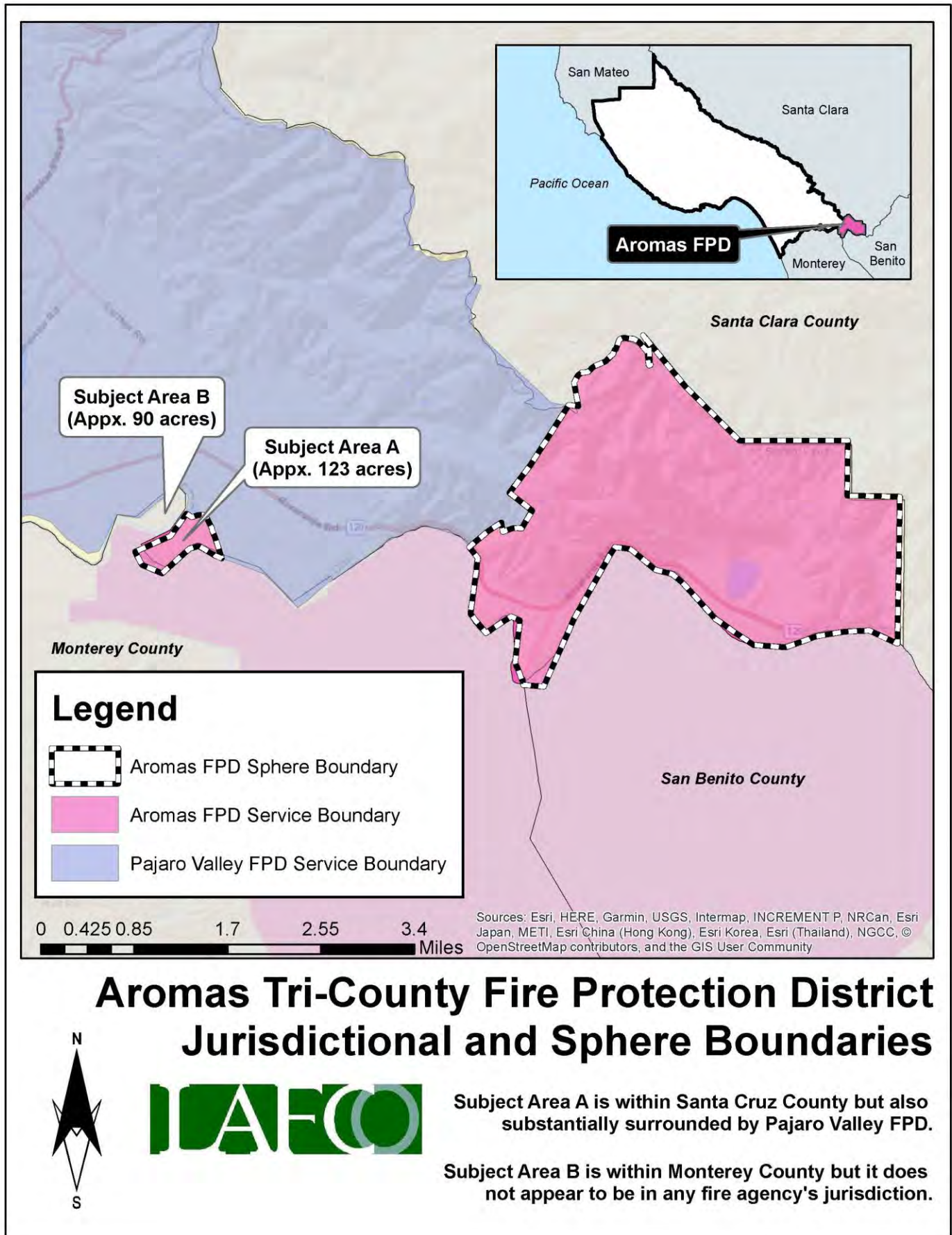
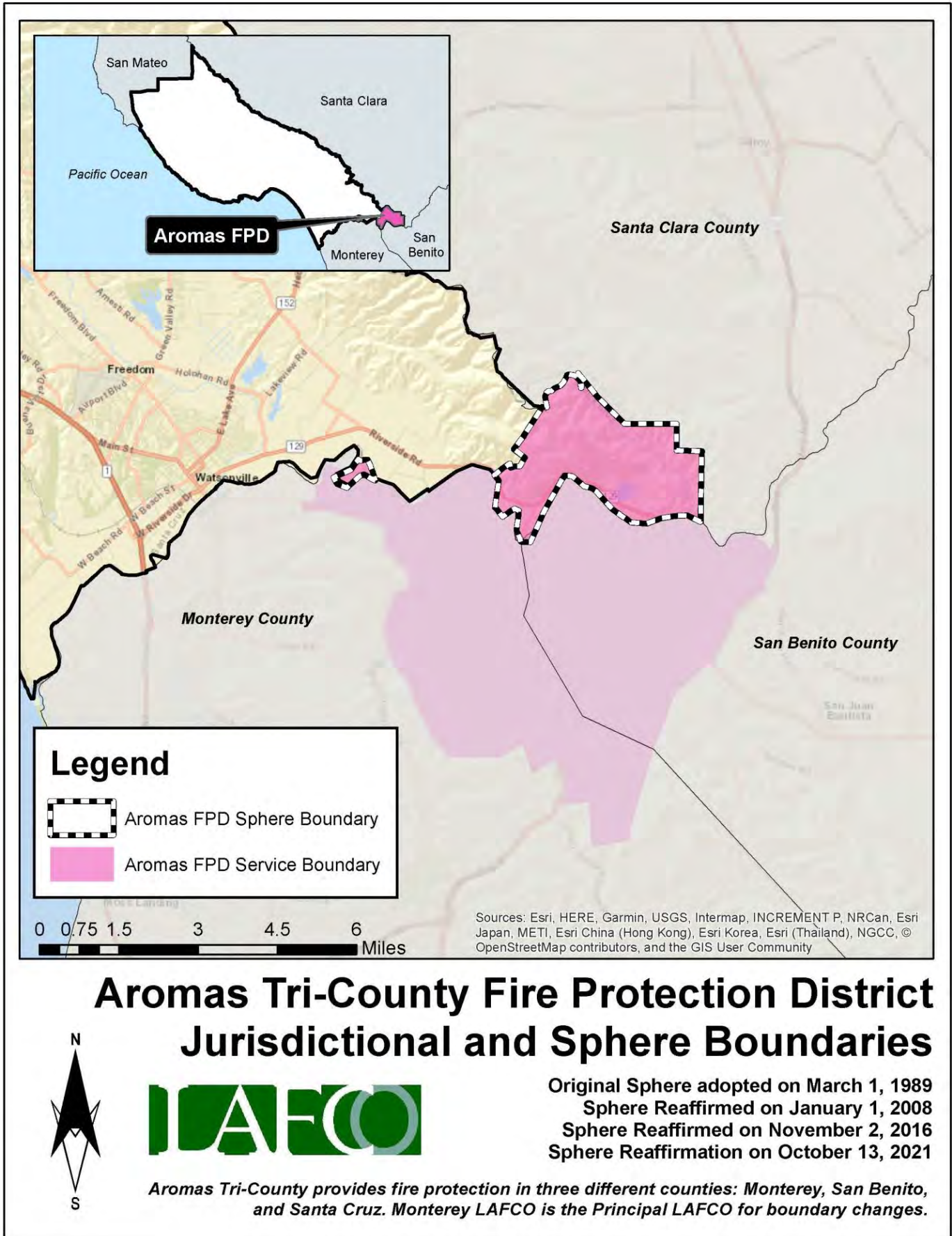


Figure 11: ATCFPD's Proposed Sphere Map



District Summary

Aromas Tri-County Fire Protection District	
Formation	Fire Protection District Law of 1987 (Health & Safety Code Section 13800 et seq.)
Board of Directors	5 members, elected at-large to four-year terms
Contact Person	Aaron Young, Fire Chief
Employees	9 Full-Time Employees
Facilities	1 Fire Station
ISO Rating	4/4x
District Area	Entire District: 24,768 acres (40 square miles) Santa Cruz County Area: 4,624 acres (7 square miles)
Sphere of Influence	Current sphere of influence is Coterminous with the District's Jurisdictional Boundary <i>Proposed Designation: Reaffirm Current Sphere Boundary</i>
FY 2018-19 Audit	Total Revenue = \$1,696,920 Total Expenditure = \$1,387,108 Projected Net Position (Ending Balance) = \$2,072,368
Contact Information	Mailing Address: 492 Carpenteria Road Aromas, CA 95004 Phone Number: (831) 333-2600 Email Address: Aaron.Young@fire.ca.gov Website: https://atcfire.org/
Public Meetings	Meetings are typically held every two months at the Aromas Fire Station. Meeting start time is 6:30pm.
Mission Statement	To protect life, property, and the environment by providing professional response to fire, traffic collision, medical, and hazardous materials and emergency incidents; to promote fire safety and public awareness; and to provide these services within the boundaries of the ATCFPD and within other jurisdictions per mutual aid agreements.

Service and Sphere Review Determinations

The following service and sphere review determinations fulfill the requirements outlined in the Cortese-Knox-Hertzberg Act.

Service Provision Determinations

Government Code Section 56430 requires LAFCO to conduct a municipal service review before, or in conjunction with, an action to establish or update a sphere boundary. Written statements of determination must be prepared with respect to each of the following:

1. Growth and population projections for the affected area.

Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. Under this assumption, LAFCO's projections indicate that the entire population of ATCFPD will be approximately 6,000 by 2040.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

The District was formed in 1952. The District has been providing fire protection services to three different counties through a contract with the California Department of Forestry and Fire Protection (CAL FIRE) for the past 28 years.

4. Financial ability of agencies to provide services.

The District has ended with an annual surplus in the last five fiscal years. The District's fund balance is approximately \$2 million as of June 30, 2019.

5. Status of, and opportunities for, shared facilities.

The District has a strategic partnership with CAL FIRE to provide fire protection services in three different counties. This agreement has been in place for almost 30 years. The District also provides assistance to surrounding agencies through mutual and automatic aid agreements.

6. Accountability for community service needs, including governmental structure and operational efficiencies.

LAFCO staff has identified two areas that may require a change in governance. It may be beneficial if representatives from the District, Monterey LAFCO, and Santa Cruz LAFCO discuss how to address these areas in question.

7. Any other matter related to effective or efficient service delivery, as required by commission policy.

No additional local LAFCO policies are specifically relevant to this service and sphere review.

Sphere of Influence Determinations

Government Code Section 56425 requires LAFCO to periodically review and update spheres of influence in concert with conducting municipal service reviews. Spheres are used as regional planning tools to discourage urban sprawl and encourage orderly growth. Written statements of determination must be prepared with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.

The District is located in unincorporated county territory. The County's General Plan designates the area as Agriculture.

2. The present and probable need for public facilities and services in the area.

The District has an ISO Public Protection Classification of 4 within five road miles of a fire station where there is a credible water source for fighting fires. The District provides fire protection, technical rescue, and basic life support (EMT) services.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The District currently operates one fire station. The station, which was built in 1979, is located in Monterey County (392 Carpenteria Road, Aromas CA). The station is staffed with a daily minimum of a 3-person company consisting of 1 battalion chief, 1 fire captain, and 1 apparatus engineer.

4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

LAFCO staff is aware of various organizations that are relevant to this agency, including but not limited to the following: County of Santa Cruz (Office of Emergency Services), Fire Department Advisory Commission of Santa Cruz County, UC Santa Cruz (Office of Emergency Services), and the Fire Safe Councils of Bonny Doon, Santa Cruz County, and South Skyline.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

BEN LOMOND FIRE PROTECTION DISTRICT

District Overview

Ben Lomond Fire Protection District (BLFPD) was formed on June 4, 1923 and operates under the Fire Protection District Law of 1987. BLFPD encompasses nearly 7 square miles of territory located in the San Lorenzo Valley. **Figure 12**, on page 50, is a vicinity map depicting BLFPD's current jurisdictional and sphere boundaries. **Figure 13**, on page 51, also shows the current land use designation under the County's General Plan. At present, the lands within the District vary from commercial to suburban residential. The vast majority of the District is designated as Mountain Residential.

Services & Operations

BLFPD currently provides fire protection services to the unincorporated community of Ben Lomond and its surrounding areas. It currently operates with one full-time employee, one part-time employee, and 30 volunteer firefighters. As of August 2021, the District has one staff member on duty from Monday to Friday from 8:00am to 4:00pm. Dispatch services are provided by the Santa Cruz Regional 911 through an existing contract. Santa Cruz Regional 911 dispatches emergency police, fire, and ambulances in Santa Cruz County. The following sections provide a detailed overview of BLFPD's services and operations.

Types of Services

Fire protection covers a variety of services from basic life support to vegetation management. LAFCO staff has identified 18 different types of services provided by fire agencies. At present, BLFPD offers 94% of those services (17 out of 18). **Table 20** illustrates those services. The "Other Service" offered by the District involves water rescue. Water Rescue services are provided outside BLFPD's boundaries when requested by other agencies, due to their equipment and training courses. BLFPD offers the highest amount of services when compared to the other 13 fire agencies. The lowest is BFPD with 9 services.

Table 20: BLFPD's Type of Services

Advance Life Support	Ambulance Transportation	Ambulance Transportation (Non-Emergency)	Basic Life Support	Basic Rescue	Community Education
-	Yes	Yes	Yes	Yes	Yes
Construction Plan Check	Fire Code Enforcement	Fire Code Permitting	Fire Investigation	Fire Suppression	Haz Mat Administration
Yes	Yes	Yes	Yes	Yes	Yes
Haz Mat Response	Public Awareness	Technical Rescue	Vegetation Management	Water Rescue	Other Service
Yes	Yes	Yes	Yes	Yes	Yes

Figure 12: BLFPD's Vicinity Map

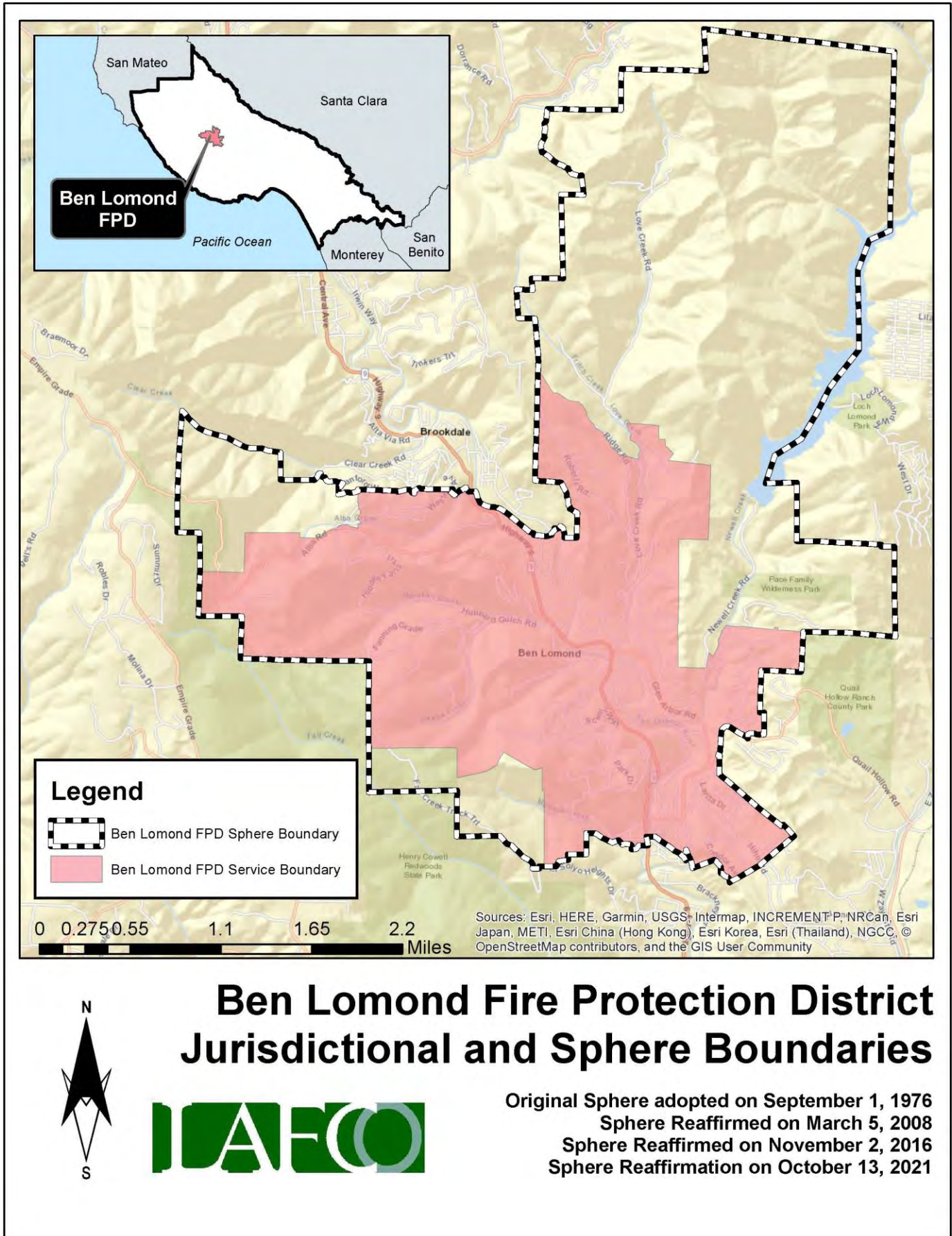
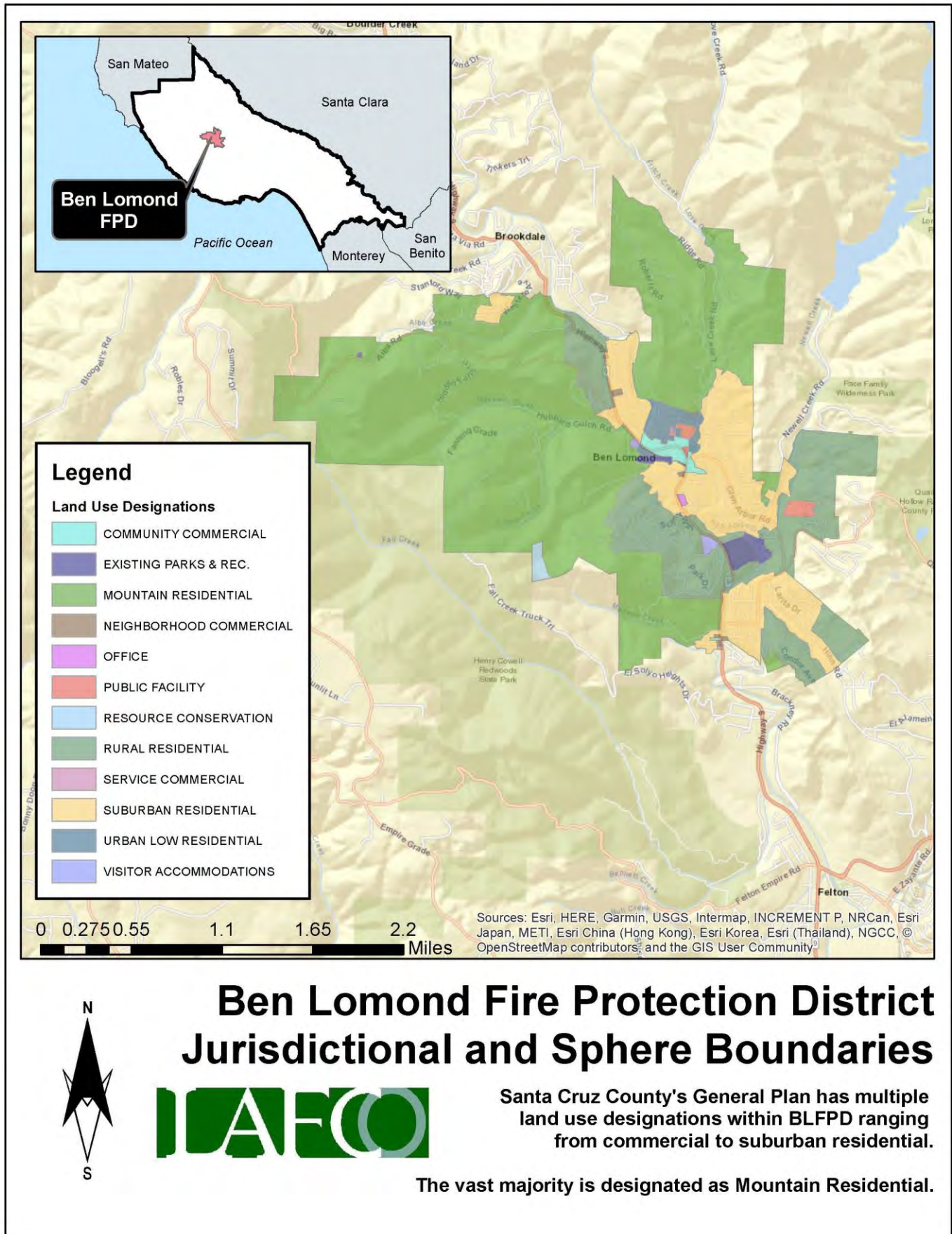


Figure 13: BLFPD's Land Use Map



Types of Training

Similar to services, fire protection covers a variety of training requirements from auto extrication to swift water rescue. LAFCO staff has identified 17 different types of training offered by fire agencies. At present, BLFPD offers 94% of those training courses (16 out of 17). **Table 21** illustrates those training opportunities.

Table 21: BLFPD's Type of Training

Administration	Advance Life Support	Auto Extrication	Basic Life Support	Confined Space Awareness	Fire Prevention & Inspection
Yes	-	Yes	Yes	Yes	Yes
Hazardous Materials	Ocean Rescue	Physical Fitness	Rapid Intervention	Rescue Systems	Surf Rescue
Yes	Yes	Yes	Yes	Yes	Yes
Swift Water Rescue	Technical Rescue	Transport	Truck Company Operations	Other Training	Total
Yes	Yes	Yes	Yes	Yes	16

Fire Station

The District currently operates one fire station. The station, which was built in 1947, is located on 9430 Highway 9 Ben Lomond, CA. The station is staffed with a daily minimum of one person (Monday to Friday from 8:00am to 4:00pm). At present, BLFPD has one full-time employee (Fire Chief), one part-time employee (Clerk), and 30 volunteer firefighters. **Figure 14** on page 53 shows the location of the fire station.

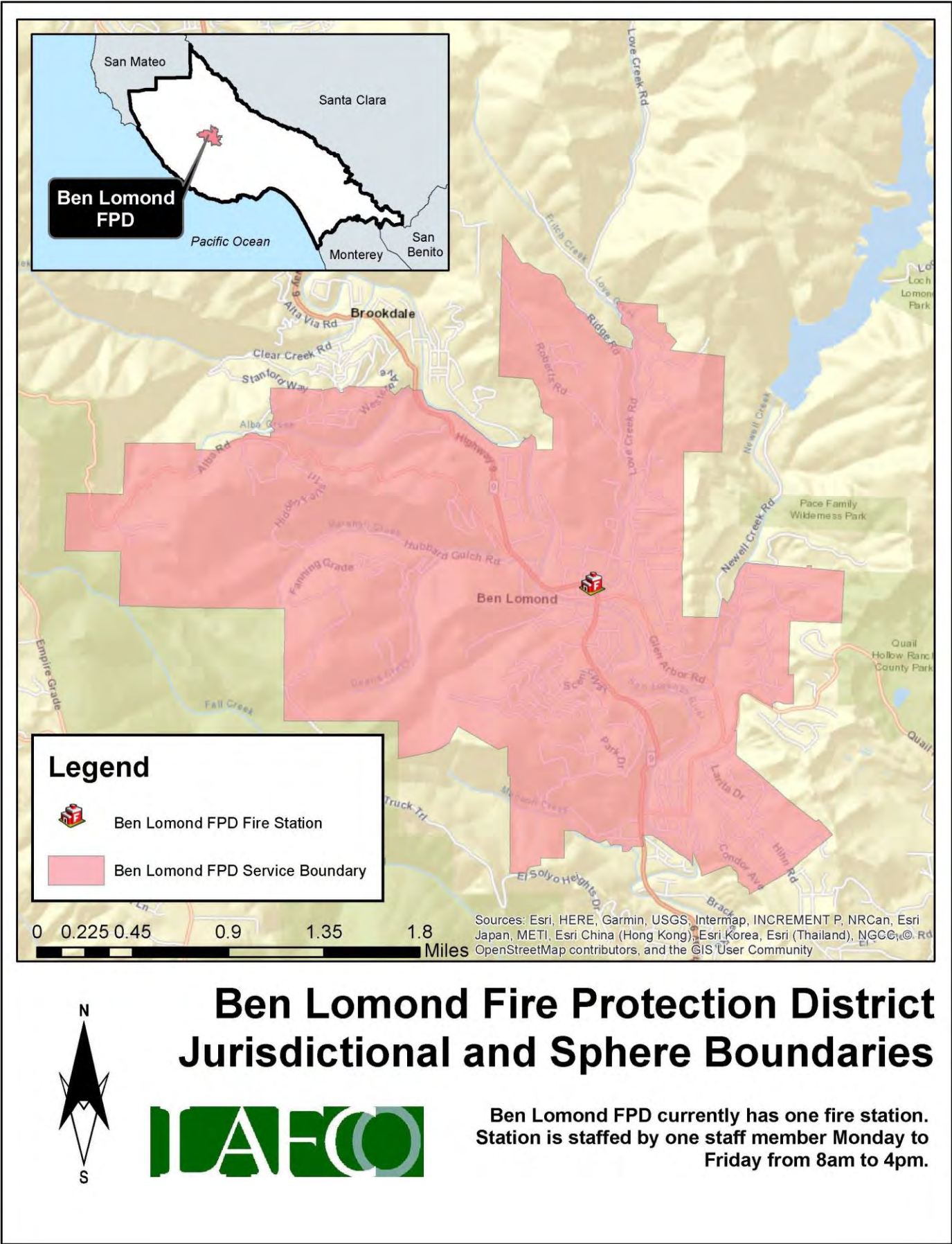
Apparatus & Inventory

In order to provide the necessary fire protection to its constituents, fire agencies are equipped with various apparatuses and vehicles. LAFCO staff has identified 20 different types of apparatuses carried by fire agencies. At present, BLFPD operates using 10 apparatuses. **Table 22** provides an overview of the District's inventory. The District is in the middle-range when compared to the other fire agencies. CSA 4 has the lowest with 3 vehicles and CSA 48 has the highest with 29 vehicles.

Table 22: BLFPD's Inventory

Aircraft Rescue	Ambulance	Admin/Battalion SUV	Chief Officer SUV	Command Vehicle
-	1	-	-	3
Fire Engine (Type 1)	Fire Engine (Type 2)	Fire Engine (Type 3)	Fire Engine (Type 6)	Haz Mat
3	1	-	-	-
Truck (4x4)	Truck (Ladder)	Truck (Pick-Up)	Truck (Medic)	Truck (Rescue)
-	-	-	-	-
Utility Vehicle	Urban Search & Rescue	Water Craft	Water Tender	Other Vehicle
1	-	1	-	-

Figure 14: BLFPD's Fire Station



Insurance Services Office (ISO) Rating

An ISO rating is based on a fire station's five road mile proximity to a credible water source for fighting fires. The District has an ISO Public Protection Classification of 3. BLFPD provides fire protection and basic life support (EMT) services. **Figure 15** on page 55 shows the distance the fire station crew can reach within 5 and 10 minutes. Based on staff's analysis, it may require the District more than 10 minutes to arrive to certain areas.

Call Data

Based on staff's analysis, fire service providers attend to several types of emergency calls, beyond fire-related situations such as medical calls, mutual aid, and vehicle accidents. LAFCO staff has identified 14 different types of calls responded by fire agencies. **Table 23** indicates that BLFPD responded to approximately 3,000 calls over the last six years. The annual call average is estimated to be 496 calls/year. The District's average response time was 5 minutes.

Table 23: BLFPD's Call Data (2015 to 2020)

Auto Aid	EMS (Medical Call)	False Alarm	Fire	Good Intent Call
-	1,759	80	156	380
Haz Mat	Mutual Aid	Overpressure/ Explosion/Overheat	Rescue Call	Service Call
233	-	-	-	356
Severe Weather & Natural Disaster	Special Incident	Vehicle Accident	Other	Total
11	1	-	-	2,976

Population & Growth

Based on staff's analysis, the population of BLFPD in 2020 was approximately 7,100. The Association of Bay Area Governments (ABAG) and the Association of Monterey Bay Area Governments (AMBAG) provide population projections for cities and counties in the Coastal Region. Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. **Table 24** shows the anticipated population within BLFPD.

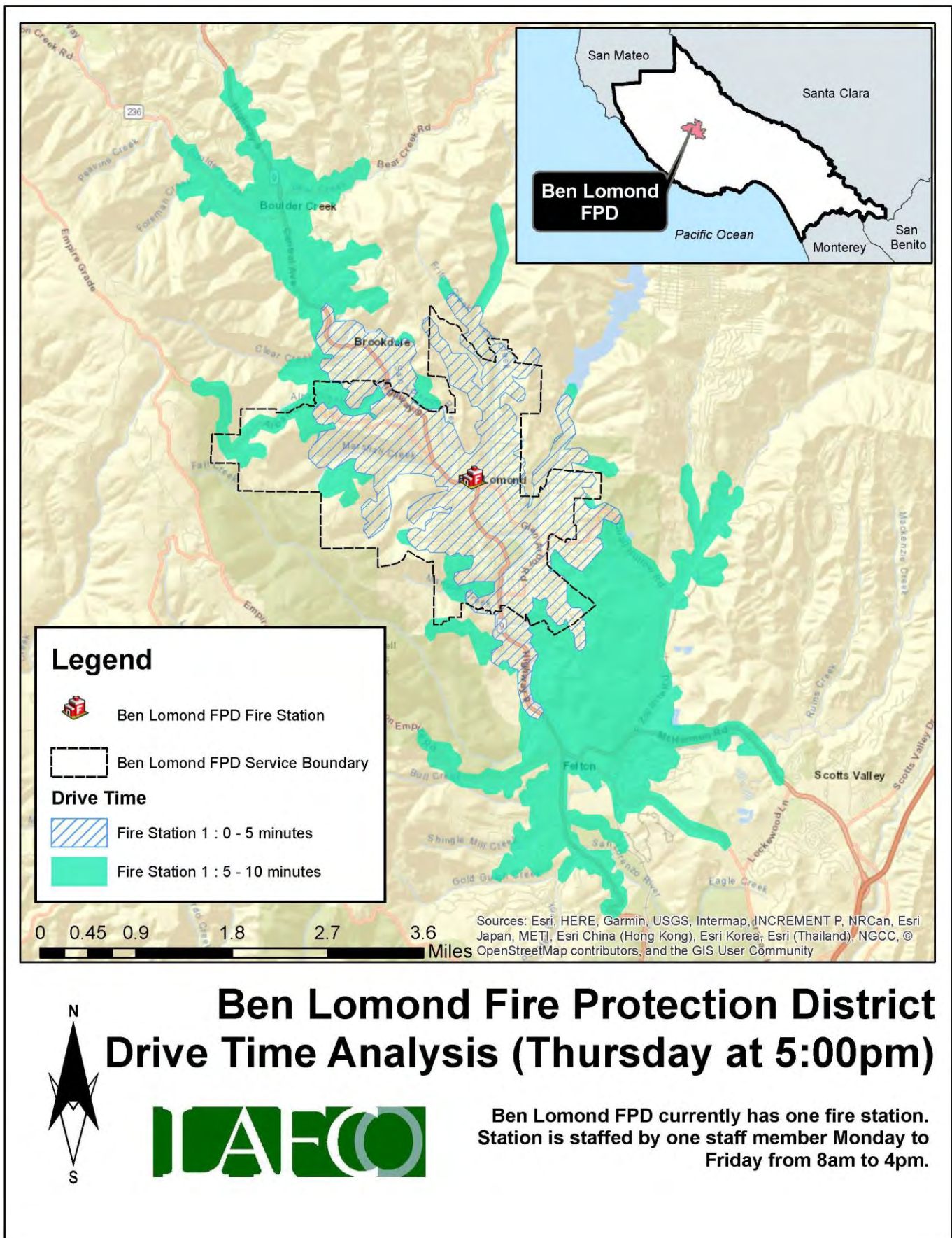
Population Projection

Based on the projections for Santa Cruz County, LAFCO was able to develop a population forecast for BLFPD. LAFCO staff increased the District's 2020 population amount by 0.86% each year. Under this assumption, our projections indicate that the entire population of BLFPD will be approximately 7,400 by 2040.

Table 24: Projected Population

	2020	2025	2030	2035	2040	Average Rate of Change
Santa Cruz County (unincorporated area)	136,891	137,896	139,105	140,356	141,645	0.86%
Ben Lomond Fire Protection District	7,132	7,193	7,254	7,317	7,379	0.86%

Figure 15: BLFPD's Fire Station (5 and 10 Mile Drive Time)

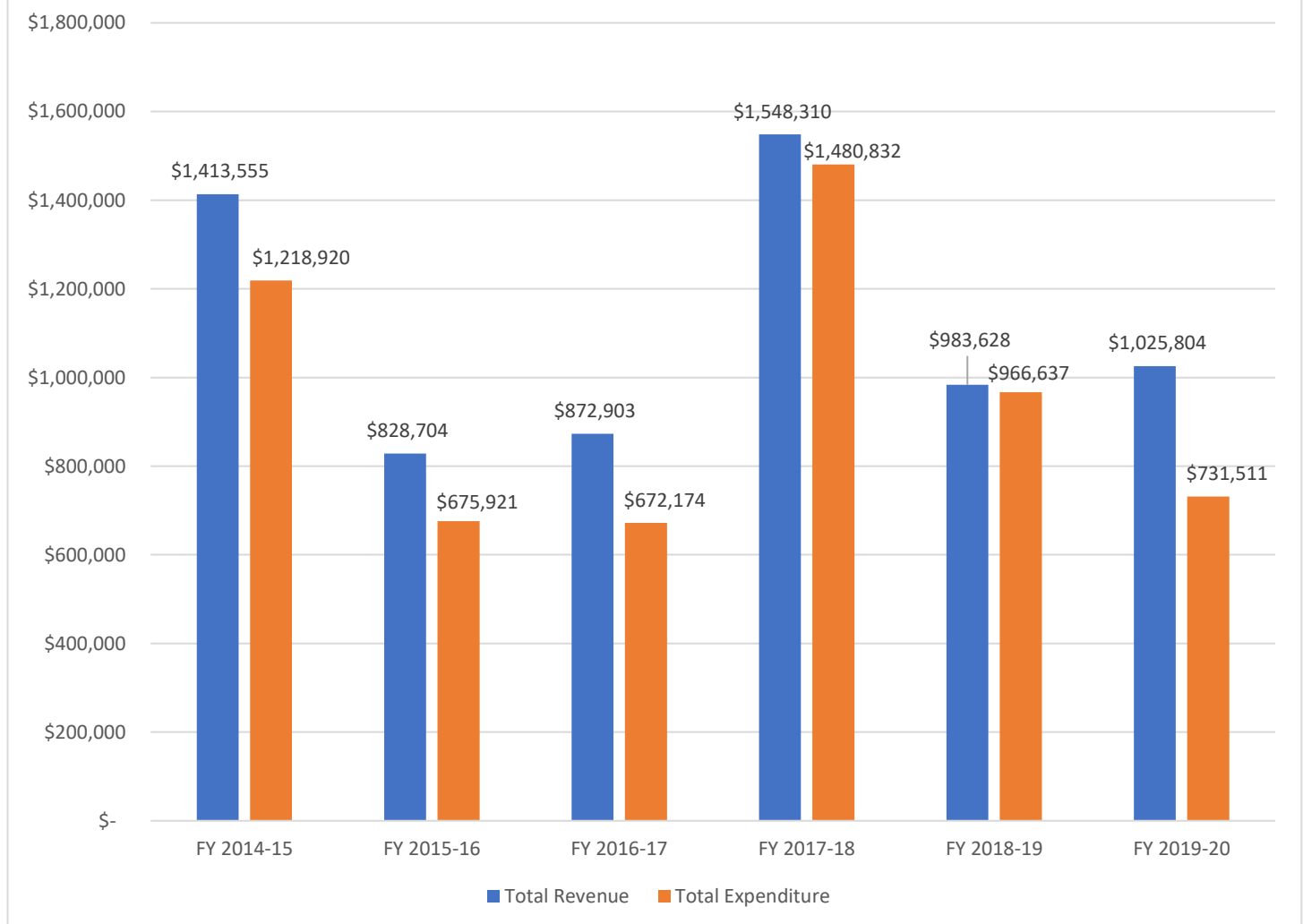


Finances

State law requires special districts to conduct an annual audit. The law also requires special districts to file a report of the completed audit to the State Controller's Office and LAFCO (Government Code Section 56036). For purposes of this report, the District provided financial documents covering the last six years. In addition, not all recent audits were available on the District's website as statutorily required (Government Code Sections 6270.6 and 53087.8). For purposes of this section, LAFCO staff requested the necessary financial documents. This section will highlight the District's financial performance during the most recent fiscal years based on information retrieved. Specifically, LAFCO evaluated BLFPD's financial health from FY 2014-15 to FY 2019-20.

At the end of FY 2019-20, total revenue collected was approximately \$1 million, representing a 4% increase from the previous year (\$984,000 in FY 2018-19). Total expense for FY 2019-20 was approximately \$732,000, which decreased from the previous year by 24% (\$967,000 in FY 2018-19). The District has ended with an annual surplus in the last six years, as shown in **Figure 16**. LAFCO believes that this positive trend may continue going forward under the current management practices.

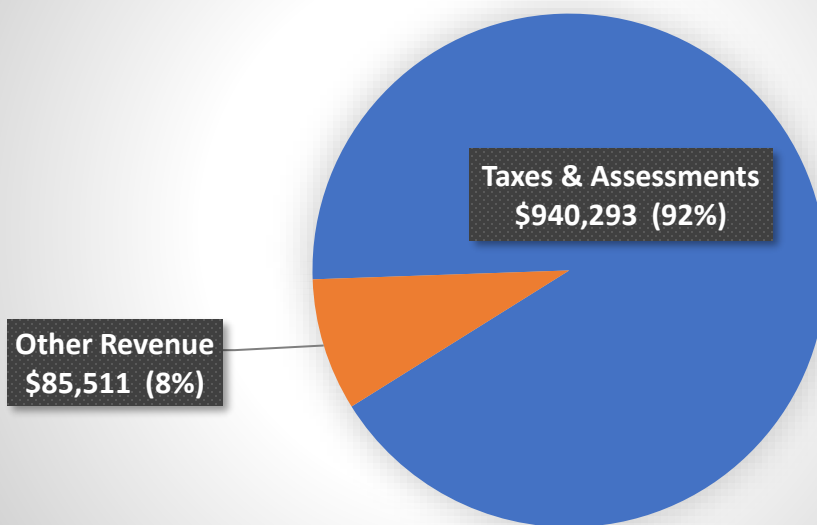
Figure 16: Statement of Revenues & Expenditures



District Revenues

BLFPD's revenue stream can be categorized into two groups: Taxes & Assessments, and Other Revenue. BLFPD's primary source of revenue is from Taxes & Assessments, specifically Property Taxes. **Figure 17** highlights the revenue received during FY 2019-20.

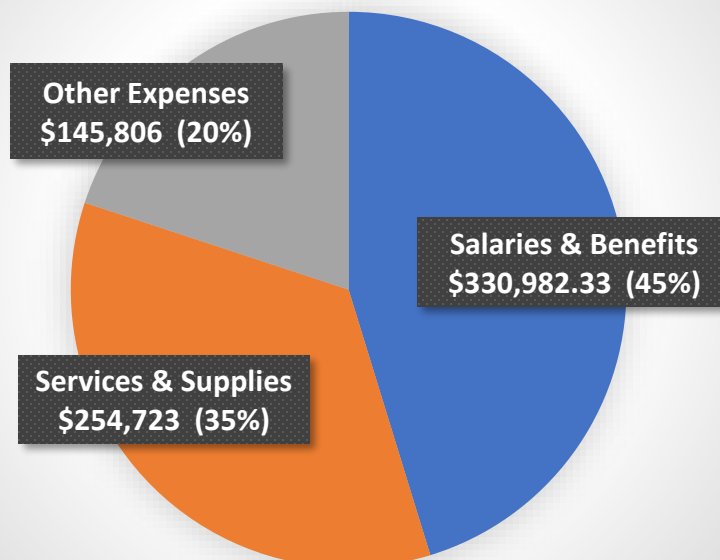
Figure 17: Revenue Breakdown (FY 19-20)



District Expenditures

BLFPD's total expenditures can be categorized into three groups: Salaries & Benefits, Services & Supplies, and Other Expenses. **Figure 18** below distinguishes the cost and percentage per category. Salaries & Benefits are the highest expenditure during FY 2019-20; however it only represents less than half of the agency's overall expenses. BLFPD's expenditures are well-balanced.

Figure 18: Expense Breakdown (FY 19-20)



Fund Balance/Net Position

As of June 30, 2020, the total fund balance is approximately \$2.3 million. The fund balance has been increasing on an annual basis since 2014, as shown in **Table 25**. The current balance represents 318% of the District's total expenditure from FY 2019-20. This amount would be more than sufficient to cover any unanticipated costs. The overall financial performance of BLFPD during the last six years can be found in **Table 26** below.

Table 25: Fund Balance/Net Position

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Net Position (Ending Balance)	\$1,594,565	\$1,747,348	\$1,948,077	\$2,015,555	\$2,032,546	\$2,326,839
Change in (\$) from previous year		\$152,783	\$200,729	\$67,478	\$16,991	\$294,293
Change in (%) from previous year		10%	11%	3%	1%	14%

Table 26: Total Revenues & Expenditures

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
REVENUE						
Tax Revenue	\$ 684,999	\$ 759,863	\$ 809,635	\$ 849,688	\$ 908,582	\$ 940,293
Charges for Services	\$ 1,763	\$ 752	\$ -	\$ 58,312	\$ -	\$ -
Interest & Investment Earnings	\$ 6,640	\$ 10,208	\$ 15,027	\$ 22,555	\$ 38,182	\$ 42,009
Grants & Contributions	\$ 46,166	\$ 12,893	\$ 3,111	\$ 583,121	\$ -	\$ -
Other Income	\$ 23,945	\$ 3,978	\$ 2,436	\$ -	\$ -	\$ 5,097
Inception of Capital Lease	\$ 612,167	\$ -	\$ -	\$ -	\$ -	\$ -
Rental Income	\$ 37,875	\$ 41,010	\$ 42,694	\$ 34,634	\$ 36,864	\$ 38,405
Total Revenue	\$ 1,413,555	\$ 828,704	\$ 872,903	\$1,548,310	\$ 983,628	\$1,025,804
EXPENDITURE						
Salaries & Benefits	\$ 255,938	\$ 237,714	\$ 250,627	\$ 296,259	\$ 294,854	\$ 330,982
Services & Supplies	\$ 177,365	\$ 214,744	\$ 199,106	\$ 256,613	\$ 330,662	\$ 254,723
Capital Assets	\$ 612,167	\$ 1,033	\$ -	\$ 148,840	\$ 187,842	\$ 64,033
Other Government Agencies	\$ -	\$ -	\$ -	\$ 491,693	\$ -	\$ -
Debt Service						
Principle	\$ 157,916	\$ 189,043	\$ 196,111	\$ 262,325	\$ 142,297	\$ 81,773
Interest	\$ 15,534	\$ 33,387	\$ 26,330	\$ 25,102	\$ 10,982	\$ -
Total Expenditure	\$ 1,218,920	\$ 675,921	\$ 672,174	\$1,480,832	\$ 966,637	\$ 731,511
Surplus/(Deficit)	\$ 194,635	\$ 152,783	\$ 200,729	\$ 67,478	\$ 16,991	\$ 294,293
FUND BALANCE						
Beginning Balance	\$ 1,399,930	\$ 1,594,565	\$ 1,747,348	\$ 1,948,077	\$ 2,015,555	\$ 2,032,546
Ending Balance	\$ 1,594,565	\$1,747,348	\$1,948,077	\$2,015,555	\$2,032,546	\$2,326,839

Governance

BLFPD is an independent special district governed by a five-member Board of Directors elected at-large by the voters within the District. When candidates run unopposed, or when there is a vacancy, seats are appointed by the County Board of Supervisors in lieu of conducting the election. **Table 27** shows the current board members.

Table 27: Board of Directors

Board Member	Title	Term of Office Expiration	Years in Office
Dave Bingham	Board Member	First Appointed: 2004 Next Election: General 2022	17 years
Glenn Cady	Board Member	First Appointed: 2020 Next Election: General 2024	1 year
Sean Castagna	Board Member	First Appointed: 2015 Next Election: General 2024	6 years
Lisa Hill	President	First Appointed: 2020 Next Election: General 2022	1 year
Thomas Maxson	Vice President	First Appointed: 2011 Next Election: General 2022	10 years

Public Meetings

The Board of Directors typically meets on the third Wednesday of each month. The meeting dates are posted at the fire station and on the District's Website. Public meetings are typically held at 9:00am. Based on LAFCO staff's analysis, BLFPD met 16 times in 2020. **Table 28** provides an overview of the publicly-held meetings from 2016 to 2020.

Table 28: Public Meetings

2016 (Calendar Year)	2017 (Calendar Year)	2018 (Calendar Year)	2019 (Calendar Year)	2020 (Calendar Year)
11	14	16	14	16

Opportunities & Challenges

Independent special districts are tasked to operate in an efficient and transparent manner on a regular basis. It is LAFCO staff's position that public agencies should always prepare and consider future opportunities and potential challenges in order to properly provide services to their constituents. For example, the District currently shares staffing for administrative services with Felton FPD. This is a great example of shared services and strategic partnerships that other agencies can replicate. The following section explores other possible actions that should be considered by the District.

Website Requirements

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. SB 929 states that the Internet Web Site, maintained by the independent special district, shall conform with various laws in Government Code Sections 6270.5, 53893, 53908, 54954.2, and Section 32139 of the Health and Safety Code. In summary, the District's Internet Website is required to have the following:

- Access to past and current, agendas, staff reports, and minutes
- Adopted budgets;
- Contact information and list of current board members;
- Information regarding public meetings (Brown Act);
- Service Reviews adopted by LAFCO;
- Recipients of grant funding or assistance provided by the district, if any;
- Audits (pursuant to GCS 26909) and adopted annual policies; and
- Any other information the board deems relevant

The District currently has an operating website and fulfills most of the requirements listed above. However, there are still opportunities to include more information that would benefit the residents in understanding the governance of BLFPD as a special district, specifically the availability of financial documentations such as budgets and audits. BLFPD should also consider including LAFCO's adopted service and sphere reviews on their website as another valuable resource.

LAFCO Staff Recommendation: *The District should continue updating its website to fulfill the legal requirements under SB 929.*

District Best Practices

All fire districts are public agencies that must follow statutory requirements – regardless of its size or level of service. Based on LAFCO's analysis, SVFPD is a single-function special district. Nearly 85% of California's special districts perform a single function. In order to comply with statutory requirements, as well as adapt to current and future demands, LAFCO staff strongly recommends that the District conduct periodic updates to ensure its compliance with certain laws including but not limited to audits, public records requests, ethics training, policies and procedures, and meeting protocols. It may be beneficial for the District to also consider joining the California Special Districts Association (CSDA) to help keep track of all current and new laws. LAFCO co-hosted an online webinar with CSDA in August 2021 to discuss all the statutory requirements that must be fulfilled by all special districts. 14 out of the 22 independent special districts in Santa Cruz County attended the webinar. SVFPD was well-represented at the workshop with board members and employees in attendance.

LAFCO Staff Recommendation: *The District should strongly consider developing a strategic plan to ensure all statutory requirements are being fulfilled on a regular basis.*

Governance Structure Options

State law does not require LAFCO to initiate changes of organization based on this report's conclusions or findings; however, LAFCO, local agencies, and the public may subsequently use the determinations and related analysis to consider whether to pursue changes in service delivery, government organization, or spheres of influence. Therefore, LAFCO is encouraging the affected agency to consider the following governance options.

Change of Reorganization (Multiple Agencies)

BLFPD relies heavily on volunteer firefighters to protect the Ben Lomond community. The District currently has 32 employees, 94% are volunteers (30 out of 32). At present, BLFPD has one person staffed at the fire station during regular business hours. This similar approach is conducted by other small fire districts surrounding BLFPD. However, many organizations such as the National Fire Protection Association and the California Office of Emergency Services recommend a minimum of a four-person staffing on duty.

It may be beneficial to consider maximizing their existing personnel and resources through a reorganization involving the following: Ben Lomond FPD, Branciforte FPD, Scotts Valley FPD, and Zayante FPD. Such reorganization would require additional analysis to determine whether it is feasible and advantageous to all affected districts. It is LAFCO staff's position that a joint special study would determine whether this proposed reorganization, or a similar reorganization effort, provides the residents with a better level of service, potential cost-savings, and an increase in transparency. It is also important to note that this analysis would be a multi-year effort. A snapshot of the reorganization results is shown in **Table 29**.

Table 29: Potential Reorganization (Multiple Agencies)

Fire Districts	Full-Time Employees	Part-Time Employees	Volunteer Firefighters	Fire Stations	FY 19-20 Revenue
Ben Lomond	1	1	30	1	\$1,025,804
Branciforte	3	0	13	2	\$1,035,012
Scotts Valley	28	1	15	2	\$8,174,260
Zayante	3	2	22	3	\$636,400
"Reorganized District"	35	4	80	8	\$10,871,476

Footnote: Proposed "Reorganized District" figures are for discussion purposes only; additional analysis is needed to determine specifics.

LAFCO Staff Recommendation: *The District should consider coordinating with the affected agencies and LAFCO to consider and evaluate this option.*

Potential Annexations

Since 1976, BLFPD's sphere of influence has included areas currently served by County Service Area 48, as shown in **Figure 19** on page 63. This sphere designation indicates that the District is the most logical provider of fire protection to these areas and should be annexed into BLFPD. The sphere boundary has remained unchanged for over 45 years. It may be beneficial for representatives from BLFPD, CSA 48, and LAFCO to coordinate and determine whether annexation should occur in the foreseeable future. If no annexation is anticipated, then the District and LAFCO should consider reducing the sphere boundary to reflect the District's future service area.

LAFCO Staff Recommendation: *The District should consider coordinating with CSA 48 and LAFCO to determine BLFPD's future service area. These discussions should occur by August 2022. LAFCO will consider amending the sphere boundaries based on these discussions no later than December 2022.*

Sphere of Influence

Santa Cruz LAFCO adopted BLFPD's original sphere of influence on September 1, 1976, which included areas beyond the District's jurisdictional boundary. In January 2008 and subsequently in November 2016, the Commission reaffirmed this sphere boundary. Staff is recommending that the current sphere of influence be reaffirmed as part of this report. However, LAFCO encourages the District to coordinate with CSA 48 and LAFCO to determine BLFPD's future service area. Based on these discussions, LAFCO may consider amending the sphere boundary by December 2022. **Figure 20** on page 64 depicts the proposed sphere boundary.

LAFCO Staff Recommendation: *The District should coordinate with CSA 48 and LAFCO to determine BLFPD's future service area. Based on these discussions, LAFCO may consider amending the sphere boundary by December 2022.*



Figure 19: BLFPD's Potential Annexation Areas

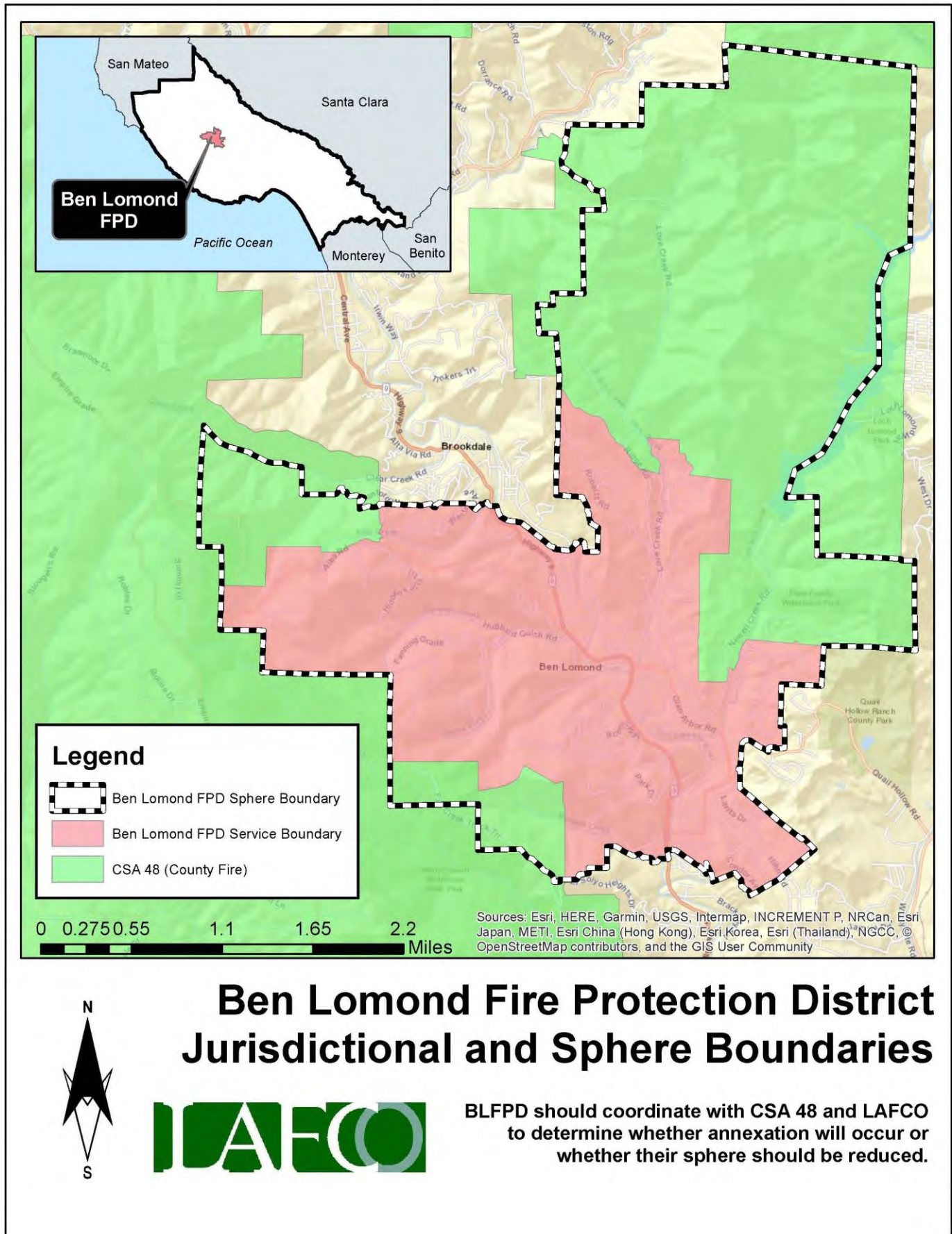
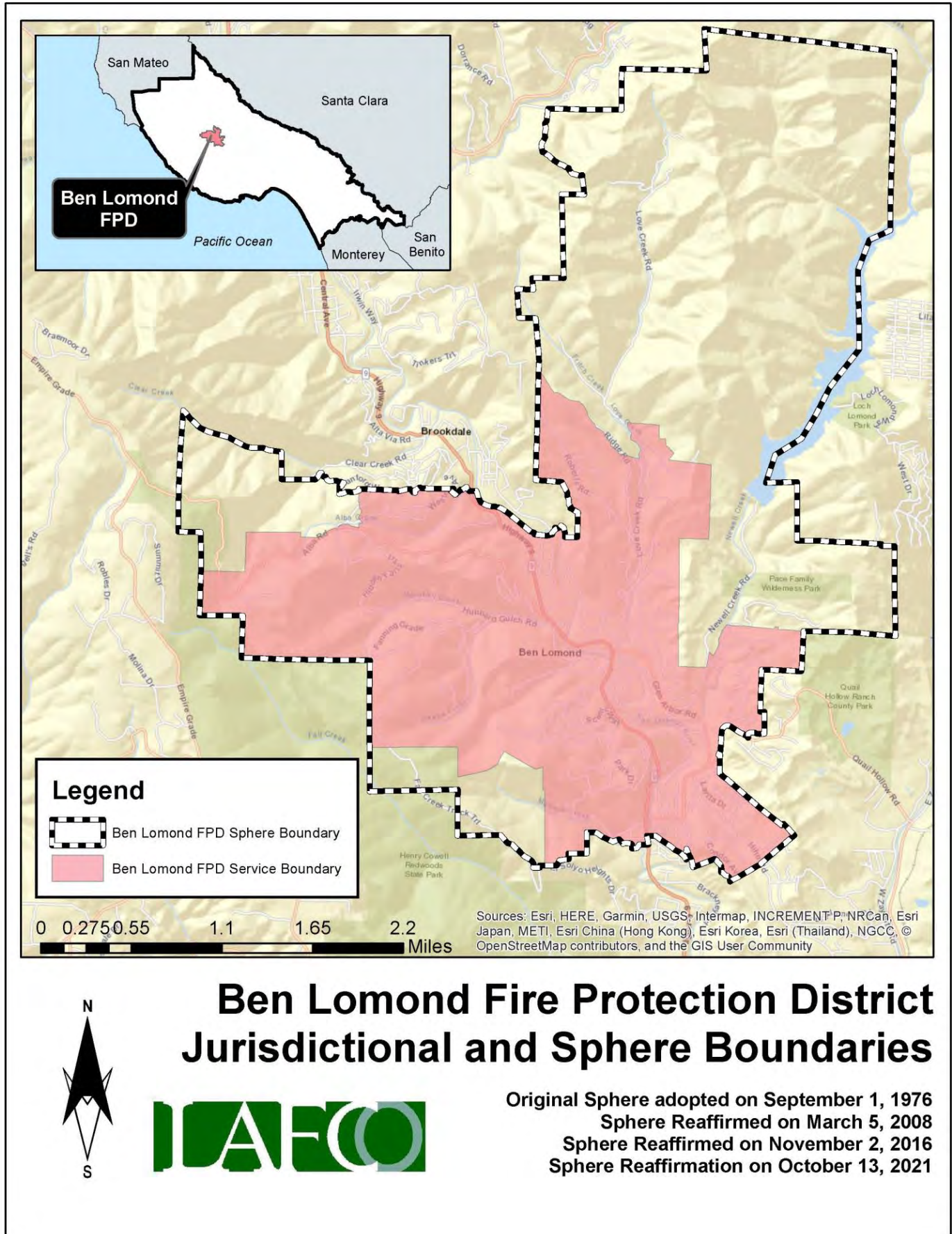


Figure 20: BLFPD's Proposed Sphere Map



District Summary

Ben Lomond Fire Protection District	
Formation	Fire Protection District Law of 1987 (Health & Safety Code Section 13800 et seq.)
Board of Directors	5 members, elected at-large to four-year terms
Contact Person	Stacie Brownlee, Fire Chief
Employees	1 Full-Time Employee (1 part-time and 30 volunteers)
Facilities	1 Fire Station
ISO Rating	4/4x
District Area	4,167 acres (6.5 square miles)
Sphere of Influence	Current sphere of influence is Larger than the District's Jurisdictional Boundary <i>Proposed Designation: Reaffirm Current Sphere Boundary</i>
FY 2019-20 Audit	Total Revenue = \$1,025,804 Total Expenditure = \$731,511 Projected Net Position (Ending Balance) = \$2,326,839
Contact Information	Mailing Address: P.O Box 27 Ben Lomond, CA 95005 Phone Number: (831) 336-5495 Email Address: blfdchief@benlomondfd.com Website: www.benlomondfd.com
Public Meetings	Meetings are typically held on the third Wednesday of each month.
Mission Statement	It is the mission of the Ben Lomond Fire Protection District to provide life and property protection through fire control, pre-hospital care, fire prevention, code enforcement, public education and emergency management, consistent with prudent utilization of public funds.

Service and Sphere Review Determinations

The following service and sphere review determinations fulfill the requirements outlined in the Cortese-Knox-Hertzberg Act.

Service Provision Determinations

Government Code Section 56430 requires LAFCO to conduct a municipal service review before, or in conjunction with, an action to establish or update a sphere boundary. Written statements of determination must be prepared with respect to each of the following:

1. Growth and population projections for the affected area.

Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. Under this assumption, LAFCO's projections indicate that the entire population of BLFPD will be approximately 7,400 by 2040.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

The District was formed in 1923. The District continues to provide fire protection services to the unincorporated Ben Lomond community and the surrounding areas.

4. Financial ability of agencies to provide services.

The District has ended with an annual surplus in the last six fiscal years. The District's fund balance is approximately \$2.3 million as of June 30, 2020.

5. Status of, and opportunities for, shared facilities.

The District maintains mutual and automatic aid agreements with neighboring fire districts. LAFCO is encouraging the District to consider a reorganization with three other districts that may improve the level of service to the communities.

6. Accountability for community service needs, including governmental structure and operational efficiencies.

LAFCO staff is recommending that a joint special study be completed in order to determine whether the residents would receive a better level of service, potential cost-savings, and an increase in transparency through a reorganization involving four independent special districts, including Ben Lomond FPD.

7. Any other matter related to effective or efficient service delivery, as required by commission policy.

No additional local LAFCO policies are specifically relevant to this service and sphere review.

Sphere of Influence Determinations

Government Code Section 56425 requires LAFCO to periodically review and update spheres of influence in concert with conducting municipal service reviews. Spheres are used as regional planning tools to discourage urban sprawl and encourage orderly growth. Written statements of determination must be prepared with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.

The District is located in unincorporated county territory. The County's General Plan designates the vast majority of the District as Mountain Residential.

2. The present and probable need for public facilities and services in the area.

The District has an ISO Public Protection Classification of 4 within five road miles of a fire station where there is a credible water source for fighting fires. The District provides fire protection, technical rescue, and basic life support (EMT) services.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The District currently operates one fire station. The station, which was built in 1947, is located at 9430 Highway 9 in Ben Lomond, CA. The station is staffed with one person during regular business hours (Monday to Friday from 8:00 am to 4:00pm).

4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

LAFCO staff is aware of various organizations that are relevant to this agency, including but not limited to the following: County of Santa Cruz (Office of Emergency Services), Fire Department Advisory Commission of Santa Cruz County, UC Santa Cruz (Office of Emergency Services), and the Fire Safe Councils of Bonny Doon, Santa Cruz County, and South Skyline.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

BOULDER CREEK FIRE PROTECTION DISTRICT

District Overview

Boulder Creek Fire Protection District (BCFPD) was formed on August 11, 1923 and operates under the Fire Protection District Law of 1987. BCFPD encompasses nearly 18 square miles of territory located in the San Lorenzo Valley. **Figure 21**, on page 69, is a vicinity map depicting BCFPD's current jurisdictional and sphere boundaries. **Figure 22**, on page 70, also shows the current land use designation under the County's General Plan. At present, the lands within the District vary from commercial to suburban residential. The vast majority of the District is designated as Mountain Residential.

Services & Operations

BCFPD currently provides fire protection services to the unincorporated community of Boulder Creek and its surrounding areas. It currently operates with one full-time employee, one part-time employee, and 43 volunteer firefighters. As of August 2021, the District has one staff member on duty at all times (365 days a year/24 hours a day). Dispatch services are provided by the Santa Cruz Regional 911 through an existing contract. Santa Cruz Regional 911 dispatches emergency police, fire, and ambulances in Santa Cruz County. The following sections provide a detailed overview of BCFPD's services and operations.

Types of Services

Fire protection covers a variety of services from basic life support to vegetation management. LAFCO staff has identified 18 different types of services provided by fire agencies. At present, BCFPD offers 83% of those services (15 out of 18). **Table 30** illustrates those services. All services listed are provided in-house except for swift water rescue which is provided by Ben Lomond FPD under the existing mutual aid agreement. BCFPD is in the high-tier when compared to the other 13 fire agencies that provide similar services. The lowest is BFPD with 9 services and the highest is Ben Lomond FPD with 17 different services.

Table 30: BCFPD's Type of Services

Advance Life Support	Ambulance Transportation	Ambulance Transportation (Non-Emergency)	Basic Life Support	Basic Rescue	Community Education
-	Yes	Yes	Yes	Yes	Yes
Construction Plan Check	Fire Code Enforcement	Fire Code Permitting	Fire Investigation	Fire Suppression	Haz Mat Administration
Yes	Yes	Yes	Yes	Yes	-
Haz Mat Response	Public Awareness	Technical Rescue	Vegetation Management	Water Rescue	Other Service
Yes	Yes	Yes	Yes	Yes	-

Figure 21: BCFPD's Vicinity Map

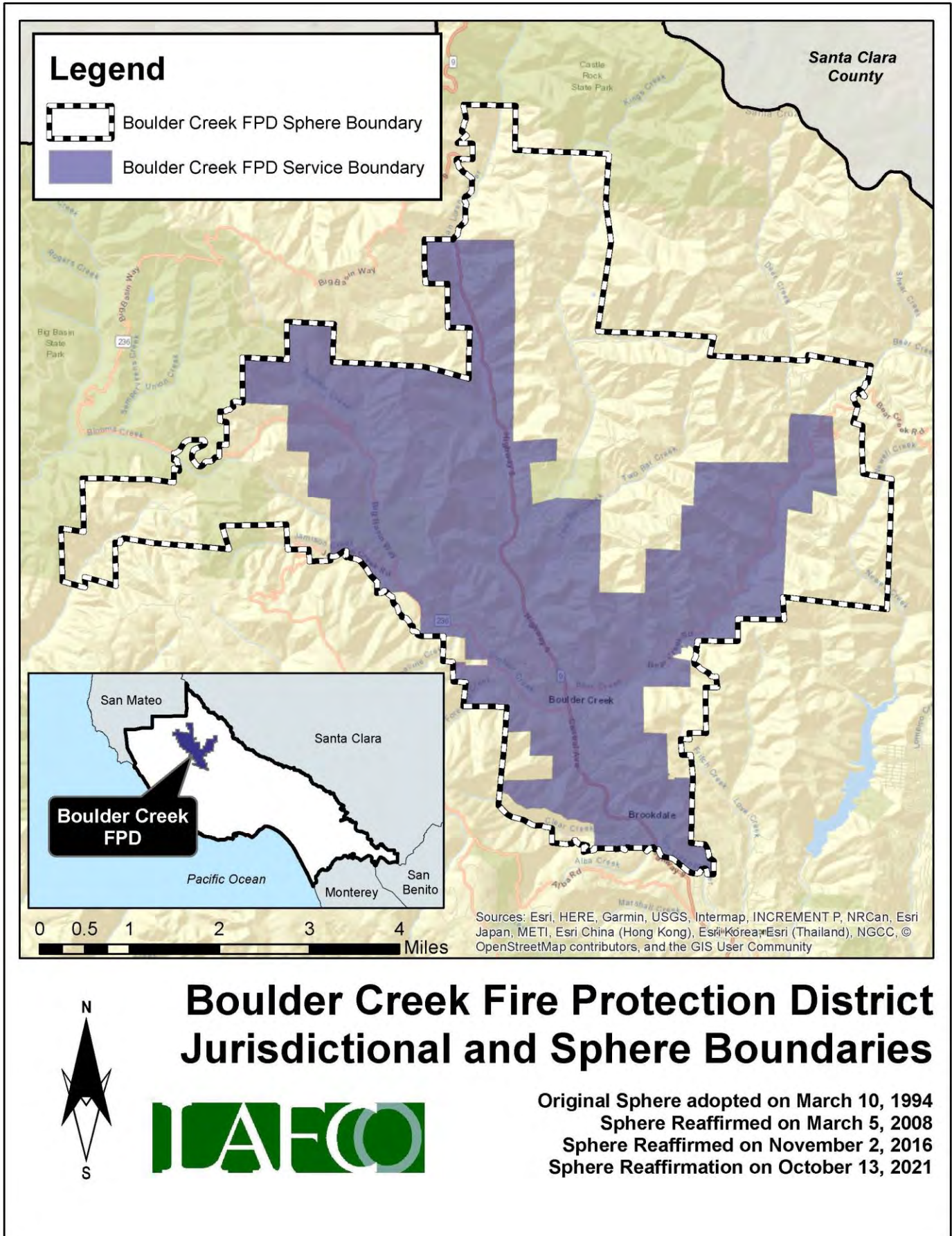
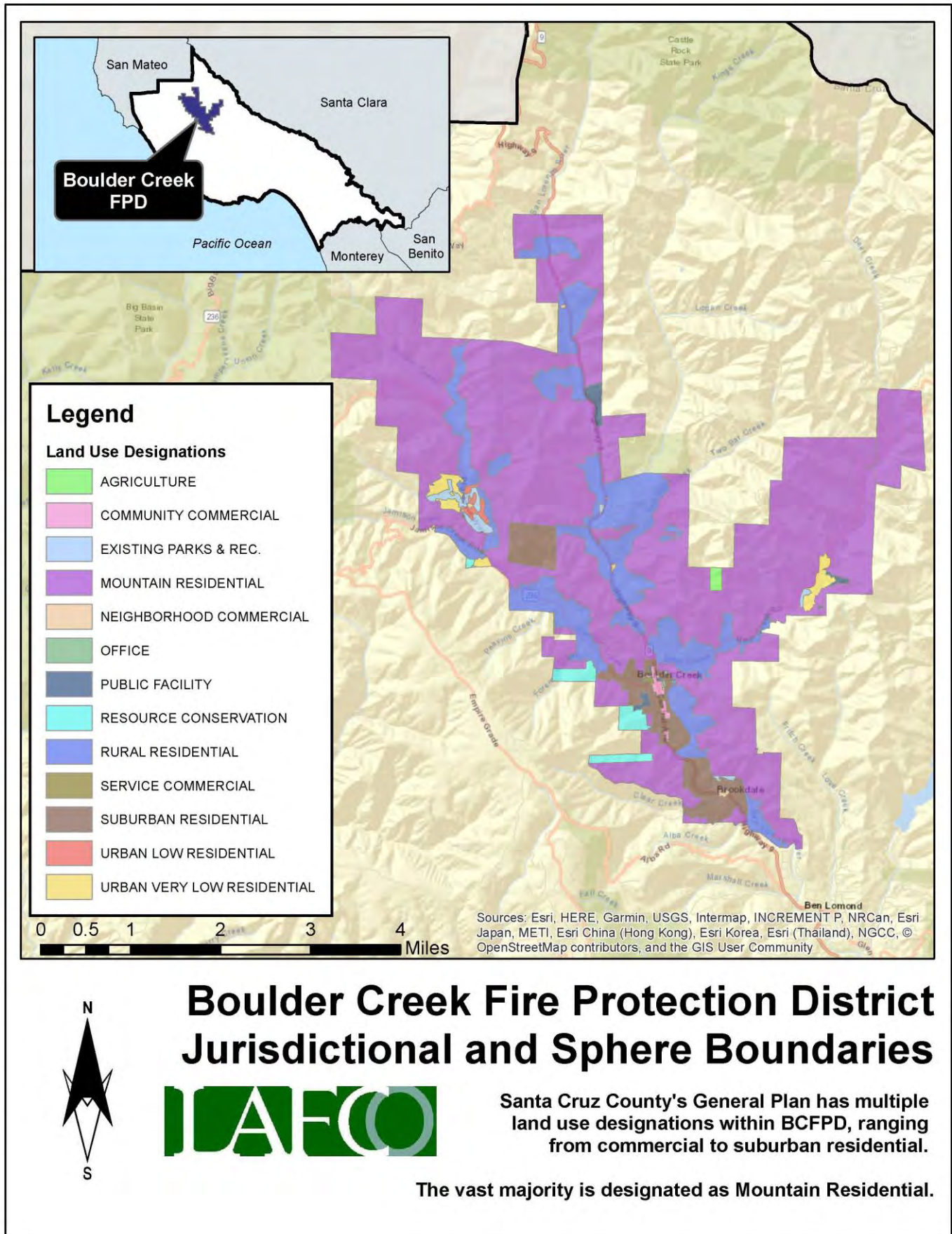


Figure 22: BCFPD's Land Use Map



Types of Training

Similar to services, fire protection covers a variety of training requirements from auto extrication to swift water rescue. LAFCO staff has identified 17 different types of training offered by fire agencies. At present, BCFPD offers 76% of those training courses (13 out of 17). **Table 31** illustrates those training opportunities.

Table 31: BCFPD's Type of Training

Administration	Advance Life Support	Auto Extrication	Basic Life Support	Confined Space Awareness	Fire Prevention & Inspection
Yes	-	Yes	Yes	Yes	Yes
Hazardous Materials	Ocean Rescue	Physical Fitness	Rapid Intervention	Rescue Systems	Surf Rescue
-	Yes	Yes	Yes	Yes	-
Swift Water Rescue	Technical Rescue	Transport	Truck Company Operations	Other Training	Total
-	Yes	Yes	Yes	Yes	13

Fire Stations

The District currently operates two fire stations. Station 1 was built in 1941 and is located at 13230 Central Avenue in Boulder Creek, CA. Station 2 was built in 1989 and is located at 16115 Jamison Creek Road in Boulder Creek, CA. Station 1 is staffed with a daily minimum of one person 24 hours a day, all year. At present, BCFPD has one full-time employee (Fire Chief), one part-time employee (Clerk), and 43 volunteer firefighters (including 3 Battalion Chiefs, 5 Captains). **Figure 23** on page 72 shows the location of the fire stations.

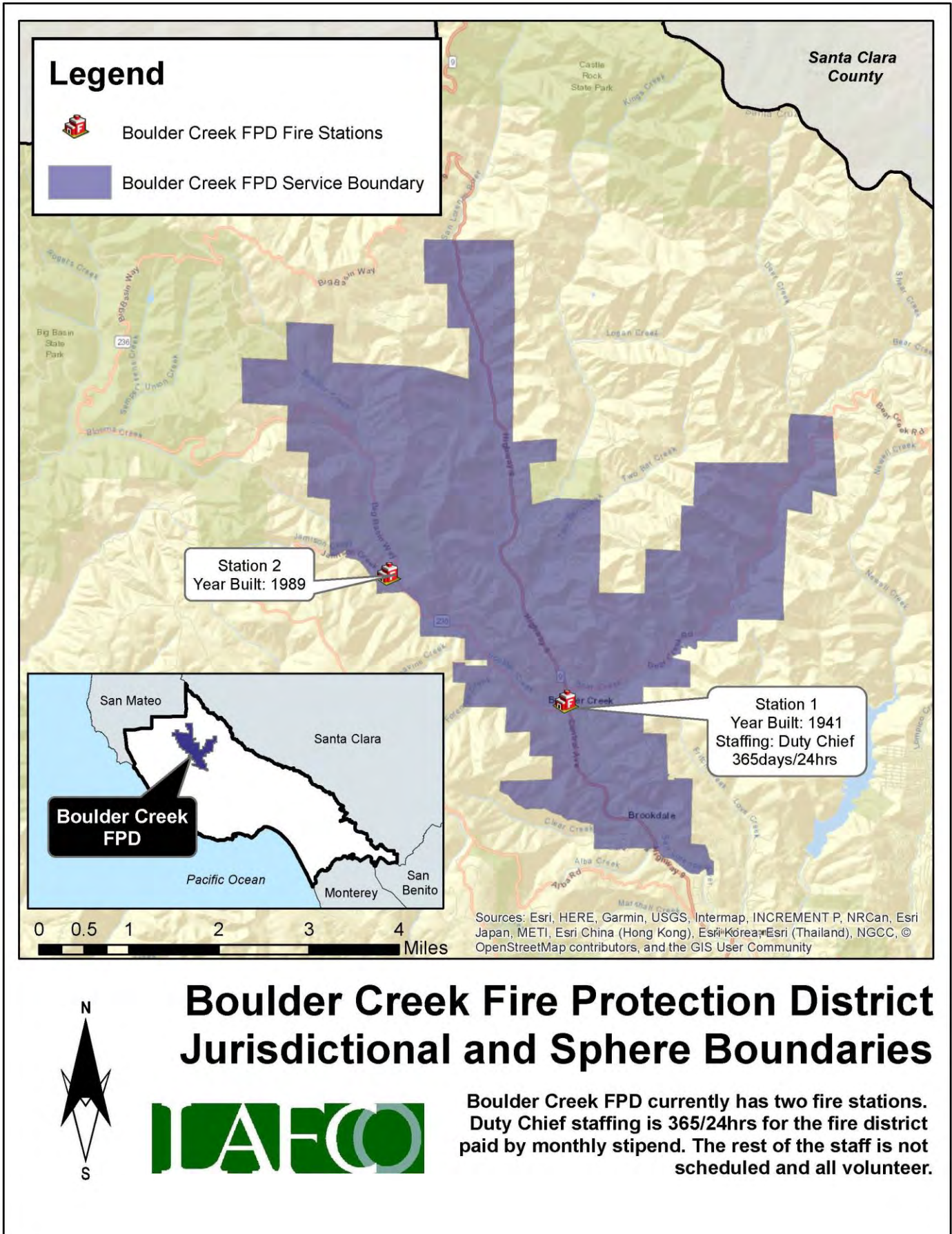
Apparatus & Inventory

In order to provide the necessary fire protection to its constituents, fire agencies are equipped with various apparatuses and vehicles. LAFCO staff has identified 20 different types of apparatuses carried by fire agencies. At present, BCFPD operates using 7 apparatuses. **Table 32** provides an overview of the District's inventory. The District has one of the lowest amounts when compared with the other fire agencies. CSA 4 has the lowest with 3 vehicles and CSA 48 has the highest with 29 vehicles.

Table 32: BCFPD's Inventory

Aircraft Rescue	Ambulance	Admin/Battalion SUV	Chief Officer SUV	Command Vehicle
-	1	-	-	-
Fire Engine (Type 1)	Fire Engine (Type 2)	Fire Engine (Type 3)	Fire Engine (Type 6)	Haz Mat
3	-	1	1	-
Truck (4x4)	Truck (Ladder)	Truck (Pick-Up)	Truck (Medic)	Truck (Rescue)
-	-	-	-	-
Utility Vehicle	Urban Search & Rescue	Water Craft	Water Tender	Other Vehicle
-	-	-	1	-

Figure 23: BCFPD's Fire Stations



Insurance Services Office (ISO) Rating

An ISO rating is based on a fire station's five road mile proximity to a credible water source for fighting fires. The District has an ISO Public Protection Classification of 4. The District provides fire protection, technical rescue, and basic life support (EMT) services. **Figure 24** on page 74 shows the distance the fire station crew can reach within 5 and 10 minutes. Based on staff's analysis, the District can cover areas beyond their jurisdiction within 10 minutes.

Call Data

Based on staff's analysis, fire service providers attend to several types of emergency calls, beyond fire-related situations such as medical calls, mutual aid, and vehicle accidents. LAFCO staff has identified 14 different types of calls responded by fire agencies. **Table 33** indicates that BCFPD responded to approximately 7,200 calls over the last six years. The annual call average is estimated to be 1,200 calls/year. The District's average response time was approximately 6 minutes.

Table 33: BCFPD's Call Data (2015 to 2020)

Auto Aid	EMS (Medical Call)	False Alarm	Fire	Good Intent Call
723	2,278	141	1,796	425
Haz Mat	Mutual Aid	Overpressure/ Explosion/Overheat	Rescue Call	Service Call
518	9	-	18	639
Severe Weather & Natural Disaster	Special Incident	Vehicle Accident	Other	Total
15	99	421	117	7,199

Population & Growth

Based on staff's analysis, the population of BCFPD in 2020 was approximately 5,200. The Association of Bay Area Governments (ABAG) and the Association of Monterey Bay Area Governments (AMBAG) provide population projections for cities and counties in the Coastal Region. Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. **Table 34** shows the anticipated population within BCFPD.

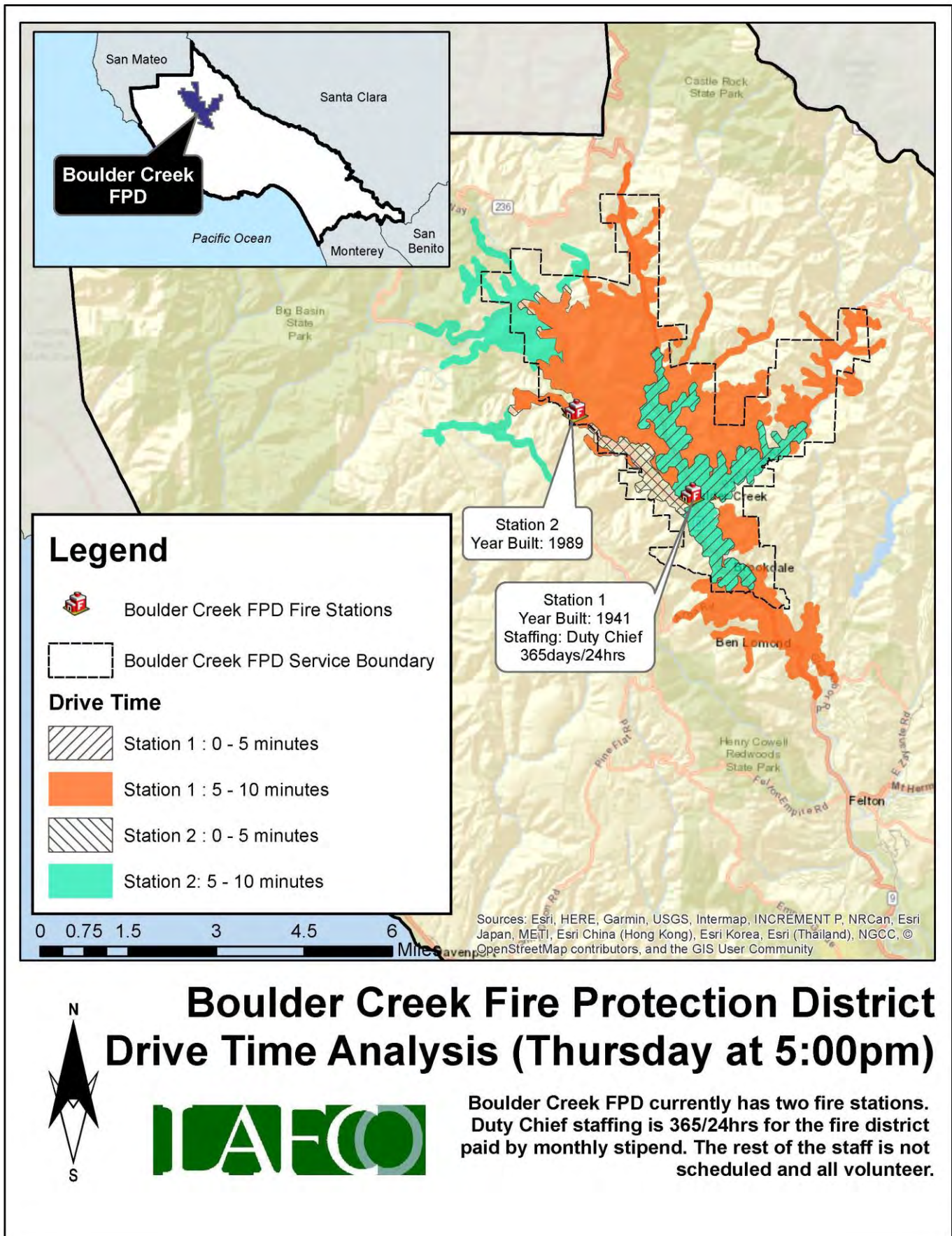
Population Projection

Based on the projections for Santa Cruz County, LAFCO was able to develop a population forecast for BCFPD. LAFCO staff increased the District's 2020 population amount by 0.86% each year. Under this assumption, our projections indicate that the entire population of BCFPD will be approximately 5,400 by 2040.

Table 34: Projected Population

	2020	2025	2030	2035	2040	Average Rate of Change
Santa Cruz County (unincorporated area)	136,891	137,896	139,105	140,356	141,645	0.86%
Boulder Creek Fire Protection District	5,226	5,271	5,316	5,362	5,408	0.86%

Figure 24: BCFPD's Fire Station (5 and 10 Mile Drive Time)

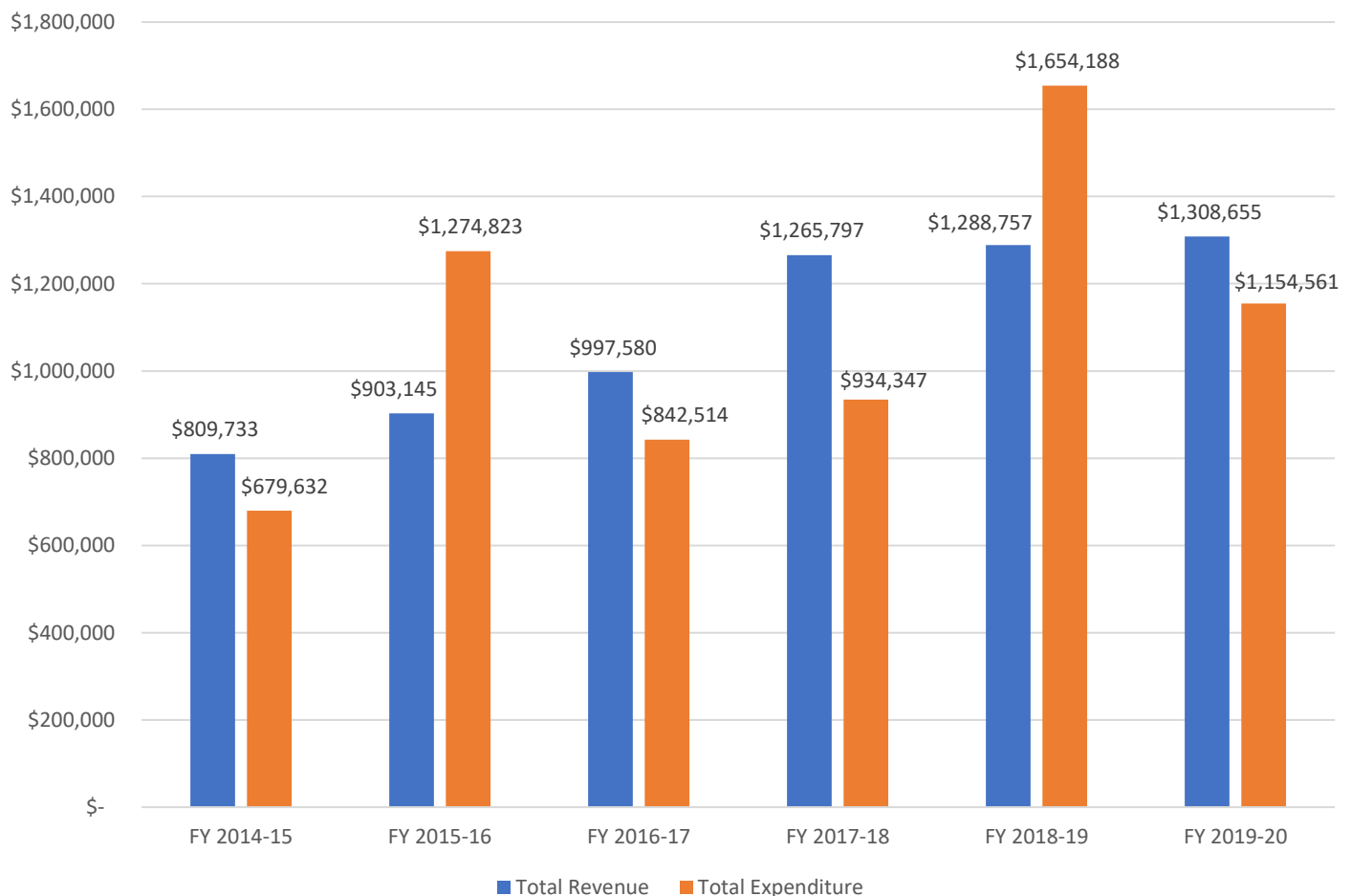


Finances

State law requires special districts to conduct an annual audit. The law also requires special districts to file a report of the completed audit to the State Controller's Office and LAFCO (Government Code Section 56036). For purposes of this report, the District provided financial documents covering the last six years. In addition, not all recent audits were available on the District's website as statutorily required (Government Code Sections 6270.6 and 53087.8). For purposes of this section, LAFCO staff requested the necessary financial documents. This section will highlight the District's financial performance during the most recent fiscal years based on information retrieved. Specifically, LAFCO evaluated BCFPD's financial health from FY 2014-15 to FY 2019-20.

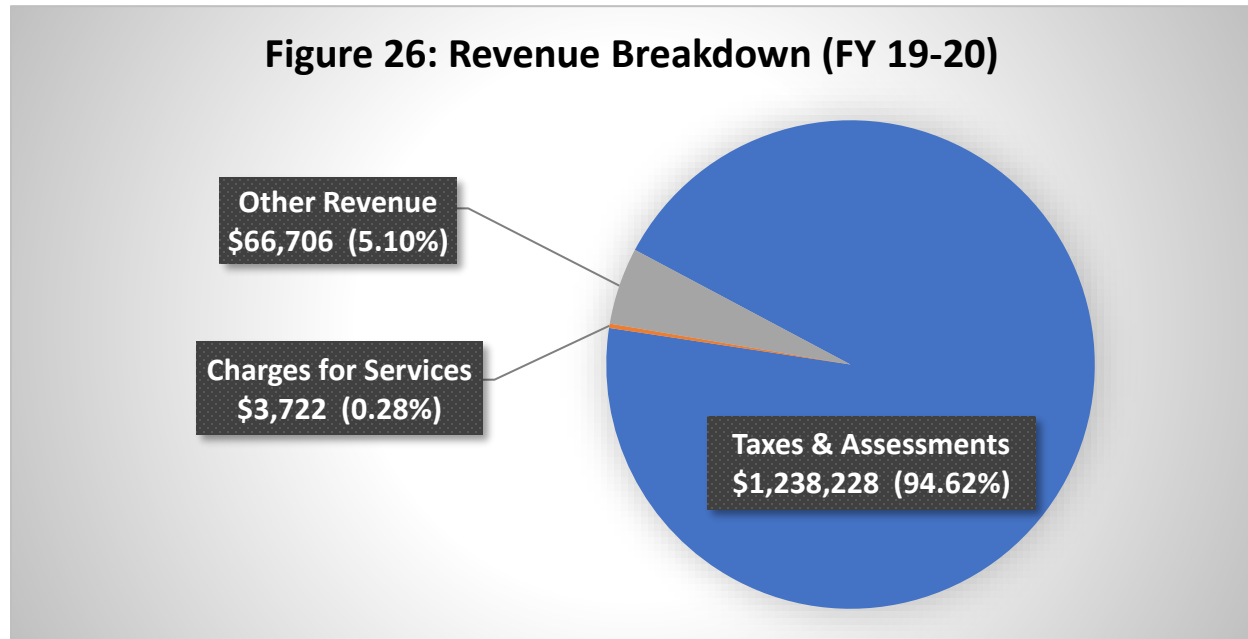
At the end of FY 2019-20, total revenue collected was approximately \$1.3 million, representing a 2% increase from the previous year (\$1.28 in FY 2018-19). Total expense for FY 2019-20 was approximately \$1.2 million, which decreased from the previous year by 30% (\$1.7 million in FY 2018-19). The District ended with an annual deficit in only two of the last six years, as shown in **Figure 25**. The deficits in FY 2015-16 and FY 2018-19 were primarily due to anticipated capital improvement projects. LAFCO believes that the overall positive trend may continue going forward under the current management practices.

Figure 25: Statement of Revenues & Expenditures



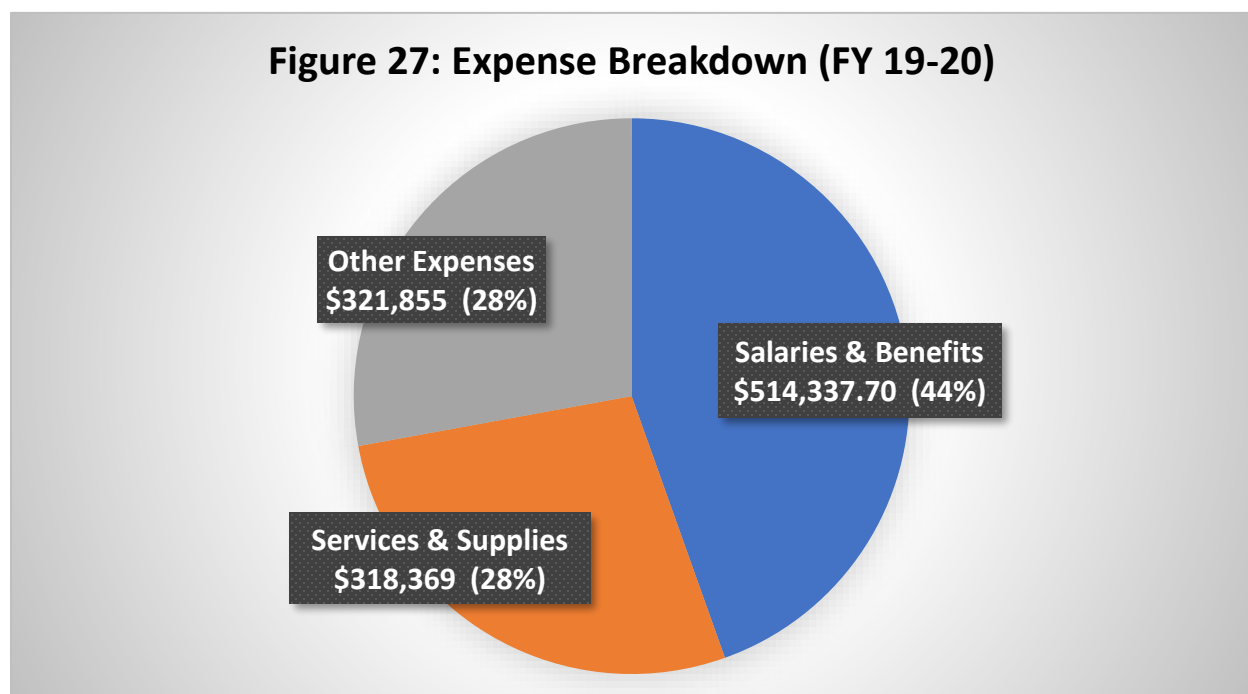
District Revenues

BCFPD's revenue stream can be categorized into three groups: Taxes & Assessments, Charges for Services, and Other Revenue. BCFPD's primary source of revenue is from Taxes & Assessments, specifically Property Taxes. **Figure 26** highlights the revenue received during FY 2019-20.



District Expenditures

BCFPD's total expenditures can be categorized into three groups: Salaries & Benefits, Services & Supplies, and Other Expenses. **Figure 27** below distinguishes the cost and percentage per category. Salaries & Benefits are the highest expenditure during FY 2019-20; however it only represents less than half of the agency's overall expenses. BCFPD's expenditures are well-balanced as shown below.



Fund Balance/Net Position

As of June 30, 2020, the total fund balance is approximately \$1.5 million. The fund balance has fluctuated over the years since 2014, as shown in **Table 35**. The current balance represents 130% of the District's total expenditure from FY 2019-20. This amount would be more than sufficient to cover any unanticipated costs. The overall financial performance of BCFPD during the last six years can be found in **Table 36** below.

Table 35: Fund Balance/Net Position

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Net Position (Ending Balance)	\$1,605,576	\$1,233,897	\$1,388,963	\$1,720,412	\$1,354,981	\$1,509,075
Change in (\$) from previous year		\$(371,679)	\$155,066	\$331,449	\$(365,431)	\$154,094
Change in (%) from previous year		-23%	13%	24%	-21%	11%

Table 36: Total Revenues & Expenditures

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
REVENUE						
Property Taxes	\$ 748,316	\$ 830,999	\$ 895,055	\$ 941,050	\$ 1,192,055	\$ 1,238,228
Assessment (Measure N)	\$ -	\$ -	\$ -	\$ 176,592	\$ -	\$ -
Use of Money & Property (Interest)	\$ 6,730	\$ 9,188	\$ 10,536	\$ 17,173	\$ 31,855	\$ 21,733
Aid from Other Govt Agencies	\$ 7,496	\$ 5,755	\$ 5,789	\$ 5,664	\$ 5,679	\$ 5,687
Charges for Services (Inspection Fees)	\$ 5,646	\$ 13,743	\$ 27,204	\$ 15,808	\$ 15,058	\$ 3,722
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Revenue	\$ 41,719	\$ 43,460	\$ 58,976	\$ 109,510	\$ 44,110	\$ 39,286
Unclaimed Money (Escheated)	\$ (174)	\$ -	\$ 20	\$ -	\$ -	\$ -
Total Revenue	\$ 809,733	\$ 903,145	\$ 997,580	\$1,265,797	\$1,288,757	\$1,308,655
EXPENDITURE						
Salaries & Benefits	\$ 406,943	\$ 456,564	\$ 444,666	\$ 464,261	\$ 416,409	\$ 514,338
Services & Supplies	\$ 267,689	\$ 264,903	\$ 340,423	\$ 355,913	\$ 367,542	\$ 318,369
Capital Outlay						
Buildings & Improvements	\$ -	\$ 523,356	\$ 30,760	\$ 49,332	\$ 99,511	\$ -
Equipment	\$ -	\$ -	\$ 26,665	\$ 18,877	\$ 770,725	\$ 321,855
Mobile Equipment	\$ 5,000	\$ 30,000	\$ -	\$ 45,964	\$ -	\$ -
Total Expenditure	\$ 679,632	\$1,274,823	\$ 842,514	\$ 934,347	\$1,654,188	\$1,154,561
Surplus/(Deficit)	\$ 130,101	\$ (371,678)	\$ 155,066	\$ 331,450	\$ (365,431)	\$ 154,094
FUND BALANCE						
Beginning Balance	\$ 1,475,475	\$ 1,605,575	\$ 1,233,897	\$ 1,388,962	\$ 1,720,412	\$ 1,354,981
Ending Balance	\$ 1,605,576	\$1,233,897	\$1,388,963	\$1,720,412	\$1,354,981	\$1,509,075

Governance

BCFPD is an independent special district governed by a five-member Board of Directors elected at-large by the voters within the District. When candidates run unopposed, or when there is a vacancy, seats are appointed by the County Board of Supervisors in lieu of conducting the election. **Table 37** shows the current board members.

Table 37: Board of Directors

Board Member	Title	Term of Office Expiration	Years in Office
Chris Currier	Board Member	First Appointed: 2015 Next Election: General 2024	6 years
Robert Locatelli	Board Member	First Elected: 2008 Next Election: General 2024	13 years
Robert Presswood	Vice President	First Elected: 2008 Next Election: General 2022	13 years
Sam Robustelli	Board Member	First Appointed: 2013 Next Election: General 2022	8 years
Rick Rogers	Chair	First Elected: 1996 Next Election: General 2024	25 years

Public Meetings

The Board of Directors typically meets on the second Tuesday of each month. The meeting dates are posted at the fire station and on the District's Website. Public meetings are typically held at noon. Based on LAFCO staff's analysis, BCFPD met 14 times in 2020. **Table 38** provides an overview of the publicly-held meetings from 2016 to 2020.

Table 38: Public Meetings

2016 (Calendar Year)	2017 (Calendar Year)	2018 (Calendar Year)	2019 (Calendar Year)	2020 (Calendar Year)
24	15	16	8	14

Opportunities & Challenges

Independent special districts are tasked to operate in an efficient and transparent manner on a regular basis. It is LAFCO staff's position that public agencies should always prepare and consider future opportunities and potential challenges in order to properly provide services to their constituents. The following section explores possible actions that should be considered by the District.

Website Requirements

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. SB 929 states that the Internet Web Site, maintained by the independent special district, shall conform with various laws in Government Code Sections 6270.5, 53893, 53908, 54954.2, and Section 32139 of the Health and Safety Code. In summary, the District's Internet Website is required to have the following:

- Access to past and current, agendas, staff reports, and minutes
- Adopted budgets;
- Contact information and list of current board members;
- Information regarding public meetings (Brown Act);
- Service Reviews adopted by LAFCO;
- Recipients of grant funding or assistance provided by the district, if any;
- Audits (pursuant to GCS 26909) and adopted annual policies; and
- Any other information the board deems relevant

The District currently has an operating website and fulfills most of the requirements listed above. However, there are still opportunities to include more information that would benefit the residents in understanding the governance of BCFPD as a special district, specifically the availability of the most recent financial documentations such as budgets and audits. BCFPD should also consider including LAFCO's adopted service and sphere reviews on their website as another valuable resource.

LAFCO Staff Recommendation: *The District should continue updating its website to fulfill the legal requirements under SB 929.*

Staffing Structure

BCFPD relies heavily on volunteer firefighters to protect the Boulder Creek community. The District currently has 45 employees, 96% are volunteers (43 out of 45). At present, BCFPD has one person staffed at the fire station 24 hours a day. This similar approach is conducted by other small fire districts surrounding BCFPD. However, many organizations such as the National Fire Protection Association and the California Office of Emergency Services recommend a minimum of a four-person staffing on duty.

It may be beneficial to consider increasing the regular staffing to at least a 3-member crew, which is the minimum standard for other fire agencies in Santa Cruz County. Nationally, the average is fewer than four firefighters for fire engines and three for fire trucks. The National Fire Protection Association calls for four on fire engines and four on fire trucks. Increasing BCFPD's minimum staffing will ensure adequate fire protection to the Boulder Creek community.

LAFCO Staff Recommendation: *The District should consider meeting the minimum staffing requirements outlined by the National Fire Protection Association as soon as possible.*

Governance Structure Options

State law does not require LAFCO to initiate changes of organization based on this report's conclusions or findings; however, LAFCO, local agencies, and the public may subsequently use the determinations and related analysis to consider whether to pursue changes in service delivery, government organization, or spheres of influence. Therefore, LAFCO is encouraging the affected agency to consider the following governance option.

Potential Annexations

Since 1994, BCFPD's sphere of influence has included areas currently served by County Service Area 48, as shown in **Figure 28** on page 81. This sphere designation indicates that the District is the most logical provider of fire protection to these areas and should be annexed into BCFPD. The sphere boundary has remained unchanged for almost 30 years. It may be beneficial for representatives from BCFPD, CSA 48, and LAFCO to coordinate and determine whether annexation should occur in the foreseeable future. If no annexation is anticipated, then the District and LAFCO should consider reducing the sphere boundary to reflect the District's future service area.

LAFCO Staff Recommendation: *The District should consider coordinating with CSA 48 and LAFCO to determine BCFPD's future service area. These discussions should occur by August 2022. LAFCO will consider amending the sphere boundaries based on these discussions no later than December 2022.*

District Best Practices

All fire districts are public agencies that must follow statutory requirements – regardless of its size or level of service. Based on LAFCO's analysis, BCFPD is a single-function special district. Nearly 85% of California's special districts perform a single function. In order to comply with statutory requirements, as well as adapt to current and future demands, LAFCO staff strongly recommends that the District conduct periodic updates to ensure its compliance with certain laws including but not limited to audits, public records requests, ethics training, policies and procedures, and meeting protocols. It may be beneficial for the District to also consider joining the California Special Districts Association (CSDA) to help keep track of all current and new laws. LAFCO co-hosted an online webinar with CSDA in August 2021 to discuss all the statutory requirements that must be fulfilled by all special districts. 14 out of the 22 independent special districts in Santa Cruz County attended the webinar. However, BCFPD did not attend.

LAFCO Staff Recommendation: *The District should strongly consider developing a strategic plan to ensure all statutory requirements are being fulfilled on a regular basis.*

Sphere of Influence

Santa Cruz LAFCO adopted BCFPD's original sphere of influence on March 10, 1994, which included areas beyond the District's jurisdictional boundary. In January 2008 and subsequently in November 2016, the Commission reaffirmed this sphere boundary. Staff is recommending that the current sphere of influence be reaffirmed as part of this report. However, LAFCO encourages the District to coordinate with CSA 48 and LAFCO to determine BCFPD's future service area. Based on these discussions, LAFCO may consider amending the sphere boundary by December 2022. **Figure 29** on page 82 depicts the proposed sphere boundary.

Figure 28: BCFPD's Potential Annexation Areas

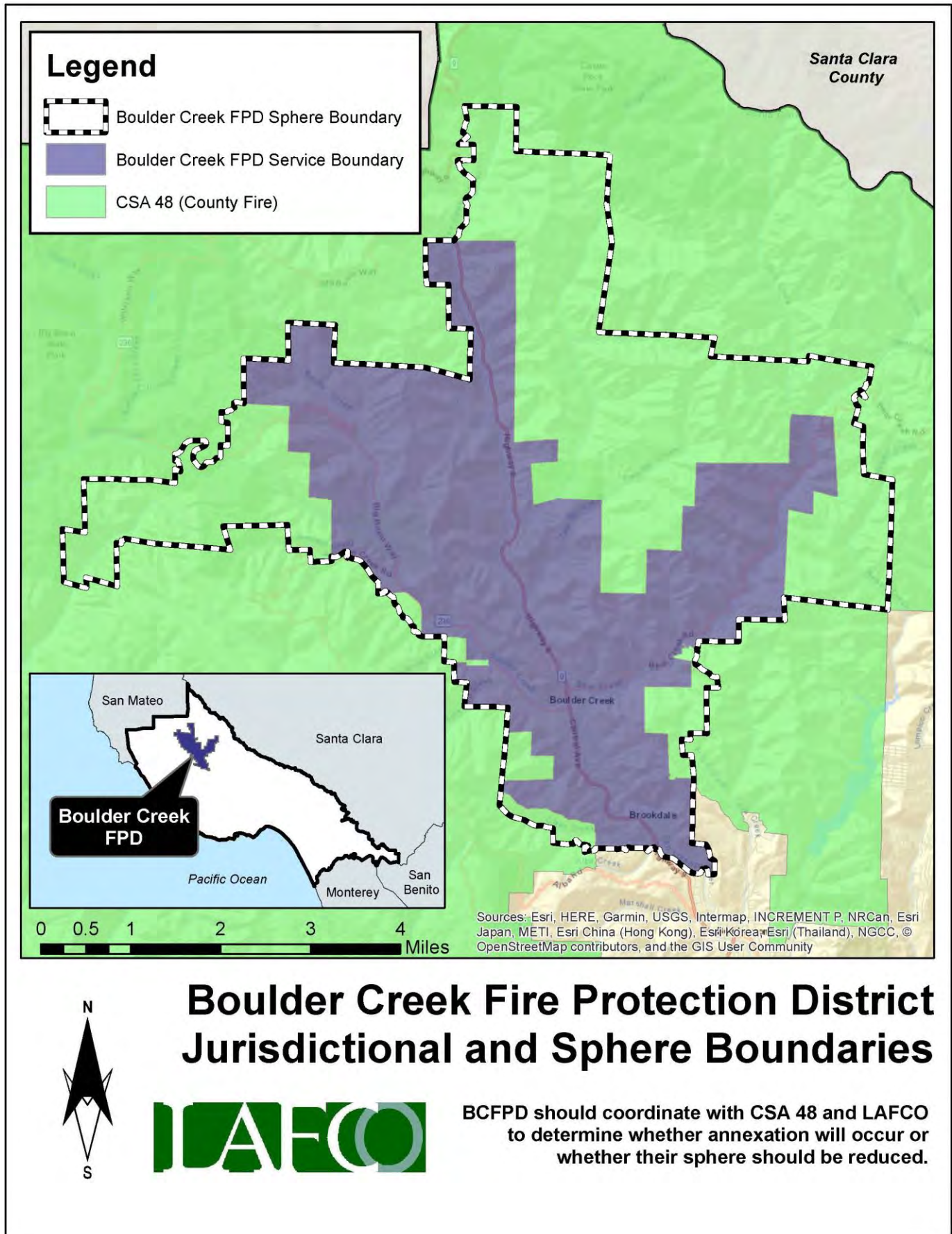
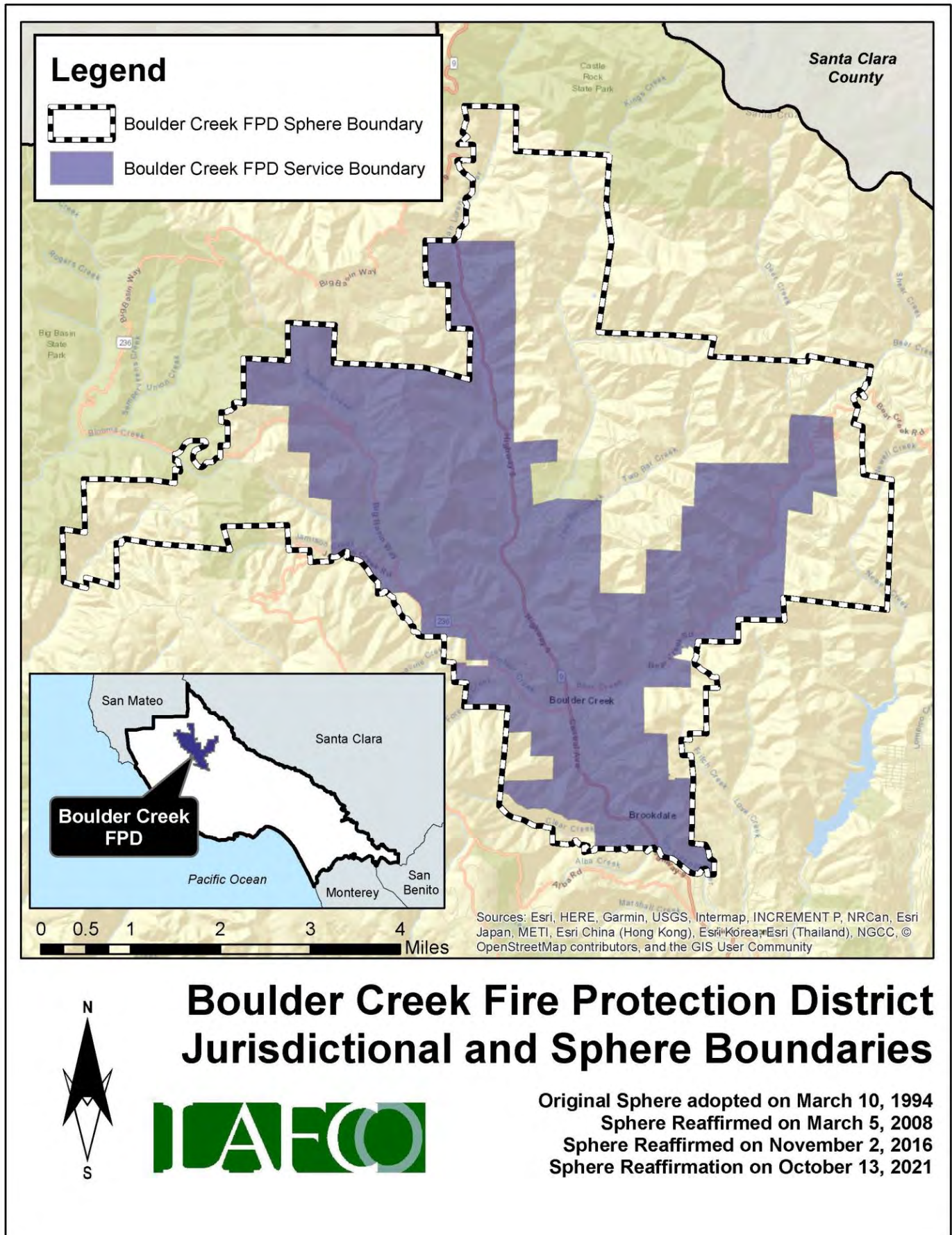


Figure 29: BCFPD's Proposed Sphere Map



District Summary

Boulder Creek Fire Protection District	
Formation	Fire Protection District Law of 1987 (Health & Safety Code Section 13800 et seq.)
Board of Directors	5 members, elected at-large to four-year terms
Contact Person	Mark Bingham, Fire Chief
Employees	1 Full-Time Employee (1 part-time and 43 volunteers)
Facilities	2 Fire Stations (Station 1: 13230 Central Avenue; Station 2: 16115 Jamison Creek)
ISO Rating	4/4x
District Area	11,273 acres (18 square miles)
Sphere of Influence	Current sphere of influence is Larger than the District's Jurisdictional Boundary <i>Proposed Designation: Reaffirm Current Sphere Boundary</i>
FY 2019-20 Audit	Total Revenue = \$1,308,655 Total Expenditure = \$1,154,561 Projected Net Position (Ending Balance) = \$1,509,075
Contact Information	Mailing Address: 13230 Central Ave. Boulder Creek, CA 95006 Phone Number: (831) 338-7222 Email Address: mbingham@bcfd.com Website: https://bcfd.com/
Public Meetings	Meetings are typically held on the second Tuesday of each month.
Mission Statement	None

Service and Sphere Review Determinations

The following service and sphere review determinations fulfill the requirements outlined in the Cortese-Knox-Hertzberg Act.

Service Provision Determinations

Government Code Section 56430 requires LAFCO to conduct a municipal service review before, or in conjunction with, an action to establish or update a sphere boundary. Written statements of determination must be prepared with respect to each of the following:

1. Growth and population projections for the affected area.

Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. Under this assumption, LAFCO's projections indicate that the entire population of BCFPD will be approximately 5,400 by 2040.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

The District was formed in 1923. The District continues to provide fire protection services to the unincorporated Boulder Creek community and the surrounding areas.

4. Financial ability of agencies to provide services.

The District has ended with an annual surplus in four of the last six fiscal years. The District's fund balance is approximately \$1.5 million as of June 30, 2020.

5. Status of, and opportunities for, shared facilities.

The District maintains mutual and automatic aid agreements with neighboring fire districts. LAFCO is encouraging the District to consider increasing its minimum staffing from one-person to three-person shifts.

6. Accountability for community service needs, including governmental structure and operational efficiencies.

LAFCO staff is recommending that the District coordinate with CSA 48 and LAFCO to determine whether future annexations will occur within BCFPD's sphere of influence or whether the existing sphere boundary should be reduced.

7. Any other matter related to effective or efficient service delivery, as required by commission policy.

No additional local LAFCO policies are specifically relevant to this service and sphere review.

Sphere of Influence Determinations

Government Code Section 56425 requires LAFCO to periodically review and update spheres of influence in concert with conducting municipal service reviews. Spheres are used as regional planning tools to discourage urban sprawl and encourage orderly growth. Written statements of determination must be prepared with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.

The District is located in unincorporated county territory. The County's General Plan designates the vast majority of the District as Mountain Residential.

2. The present and probable need for public facilities and services in the area.

The District has an ISO Public Protection Classification of 4 within five road miles of a fire station where there is a credible water source for fighting fires. The District provides fire protection, technical rescue, and basic life support (EMT) services.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The District currently operates two fire stations. Station 1 was built in 1941 and is located at 13230 Central Avenue in Boulder Creek, CA. Station 2 was built in 1989 and is located at 16115 Jamison Creek Road in Boulder Creek, CA. Station 1 is staffed with a daily minimum of one person 24 hours a day, all year.

4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

LAFCO staff is aware of various organizations that are relevant to this agency, including but not limited to the following: County of Santa Cruz (Office of Emergency Services), Fire Department Advisory Commission of Santa Cruz County, UC Santa Cruz (Office of Emergency Services), and the Fire Safe Councils of Bonny Doon, Santa Cruz County, and South Skyline.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

BRANCIFORTE FIRE PROTECTION DISTRICT

District Overview

Branciforte Fire Protection District (BFPD) was formed on January 7, 1950 and operates under the Fire Protection District Law of 1987. BFPD encompasses nearly 9 square miles of territory located in the central portion of the county. **Figure 30**, on page 87, is a vicinity map depicting BFPD's current jurisdictional and sphere boundaries. **Figure 31**, on page 88, also shows the current land use designation under the County's General Plan. At present, the lands within the District vary from agriculture to urban residential. The vast majority of the District is designated as Mountain Residential and Rural Residential.

Services & Operations

BFPD currently provides fire protection services to the unincorporated community of Branciforte. It currently operates with three full-time employees and 13 volunteer firefighters. However, it is important to note that the District does not have any administrative staff, including no Fire Chief. Since September 2015, Scotts Valley FPD has been providing administrative and command services under an existing contract. Under this agreement, the Scotts Valley FPD Fire Chief also functions as the Fire Chief for BFPD. The contract, shown in **Appendix B**, is scheduled to sunset on September 30, 2021. In late-August, the BFPD Board hired a part-time Fire Chief to continue operations after the sunset date. No other administrative staff has been hired at this time. The following sections provide a detailed overview of BFPD's services and operations under the contractual agreement between Scotts Valley and Branciforte FPDs.

Types of Services

Fire protection covers a variety of services from basic life support to vegetation management. LAFCO staff has identified 18 different types of services provided by fire agencies. At present, BFPD offers 50% of those services (9 out of 18). **Table 39** illustrates those services. BFPD currently offers the least amount of services when compared to the other 13 fire agencies in Santa Cruz County. The second lowest is Aromas Tri-County FPD with 11 services and the highest is Ben Lomond FPD with 17 different services.

Table 39: BFPD's Type of Services

Advance Life Support	Ambulance Transportation	Ambulance Transportation (Non-Emergency)	Basic Life Support	Basic Rescue	Community Education
-	-	-	Yes	Yes	Yes
Construction Plan Check	Fire Code Enforcement	Fire Code Permitting	Fire Investigation	Fire Suppression	Haz Mat Administration
Yes	Yes	-	Yes	Yes	-
Haz Mat Response	Public Awareness	Technical Rescue	Vegetation Management	Water Rescue	Other Service
Yes	Yes	-	-	-	-

Figure 30: BFPD's Vicinity Map

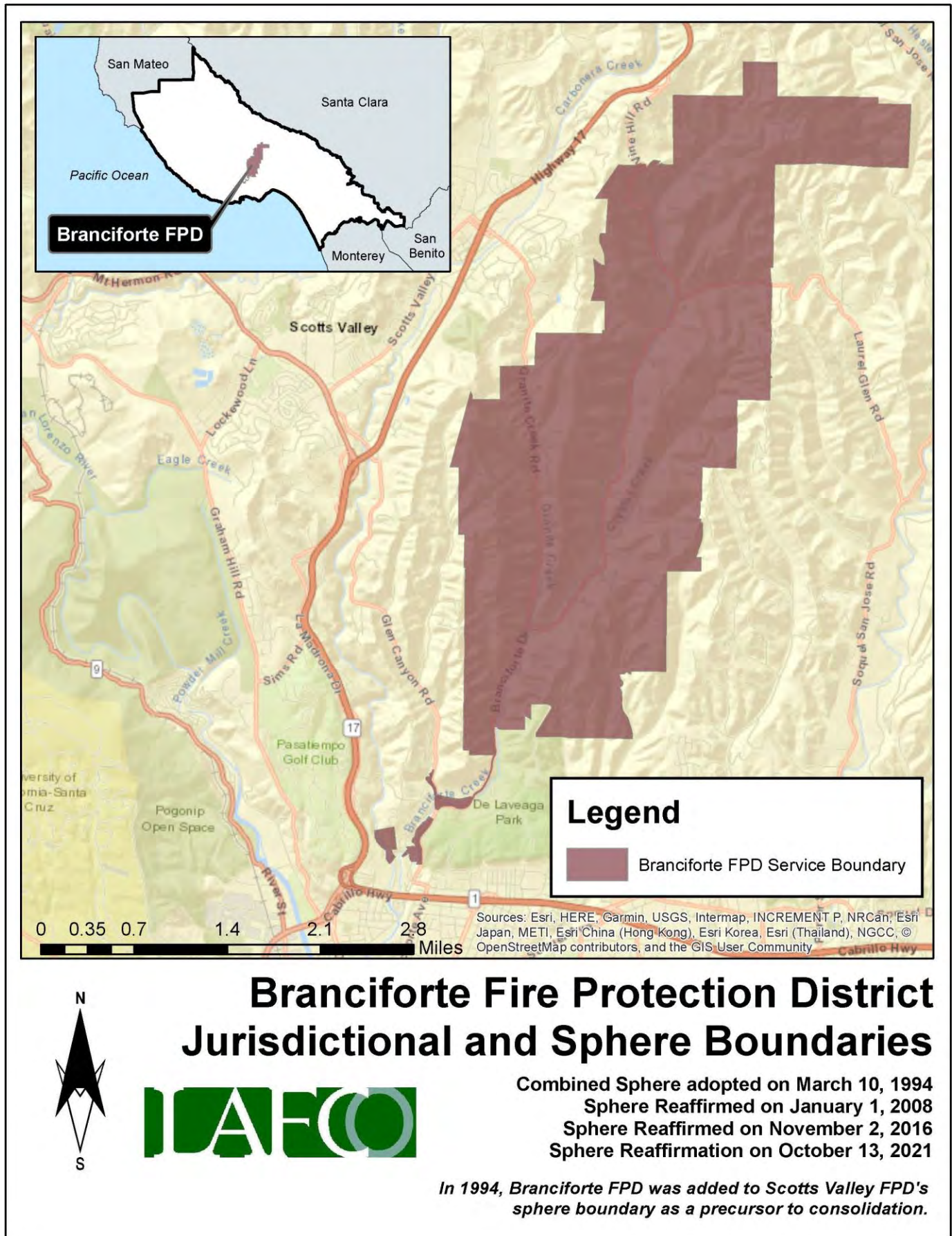
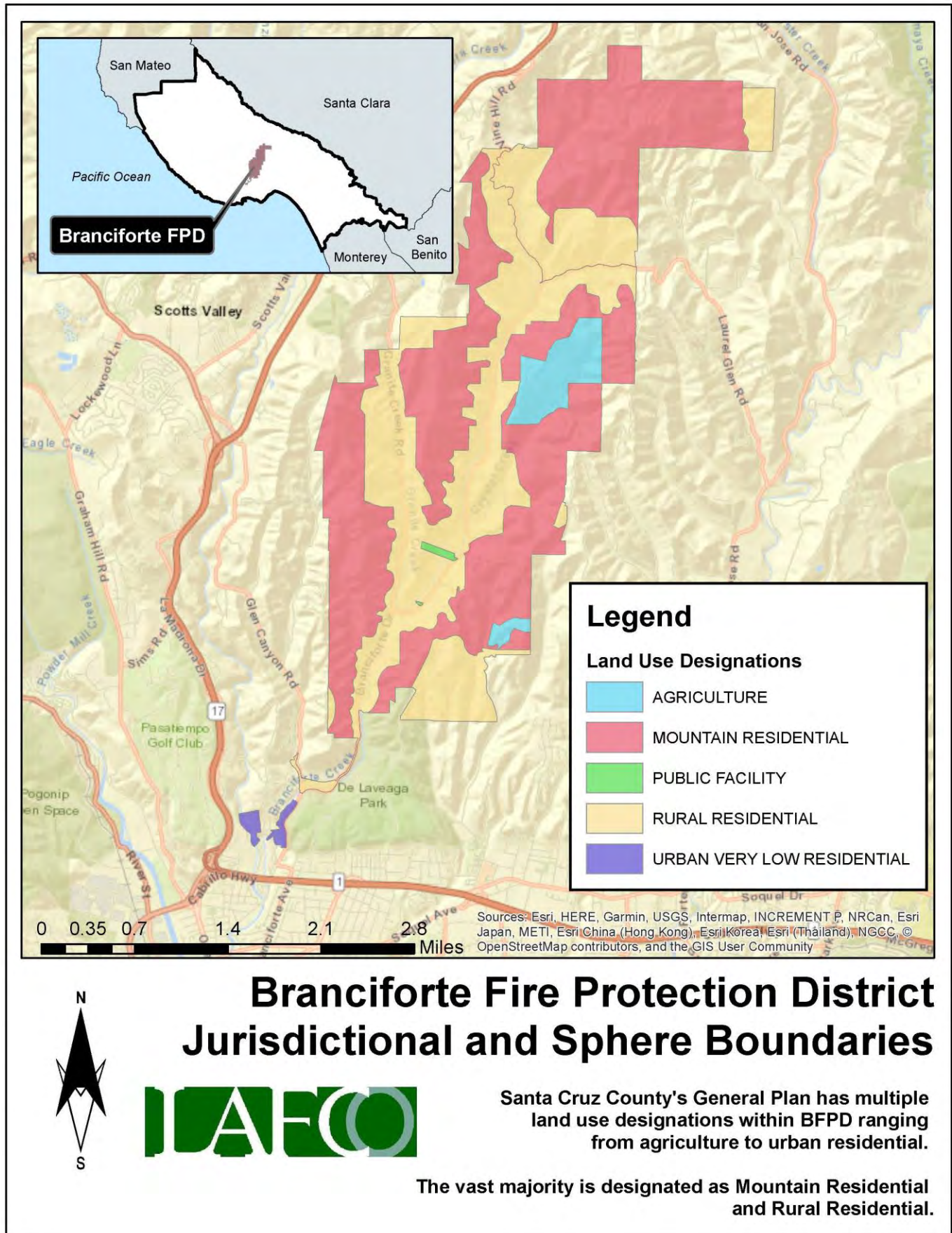


Figure 31: BFPD's Land Use Map



Types of Training

Similar to services, fire protection covers a variety of training requirements from auto extrication to swift water rescue. LAFCO staff has identified 17 different types of training offered by fire agencies. At present, BFPD offers 53% of those training courses (9 out of 17). **Table 40** illustrates those training opportunities.

Table 40: BFPD's Type of Training

Administration	Advance Life Support	Auto Extrication	Basic Life Support	Confined Space Awareness	Fire Prevention & Inspection
-	-	Yes	Yes	Yes	Yes
Hazardous Materials	Ocean Rescue	Physical Fitness	Rapid Intervention	Rescue Systems	Surf Rescue
Yes	-	Yes	Yes	Yes	-
Swift Water Rescue	Technical Rescue	Transport	Truck Company Operations	Other Training	Total
-	Yes	-	-	-	9

Fire Stations

The District currently operates two fire stations. Station 1 was built in 1950 and is located at 2711 Branciforte Drive in Santa Cruz. Station 2 was built in 2010 and is located at 2300 Jarvis Road in Santa Cruz. Station 1 is staffed with one captain 24 hours a day. Station 2 is currently not being utilized or staffed. At present, BFPD has three full-time employees and 13 volunteer firefighters. **Figure 32** on page 90 shows the location of the fire stations.

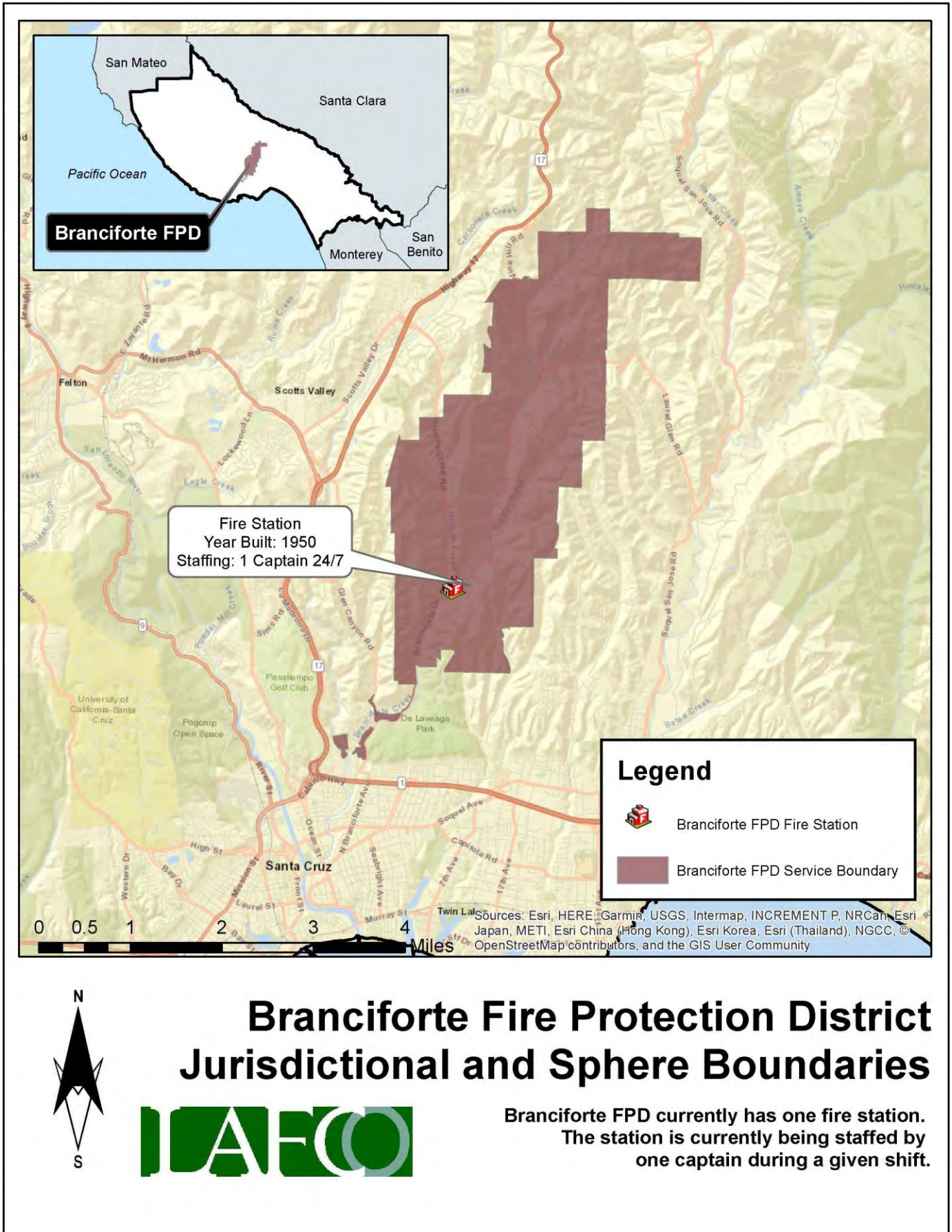
Apparatus & Inventory

In order to provide the necessary fire protection to its constituents, fire agencies are equipped with various apparatuses and vehicles. LAFCO staff has identified 20 different types of apparatuses carried by fire agencies. At present, BFPD operates using 7 apparatuses. **Table 41** provides an overview of the District's inventory. The District has one of the lowest amounts when compared with the other fire agencies. CSA 4 has the lowest with 3 vehicles and CSA 48 has the highest with 29 vehicles.

Table 41: BFPD's Inventory

Aircraft Rescue	Ambulance	Admin/Battalion SUV	Chief Officer SUV	Command Vehicle
-	-	-	-	-
Fire Engine (Type 1)	Fire Engine (Type 2)	Fire Engine (Type 3)	Fire Engine (Type 6)	Haz Mat
1	-	2	1	-
Truck (4x4)	Truck (Ladder)	Truck (Pick-Up)	Truck (Medic)	Truck (Rescue)
-	-	-	-	-
Utility Vehicle	Urban Search & Rescue	Water Craft	Water Tender	Other Vehicle
2	-	-	1	-

Figure 32: BFPD's Fire Station



Insurance Services Office (ISO) Rating

An ISO rating is based on a fire station's five road mile proximity to a credible water source for fighting fires. The District has an ISO Public Protection Classification of 5. This is the lowest rating in the entire County compared to the other fire agencies. **Figure 33** on page 92 shows the distance the one-person fire crew can reach within 5 and 10 minutes. Based on staff's analysis, it may require the District more than 10 minutes to arrive to certain areas, particularly in the northern and eastern areas.

Call Data

Based on staff's analysis, fire service providers attend to several types of emergency calls, beyond fire-related situations such as medical calls, mutual aid, and vehicle accidents. LAFCO staff has identified 14 different types of calls responded by fire agencies. **Table 42** indicates that BFPD responded to approximately 1,200 calls over the last six years. The annual call average is estimated to be 202 calls/year. The District's average response time was approximately 8 minutes. In 2020, Branciforte FPD had 159 calls. Almost 40% of those calls were first responded by an outside agency. Specifically by Central FPD (1), SCCFD (2), CSA 48 (9), and Scotts Valley FPD (28).

Table 42: BFPD's Call Data (2015 to 2020)

Auto Aid	EMS (Medical Call)	False Alarm	Fire	Good Intent Call
165	300	49	113	17
Haz Mat	Mutual Aid	Overpressure/ Explosion/Overheat	Rescue Call	Service Call
145	-	-	17	316
Severe Weather & Natural Disaster	Special Incident	Vehicle Accident	Other	Total
3	5	82	-	1,212

Population & Growth

Based on staff's analysis, the population of BFPD in 2020 was approximately 1,700. The Association of Bay Area Governments (ABAG) and the Association of Monterey Bay Area Governments (AMBAG) provide population projections for cities and counties in the Coastal Region. Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. **Table 43** shows the anticipated population within BFPD.

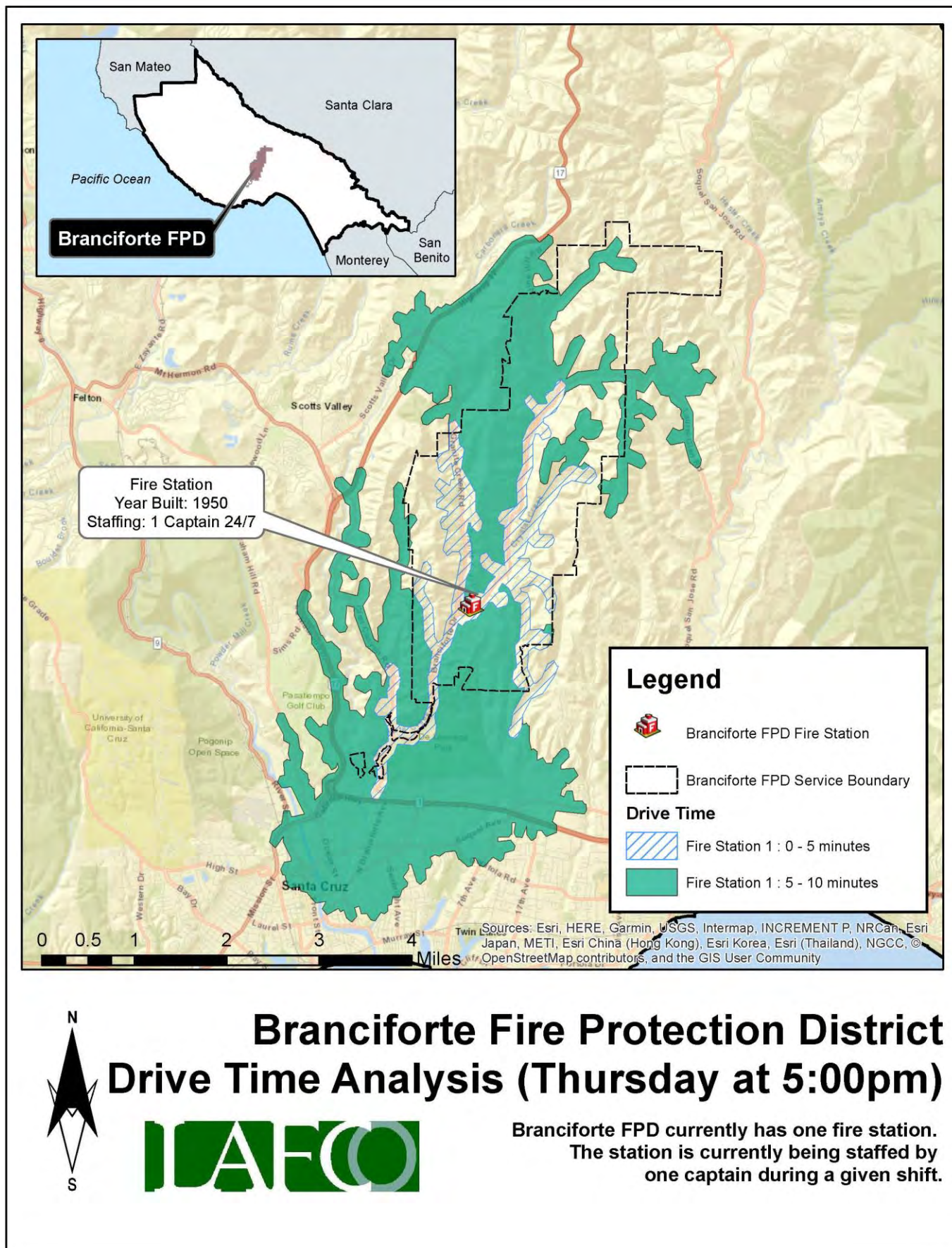
Population Projection

Based on the projections for Santa Cruz County, LAFCO was able to develop a population forecast for BFPD. LAFCO staff increased the District's 2020 population amount by 0.86% each year. Under this assumption, our projections indicate that the entire population of BFPD will be approximately 1,800 by 2040.

Table 43: Projected Population

	2020	2025	2030	2035	2040	Average Rate of Change
Santa Cruz County (unincorporated area)	136,891	137,896	139,105	140,356	141,645	0.86%
Branciforte Fire Protection District	1,715	1,729	1,744	1,759	1,774	0.86%

Figure 33: BFPD's Fire Station (5 and 10 Mile Drive Time)

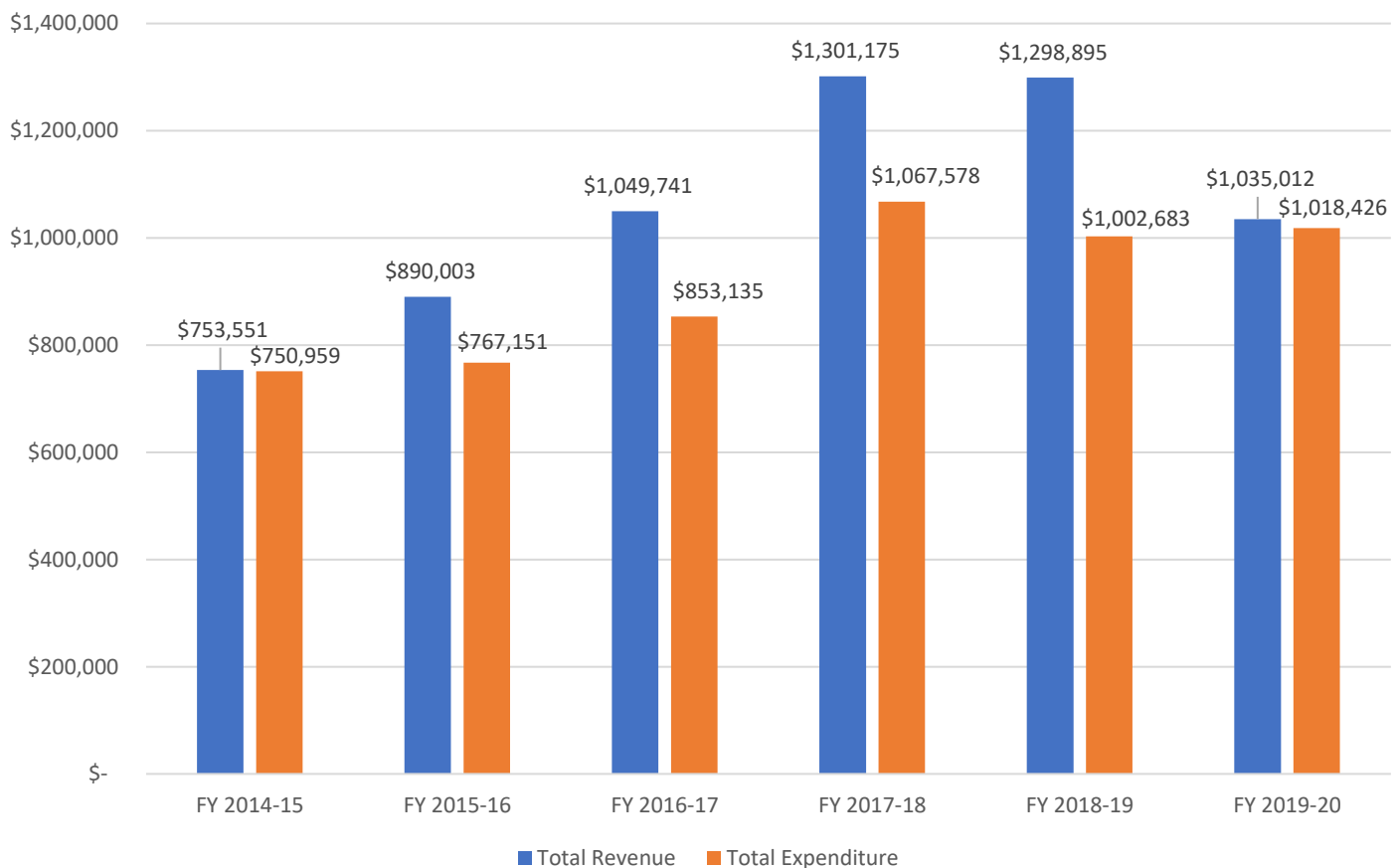


Finances

State law requires special districts to conduct an annual audit. The law also requires special districts to file a report of the completed audit to the State Controller's Office and LAFCO (Government Code Section 56036). For purposes of this report, the District provided financial documents covering the last six years. In addition, not all recent audits were available on the District's website as statutorily required (Government Code Sections 6270.6 and 53087.8). For purposes of this section, LAFCO staff requested the necessary financial documents. This section will highlight the District's financial performance during the most recent fiscal years based on information retrieved. Specifically, LAFCO evaluated BFPD's financial health from FY 2014-15 to FY 2019-20.

At the end of FY 2019-20, total revenue collected was approximately \$1 million, representing a 20% decrease from the previous year (\$1.3 million in FY 2018-19). Total expense for FY 2019-20 was approximately \$1.02 million, which increased from the previous year by 2% (\$1 million in FY 2018-19). The District has ended with an annual surplus in the last six years, as shown in **Figure 34**. LAFCO believes that this positive trend was the direct result of existing contract between BFPD and Scotts Valley FPD. Under this agreement, Scotts Valley FPD has been managing all internal operations, including the budgetary practices on behalf of BFPD. LAFCO believes that this positive trend will discontinue following the agreement's anticipated September 2021 sunset date.

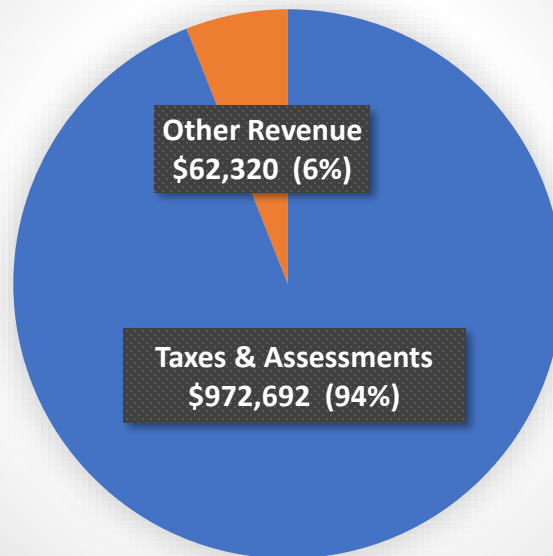
Figure 34: Statement of Revenues & Expenditures



District Revenues

BFPD's revenue stream can be categorized into two groups: Taxes & Assessments, and Other Revenue. BFPD's primary source of revenue is from Taxes & Assessments, specifically Property Taxes. **Figure 35** highlights the revenue received during FY 2019-20.

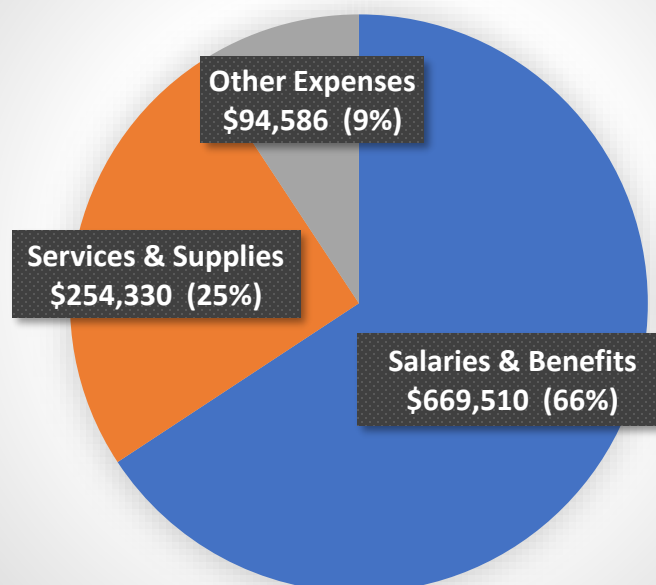
Figure 35: Revenue Breakdown (FY 19-20)



District Expenditures

BFPD's total expenditures can be categorized into three groups: Salaries & Benefits, Services & Supplies, and Other Expenses. **Figure 36** below distinguishes the cost and percentage per category. As shown below, Salaries & Benefits are the highest expenditure during FY 2019-20, which represents almost 70% of the agency's total expense.

Figure 36: Expense Breakdown (FY 19-20)



Fund Balance/Net Position

As of June 30, 2020, the total fund balance is approximately \$948,000. The fund balance has increased dramatically since Scotts Valley FPD assumed responsibilities at the internal level, as shown in **Table 44**. The current balance represents 93% of the District's total expenditure from FY 2019-20. This amount would be sufficient to cover any unanticipated costs. The overall financial performance of BFPD during the last six years can be found in **Table 45** below.

Table 44: Fund Balance/Net Position

	FY 14-15*	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Net Position (Ending Balance)	\$62,278	\$185,131	\$401,589	\$635,186	\$931,398	\$947,984
Change in (\$) from previous year		\$122,853	\$216,458	\$233,597	\$296,212	\$16,586
Change in (%) from previous year		197%	117%	58%	47%	2%

Footnote: A contractual agreement between BFPD and SVFPD was enacted in 2015 which allowed SVFPD to assume responsibility for BFPD's internal operations, such as managing their finances.

Table 45: Total Revenues & Expenditures

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
REVENUE						
Property Taxes	\$ 606,613	\$ 646,705	\$ 683,086	\$ 717,336	\$ 771,898	\$ 805,803
Fire Protection Tax	\$ -	\$ -	\$ 81,621	\$ 164,449	\$ 165,196	\$ 166,889
Charges for Service	\$ 3,871	\$ 129,684	\$ 273,072	\$ 409,101	\$ 321,894	\$ -
License & Permits	\$ -	\$ -	\$ 838	\$ 540	\$ 12,121	\$ 2,738
Interest & Investment Earnings	\$ -	\$ -	\$ -	\$ 4,309	\$ 3,841	\$ 14,545
Grants & Contributions	\$ -	\$ -	\$ -	\$ -	\$ 19,342	\$ 44,450
Use of Money & Property	\$ (53)	\$ 267	\$ -	\$ -	\$ -	\$ -
Other Government	\$ 81,799	\$ 81,352	\$ -	\$ -	\$ -	\$ -
Miscellaneous	\$ 61,321	\$ 31,995	\$ 11,124	\$ 5,440	\$ 4,603	\$ 587
Total Revenue	\$753,551	\$890,003	\$1,049,741	\$1,301,175	\$1,298,895	\$1,035,012
EXPENDITURE						
Salaries & Benefits	\$ 553,325	\$ 560,229	\$ 614,369	\$ 838,395	\$ 741,378	\$ 669,510
Services & Supplies	\$ 81,683	\$ 80,649	\$ 169,531	\$ 182,279	\$ 187,837	\$ 254,330
Repairs & Maintenance	\$ 18,058	\$ 45,202	\$ 26,850	\$ 36,694	\$ 28,003	\$ 50,709
Professional Fees	\$ 50,487	\$ 33,007	\$ -	\$ -	\$ -	\$ -
Insurance	\$ 11,299	\$ 9,480	\$ -	\$ -	\$ -	\$ -
Capital Assets	\$ -	\$ 2,477	\$ 6,277	\$ 10,210	\$ 45,465	\$ 43,877
Note Payable	\$ 36,107	\$ 36,107	\$ -	\$ -	\$ -	\$ -
Debt Service:						
Principle	\$ -	\$ -	\$ 35,542	\$ -	\$ -	\$ -
Interest	\$ -	\$ -	\$ 566	\$ -	\$ -	\$ -
Total Expenditure	\$750,959	\$767,151	\$ 853,135	\$1,067,578	\$1,002,683	\$1,018,426
Surplus/(Deficit)	\$ 2,592	\$122,852	\$ 196,606	\$ 233,597	\$ 296,212	\$ 16,586
FUND BALANCE						
Beginning Balance	\$ 59,686	\$ 62,279	\$ 204,983	\$ 401,589	\$ 635,186	\$ 931,398
Ending Balance	\$ 62,278	\$185,131	\$ 401,589	\$ 635,186	\$ 931,398	\$ 947,984

Governance

BFPD is an independent special district governed by a five-member Board of Directors elected at-large by the voters within the District. When candidates run unopposed, or when there is a vacancy, seats are appointed by the County Board of Supervisors in lieu of conducting the election. **Table 46** shows the current board members.

Table 46: Board of Directors

Board Member	Title	Term of Office Expiration	Years in Office
Pat O'Connell	Chair	First Elected: 2016 Next Election: General 2024	5 years
Tim Dodds	Board Member	First Elected: 2020 Next Election: General 2024	1 year
Richard Landon	Board Member	First Appointed: 2013 Next Election: General 2024	8 years
Kurt Meyer	Board Member	First Elected: 2006 Next Election: General 2022	15 years
Peter Vannerus	Board Member	First Elected: 2006 Next Election: General 2022	15 years

Public Meetings

The Board of Directors typically meets on the third Wednesday of each month. The meeting dates are posted at the fire station and on the District's Website. Public meetings are typically held at 6:00pm. Based on LAFCO staff's analysis, BFPD met 6 times in 2020. **Table 47** provides an overview of the publicly-held meetings from 2016 to 2020.

Table 47: Public Meetings

2016 (Calendar Year)	2017 (Calendar Year)	2018 (Calendar Year)	2019 (Calendar Year)	2020 (Calendar Year)
12	12	5	7	6

Opportunities & Challenges

Independent special districts are tasked to operate in an efficient and transparent manner on a regular basis. It is LAFCO staff's position that public agencies should always prepare and consider future opportunities and potential challenges in order to properly provide services to their constituents. The following section explores possible actions that should be considered by the District.

Website Requirements

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. SB 929 states that the Internet Web Site, maintained by the independent special district, shall conform with various laws in Government Code Sections 6270.5, 53893, 53908, 54954.2, and Section 32139 of the Health and Safety Code. In summary, the District's Internet Website is required to have the following:

- Access to past and current, agendas, staff reports, and minutes
- Adopted budgets;
- Contact information and list of current board members;
- Information regarding public meetings (Brown Act);
- Service Reviews adopted by LAFCO;
- Recipients of grant funding or assistance provided by the district, if any;
- Audits (pursuant to GCS 26909) and adopted annual policies; and
- Any other information the board deems relevant

The District currently has an operating website and fulfills most of the requirements listed above. However, LAFCO staff is concerned that the District may have issues maintaining the website without administrative assistance. At present, the District only has a part-time fire chief who is solely responsible to fulfill all administrative duties and internal operations. The District has zero administrative staff now that the contractual agreement with Scotts Valley FPD has ended.

LAFCO Staff Recommendation: *The District should develop a plan to ensure that the website fulfills the legal requirements under SB 929.*

District Best Practices

All fire districts are public agencies that must follow statutory requirements – regardless of its size or level of service. Based on LAFCO's analysis, BFPD is a single-function special district. Nearly 85% of California's special districts perform a single function. In order to comply with statutory requirements, as well as adapt to current and future demands, LAFCO staff strongly recommends that the District conduct periodic updates to ensure its compliance with certain laws including but not limited to audits, public records requests, ethics training, policies and procedures, and meeting protocols. It may be beneficial for the District to also consider joining the California Special Districts Association (CSDA) to help keep track of all current and new laws. LAFCO co-hosted an online webinar with CSDA in August 2021 to discuss all the statutory requirements that must be fulfilled by all special districts. 14 out of the 22 independent special districts in Santa Cruz County attended the webinar. Unfortunately, BFPD did not attend the webinar.

LAFCO Staff Recommendation: *The District should strongly consider developing a strategic plan to ensure all statutory requirements are being fulfilled on a regular basis.*

Grand Jury Reports

According to the Judicial Branch of California, a group of ordinary citizens takes an oath to serve as grand jurors annually in each of the 58 counties. Its function is to investigate the operations of the various officers, departments and agencies of local government. Each Civil Grand Jury determines which officers, departments and agencies it will investigate during its term of office. In 2015, the Santa Cruz Civil Grand Jury investigated the service delivery of all fire districts in the county, including BFPD. The report, titled “*Santa Cruz County Fire Protection Districts*”⁶, identified significant financial and internal deficiencies. As a result, the grand jury suggested three governance options: (1) Consolidation between BFPD and Scotts Valley FPD, (2) Managerial Oversight provided by Scotts Valley FPD, or Maintaining the Status Quo. The BFPD Board acknowledged the recommendations and took action on Option 2. This led Scotts Valley FPD providing complete internal overview for the past six years.

In 2020, the Santa Cruz Civil Grand Jury came out with another fire-related report titled “*Ready? Aim? Fire!*”⁷ This report also analyzed BFPD and determined additional internal deficiencies including the lack of transparency with reporting and the limited revenue stream. These recent concerns, coupled with the 2015 findings, may intensify once the BFPD Board assumes full internal operations after September 30, 2021, unless a detailed plan is developed. A more extensive discussion of this proposed “detailed plan” is discussed in the following section, under “*Administrative Responsibilities*” on page 100.

Governance Structure Options

State law does not require LAFCO to initiate changes of organization based on this report’s conclusions or findings; however, LAFCO, local agencies, and the public may subsequently use the determinations and related analysis to consider whether to pursue changes in service delivery, government organization, or spheres of influence. Therefore, LAFCO is encouraging the affected agency to consider the following governance options.

Option 1: Revamp Branciforte Fire Protection District

It is LAFCO staff’s understanding that the current contractual agreement between Branciforte and Scotts Valley FPDs will end on September 30, 2021. Under this contract, Scotts Valley FPD has been responsible for BFPD’s internal operations and management, including but not limited to - acting as the District’s Fire Chief, managing the firefighters and volunteers, paying all bills and invoices, processing payroll, maintaining the District’s website, retaining all digital and physical files, completing property and construction inspections, addressing fire prevention, completing plan checks and public education, conducting public hearings, addressing public requests, and fulfilling the statutory requirements as a special district.

The District must hire new personnel in order to fulfill the statutory requirements outlined in Health & Safety Code Section 13800 et seq. It is unknown how many staff members are needed or how much it will cost to hire them. The District has one of the lowest revenue streams in the county and approximately 90% is already allocated to salaries and benefits. It is LAFCO’s assumption that the residents may have to support and approve a special tax/benefit assessment in order to be self-reliant.

⁶ 2015 Grand Jury Report: http://www.co.santa-cruz.ca.us/Portals/0/County/GrandJury/GJ2015_final/SantaCruzCountyFireProtectionDistricts.pdf

⁷ 2020 Grand Jury Report: http://www.co.santa-cruz.ca.us/Portals/0/County/GrandJury/GJ2020_final/FireRisks_Report.pdf

In 2016, the residents approved Measure T which authorized BFPD to levy a special tax on real property. The purpose of the special tax was to maintain financial stability. These funds were used to fund the Contingency Fund for unfunded emergencies, the Building Fund and a Vehicle Replacement Fund as determined by the Board of Directors. Measure T was estimated to raise approximately \$80,000 per year. **Table 48** shows the total amount received under Measure T during the last four years.

Table 48: Measure T Funds

BFPD (782 parcels)	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Measure T	\$81,621	\$164,449	\$165,196	\$166,889
Average Cost Per Parcel	\$104	\$210	\$211	\$213

There were 1,421 registered voters within BFPD back in 2016. Approximately 50% of those registered voters voted on Measure T (713 out of 1,421). The measure passed with 634 voting Yes and 78 voting No. It is LAFCO's understanding that there are now 1,633 registered voters within BFPD. If a new special tax was proposed, and assuming everyone votes, BFPD will need at least 1,089 Yes votes to reach the two-thirds approval requirement. The County's Election Department informed LAFCO that the District may be able to place the proposed measure on the November 21 ballot. However, the costs associated in placing an item on the ballot is unknown at this time. Below are key dates for BFPD to consider if it decides to move forward in voting on a new special tax:

- **November 2, 2021 Election** – BFPD needs to notify the Elections Department by District resolution and provide all the measure's language and information no later than August 6, 2021.
- **June 7, 2022 Election** – BFPD needs to notify the Elections Department by District resolution and provide all the measure's language and information no later than March 11, 2022.
- **November 8, 2022 Election** – BFPD needs to notify the Elections Department by District resolution and provide all the measure's language and information no later than August 12, 2022.

New Fire Chief

On September 16, 2021, the BFPD Board hired a retired CalPERS employee as their new part-time fire chief. Under State law, retired CalPERS employees are considered annuitants. Retired annuitants can be reinstated in the work field with specific restrictions. Without exception, a maximum of 960 hours can be worked within a fiscal year (July 1 to June 30). This means that BFPD's new fire chief can only work on average of 80 hours a month. Additionally, the new fire chief is prohibited of receiving any other compensation or benefits in addition to the hourly pay rate. What has been more concerning to LAFCO staff is that the hiring process did not begin until August 2021 and there has been little to no information shared to the public about the hiring process or the new fire chief. The September 16th Board Meeting did not include a staff report, background information, or board discussion when a resolution was adopted to hire the part-time fire chief. There was also no opportunity for the public to comment on that agenda item.

Administrative Responsibilities

LAFCO staff has major concerns about the BFPD's ability to comply with the statutory requirements regarding administrative responsibilities. It is LAFCO's understanding that it took SVFPD's entire administrative staff, including their Fire Chief, to fulfill the daily, weekly, monthly, quarterly, and annual duties on behalf of BFPD under the now expired contract. LAFCO staff believes that a new fire chief would have difficulty to fulfill these requirements alone – even more so as a part-time employee. It is important to note that the District is considering the formation of an advisory committee with residents. LAFCO staff admires the transparency effort but discourages the District of using the committee as BFPD's "unofficial administrative staff." It is the responsibility of the District as a government entity, not the residents, to complete all internal operations. That is why LAFCO is requiring the District to develop a detailed plan on how internal operations and all administrative duties will be completed and by which staff member. **Appendix C** provides an example of the areas that must be identified and addressed. This example is meant to be used as a guideline. Reverting back to a stand-alone agency will be difficult but a detailed plan would lay the foundation for a transparent process.

LAFCO Staff Recommendation: *The District must develop a detailed plan outlining how internal operations and all administrative services will be completed. This plan should be sent to LAFCO by March 31, 2022.*

Option 2: Reorganization with Scotts Valley Fire Protection District

The current contract has been in place since 2015 and reflects the combined sphere boundary between BFPD and Scotts Valley FPD, which was adopted back in 1994. A combined sphere boundary indicates that the two districts should be merged in the foreseeable future. It is LAFCO's perspective that both districts have been unofficially merged for the past six years – internally maximizing their staff and resources as one entity. Our analysis shows that the internal improvements, including but not limited to the financial health of BFPD, is a direct result of this multi-year collaboration. Unfortunately, LAFCO believes that the public has not been fully aware of this contractual agreement and its sunset date.

LAFCO is also deeply concerned about BFPD's future and level of service due to the lack of preparation by the District regarding this transition, even though Scotts Valley FPD informed BFPD about the sunset date as early as March 2021. Once the contract expires, all internal responsibilities revert back to BFPD. At the time of this report's distribution, BFPD does not have a Fire Chief or any other administrative staff in place to operate the agency in accordance with state law requirements. Despite the current circumstances, LAFCO staff has identified a two-part approach to ensure that the Branciforte residents continue to receive adequate level of service now and in perpetuity.

- **Part 1 (Extraterritorial Service Agreement):** For immediate assistance, LAFCO staff is recommending that BFPD, Scotts Valley FPD, or the residents submit an application for an extraterritorial service agreement. This approach would allow Scotts Valley FPD to provide services outside its jurisdiction in accordance with Government Code Section 56133. State law streamlines the LAFCO process under this approach due to the impending health and safety issue. It is staff's position that this agreement can be

completed within 30-60 days. If approved, the extraterritorial service agreement would have a condition that the Branciforte community be annexed into Scotts Valley FPD within a reasonable timeframe.

- **Part 2 (Reorganization):** The 2015 contract between BFPD and Scotts Valley FPD resulted in an unofficial merger of the two districts. A reorganization would make this strategic partnership official. LAFCO staff is proposing three primary actions under this reorganization: (1) dissolve Branciforte FPD, (2) annex the dissolved area into Scotts Valley FPD, and (3) create the “Branciforte Fire Zone.” Creating the zone would allow the residents to keep their existing special assessment (Measure T) within their community – ensuring that their funds stay in Branciforte and sustain their community identity. Unlike the extraterritorial service agreement process, this reorganization will require a multi-year effort. That is why LAFCO is recommending that community workshops be held to discuss frequently asked questions, including but not limited to:
 - Will my property taxes go up?
 - Will the level of service change? Will the response time get worse?
 - Will we lose representation or “our voice”?
 - Will this affect my insurance coverage? What will the ISO Rating be?
 - What will happen to the main fire station?
 - What will happen to the existing employees and volunteer firefighters?

These questions and others must be addressed in order for the community to fully comprehend the benefits and/or constraints regarding reorganization. LAFCO staff believes that by conducting a transparent process before, during, and after the reorganization is initiated, the residents will have a clear understanding of what they can do to protect their community from daily incidents and mitigate future fire disasters.

LAFCO Staff Recommendation: *The District should consider hosting community workshops to evaluate this option.*

Option 3: Change of Reorganization (Multiple Agencies)

BFPD relies heavily on volunteer firefighters to protect the Branciforte community. The District currently has 16 employees, 81% are volunteers (13 out of 16). At present, BFPD has one person staffed at the fire station during any given shift. This similar approach is conducted by other small fire districts surrounding BFPD. It may be beneficial to consider maximizing their existing personnel and resources through a reorganization involving the following: Ben Lomond FPD, Branciforte FPD, Scotts Valley FPD, and Zayante FPD. Such reorganization would require additional analysis to determine whether it is feasible and advantageous to all affected districts.

It is LAFCO staff’s position that a joint special study would determine whether the residents would receive a better level of service, potential cost-savings, and an increase in transparency through this proposed reorganization or a similar reorganization. It is also important to note that this analysis would be a multi-year effort. A snapshot of the reorganization results is shown in **Table 49** on page 102.

Table 49: Potential Reorganization (Multiple Agencies)

Fire Districts	Full-Time Employees	Part-Time Employees	Volunteer Firefighters	Fire Stations	FY 19-20 Revenue
Ben Lomond	1	1	1	1	\$1,025,804
Branciforte	3	0	13	2	\$1,035,012
Scotts Valley	28	1	15	2	\$8,174,260
Zayante	3	2	22	3	\$636,400
"Reorganized District"	35	4	51	8	\$10,871,476

Footnote: Proposed "Reorganized District" figures are for discussion purposes only; additional analysis is needed to determine specifics.

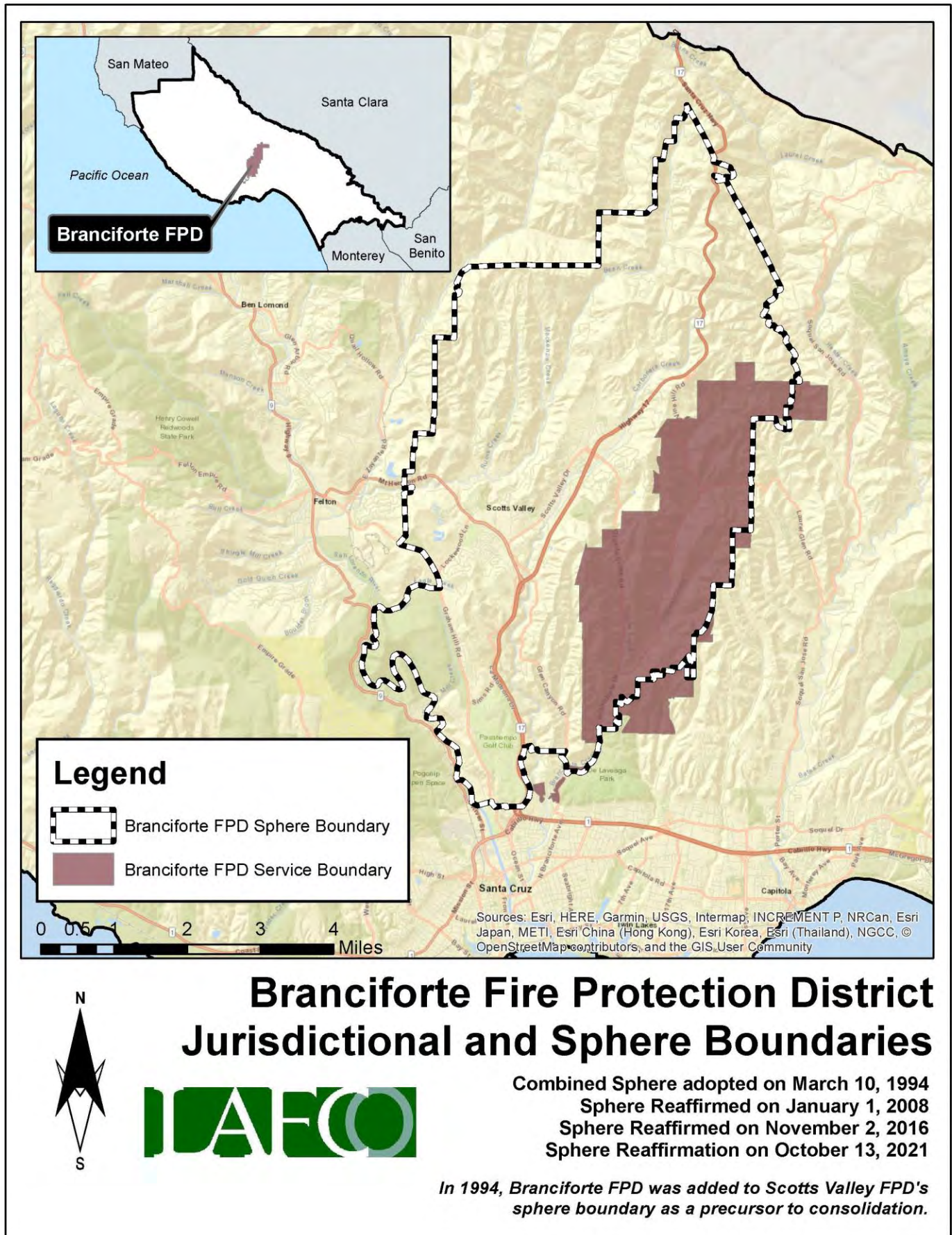
LAFCO Staff Recommendation: *The District should consider coordinating with the affected agencies and LAFCO to consider and evaluate this option.*

Sphere of Influence

Santa Cruz LAFCO adopted BFPD's combined sphere of influence on March 10, 1994, which included areas beyond the District's jurisdictional boundary. This sphere determination indicated that BFPD and Scotts Valley FPD should be merged or consolidated in the foreseeable future. LAFCO staff believes that the merger concept should be considered by BFPD and its residents to ensure the level of service remains the same or improve as a result of the proposed reorganization. Therefore, staff is recommending that the current sphere be reaffirmed as part of this report. **Figure 37** on page 103 depicts the proposed sphere boundary.



Figure 37: BFPD's Proposed Sphere Map



District Summary

Branciforte Fire Protection District	
Formation	Fire Protection District Law of 1987 (Health & Safety Code Section 13800 et seq.)
Board of Directors	5 members, elected at-large to four-year terms
Contact Person	Ron Whittle, Fire Chief (until September 30, 2021) <i>New Fire Chief Unknown</i>
Employees	3 Full-Time Employees (13 volunteers)
Facilities	2 Fire Stations (Station 2 is inoperative)
ISO Rating	5/5x
District Area	5,756 acres (9 square miles)
Sphere of Influence	Current sphere of influence is Larger than the District's Jurisdictional Boundary (Combined Sphere with Scotts Valley FPD as a precursor to a merger or consolidation) <i>Proposed Designation: Reaffirm Current Sphere Boundary</i>
FY 2019-20 Audit	Total Revenue = \$1,035,012 Total Expenditure = \$1,018,426 Projected Net Position (Ending Balance) = \$947,984
Contact Information	Mailing Address: 2711 Branciforte Drive, Santa Cruz CA 95065 Phone Number: (831) 438-0211 Email Address: rwhittle@scottsvalleyfire.com Website: http://www.branciforte-fire.com/
Public Meetings	Meetings are typically held on the third Thursday of each month.
Mission Statement	All members of the Branciforte Fire Department will strive to give excellent customer service, to always do the right thing and to be nice.

Service and Sphere Review Determinations

The following service and sphere review determinations fulfill the requirements outlined in the Cortese-Knox-Hertzberg Act.

Service Provision Determinations

Government Code Section 56430 requires LAFCO to conduct a municipal service review before, or in conjunction with, an action to establish or update a sphere boundary. Written statements of determination must be prepared with respect to each of the following:

1. Growth and population projections for the affected area.

Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. Under this assumption, LAFCO's projections indicate that the entire population of BFPD will be approximately 1,800 by 2040.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

The District was formed in 1950. The District continues to provide fire protection services to the unincorporated Branciforte community.

4. Financial ability of agencies to provide services.

The District has ended with an annual surplus in the last six fiscal years. This is primarily due to SVFPD assuming responsibility for BFPD's internal operations. The District's fund balance is approximately \$948,000 as of June 30, 2020.

5. Status of, and opportunities for, shared facilities.

The 2015 contract between BFPD and SVFPD resulted in an unofficial merger of the two districts. The contract also reflects the combined sphere boundary adopted in 1994 as a precursor to a merger or consolidation.

6. Accountability for community service needs, including governmental structure and operational efficiencies.

LAFCO staff is recommending that the District consider the three governance options identified in the report including but not limited to a reorganization with SVFPD.

7. Any other matter related to effective or efficient service delivery, as required by commission policy.

No additional local LAFCO policies are specifically relevant to this service and sphere review.

Sphere of Influence Determinations

Government Code Section 56425 requires LAFCO to periodically review and update spheres of influence in concert with conducting municipal service reviews. Spheres are used as regional planning tools to discourage urban sprawl and encourage orderly growth. Written statements of determination must be prepared with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.

The District is located in unincorporated county territory. The County's General Plan designates the vast majority of the District as Mountain Residential and Rural Residential.

2. The present and probable need for public facilities and services in the area.

The District has an ISO Public Protection Classification of 5 within five road miles of a fire station where there is a credible water source for fighting fires. The District provides fire protection, technical rescue, and basic life support (EMT) services.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The District currently has two fire stations but only operates one at this time. The main station, which was built in 1950, is located at 2711 Branciforte Drive Santa Cruz, CA. The station is staffed with one person 24 hours a day. Station 2 is not staffed.

4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

LAFCO staff is aware of various organizations that are relevant to this agency, including but not limited to the following: County of Santa Cruz (Office of Emergency Services), Fire Department Advisory Commission of Santa Cruz County, UC Santa Cruz (Office of Emergency Services), and the Fire Safe Councils of Bonny Doon, Santa Cruz County, and South Skyline.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

CENTRAL FIRE DISTRICT

District Overview

Central Fire District (CFD) was formed on February 4, 2021 and operates under the Fire Protection District Law of 1987. CFD encompasses 55 square miles of territory and includes the City of Capitola and the unincorporated communities of Live Oak, Soquel, Aptos, Rio Del Mar, and La Selva Beach. CFD is a result of a recent consolidation involving Aptos/La Selva and Central Fire Protection Districts. **Figure 38**, on page 109, is a vicinity map depicting CFD's current jurisdictional and sphere boundaries. **Figure 39**, on page 110, also shows the current land use designation under the County's General Plan. At present, the lands within the District vary from agriculture to urban residential. The vast majority of the District, outside the City limits, is designated as Mountain Residential and Rural Residential.

Services & Operations

CFD currently provides fire protection services to residents, businesses, and visitors in Aptos, Rio Del Mar, La Selva Beach, and the City of Capitola. It currently operates with 101 full-time employees, 1-part time employee, 3 seasonal personnel, and 10 volunteer firefighters. As previously stated, this new fire district is a result of a multi-year effort to consolidate two fire agencies. This consolidation was able to preserve the current levels of service, maintain local demand expectations, and continue the existing funding sources while maximizing economies of scale, combining best practices, and ultimately lead to cost-savings. A full analysis of the consolidation is available on the LAFCO website: <https://www.santacruzlafco.org/wp-content/uploads/2020/10/5a.0-Fire-Consolidation-Staff-Report.pdf>

Consolidation Overview

Pursuant to Government Code Section 57500, on and after the effective date of a consolidation, the newly-consolidated district succeeds to all of the powers, rights, duties, obligations, functions, and properties of all predecessor districts which have been united or joined into the consolidated district. The territory of a consolidated district, all inhabitants within that territory, and all persons entitled to vote by reason of residing or owning land within the territory are subject to the jurisdiction of the consolidated district and have the same rights and duties as if the consolidated district had been originally formed under the principal act. In other words, a consolidation is legally two actions rolled into one: the dissolution of two or more special districts, and the subsequent formation of a new, single district that encompasses the entirety of the service areas of the dissolved agencies. Since the consolidation was recorded earlier this year, LAFCO's analysis of CFD in this report will focus on current services and its anticipated financial performance.

Types of Services

Fire protection covers a variety of services from basic life support to water rescue. LAFCO staff has identified 18 different types of services provided by fire agencies. At present, CFD offers 78% of those services (14 out of 18). **Table 50** illustrates those services. The District is in the mid-tier when compared to the other 13 fire agencies that provide similar services. The lowest is BFPD with 9 services and the highest is Ben Lomond FPD with 17 different services. It is important to note that CFD is one of only two agencies that provide advance life support and ambulance services.

Table 50: CFD's Type of Services

Advance Life Support	Ambulance Transportation	Ambulance Transportation (Non-Emergency)	Basic Life Support	Basic Rescue	Community Education
Yes	Yes	-	Yes	Yes	Yes
Construction Plan Check	Fire Code Enforcement	Fire Code Permitting	Fire Investigation	Fire Suppression	Haz Mat Administration
-	Yes	Yes	Yes	Yes	-
Haz Mat Response	Public Awareness	Technical Rescue	Vegetation Management	Water Rescue	Other Service
Yes	Yes	Yes	-	Yes	Yes

Other Service

CFD provides Fleet Maintenance and/or Mechanical Services to the following agencies: Ben Lomond FPD, Branciforte FPD, Cities of Santa Cruz and Watsonville, CSAs 4 and 48, Felton FPD, Pajaro Valley FPD, Scotts Valley FPD, and Zayante FPD. The District also provides fleet maintenance to the North County Fire Protection District of Monterey County. **Appendix D** shows an example of CFD's "Intergovernmental Agreement for Motor Vehicle Repairs."



Figure 38: CFD's Vicinity Map

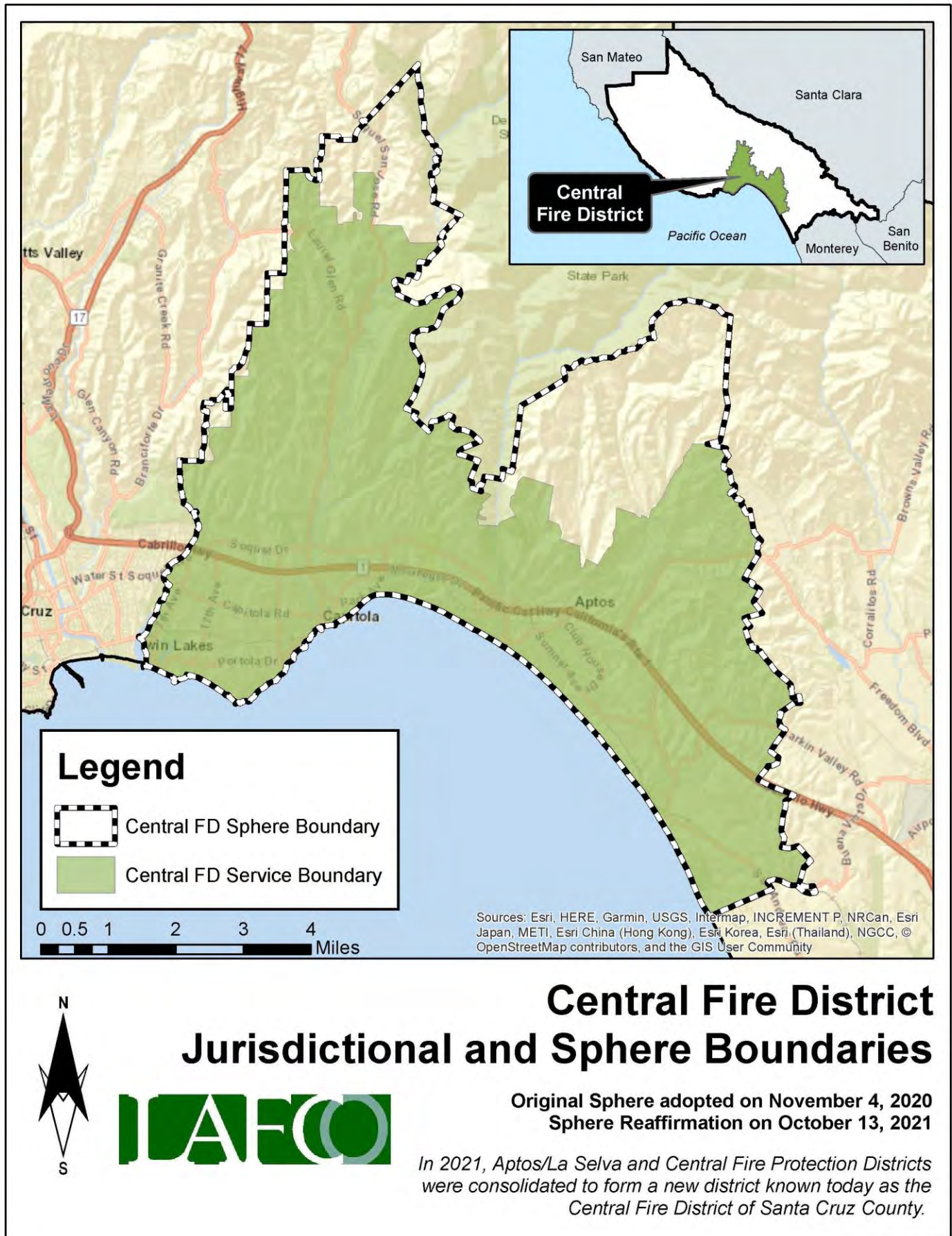
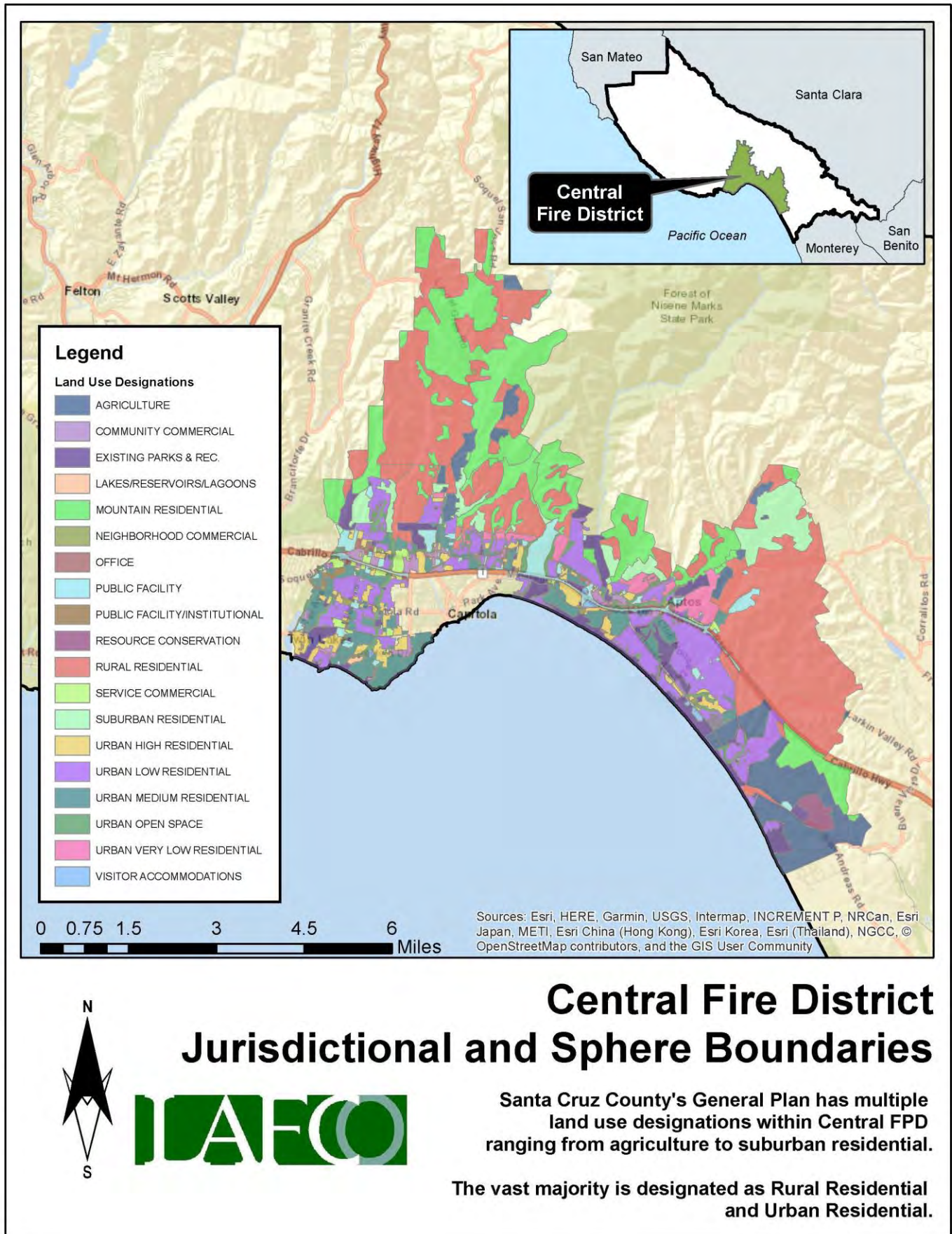


Figure 39: CFD's Land Use Map



Types of Training

Similar to services, fire protection covers a variety of training requirements from auto extrication to swift water rescue. LAFCO staff has identified 17 different types of training offered by fire agencies. At present, CFD offers 94% of those training courses (16 out of 17). **Table 51** illustrates those training opportunities.

Table 51: CFD's Type of Training

Administration	Advance Life Support	Auto Extrication	Basic Life Support	Confined Space Awareness	Fire Prevention & Inspection
Yes	Yes	Yes	Yes	Yes	Yes
Hazardous Materials	Ocean Rescue	Physical Fitness	Rapid Intervention	Rescue Systems	Surf Rescue
Yes	Yes	Yes	Yes	Yes	Yes
Swift Water Rescue	Technical Rescue	Transport	Truck Company Operations	Other Training	Total
-	Yes	Yes	Yes	Yes	16

Fire Stations

The District currently operates seven fire stations, which are summarized in more detail below. **Figure 40** on page 113 shows the location of the fire stations.

Live Oak Fire Station (Station 1)

The station is located at 930 17th Avenue, Santa Cruz, CA 95062 and was built in 1947 with remodeling completed in 1997. It is staffed with one 3-person engine company (one captain, one firefighter/paramedic and one firefighter). On occasion there is a fourth firefighter/paramedic on duty. The station operates using two Type 1 Engines, one Fire Truck Aerial Ladder (reserve) and one Breathing Support.

Thurber Lane Fire Station (Station 2)

The station is located at 3445 Thurber Lane, Santa Cruz, CA 95065 and was built in 2000. It is staffed with one 4-person engine company (one captain, one truck operator, one firefighter/paramedic and one firefighter). The station operates using one Type 1 Engine, one Fire Truck Aerial Tower, and one Water Tender.

Soquel Fire Station (Station 3)

The station is located at 4747 Soquel Drive, Soquel, CA 95073 and was built in 1956. It is staffed with one 3-person engine company (one captain, one firefighter/paramedic and one firefighter). The station operates using two Type 1 Engines, one Type 3 Engine, and one Type 6 Engine. The station is currently in poor condition, has traffic concerns, is located in a flood plain, and only a portion of it has been retrofitted to comply with earthquake standards. The District is considering relocating the station.

Capitola Fire Station (Station 4)

The station is located at 405 Capitola Avenue, Capitola, CA 95010 and was built in 1955 with remodeling completed in 1991 and 2012. It is staffed with one 3-person engine company (one captain, one firefighter/paramedic and one firefighter). The station operates using one Type 1 Engine and one Type 3 Engine.

Aptos Fire Station (Station 5)

The station is located at 6934 Soquel Drive, Aptos, CA 95003 and was built in 1967 with remodeling completed in 1992, 2001, and 2017. It is staffed with one 3-person engine company (one captain, one firefighter/paramedic and one firefighter). The station houses the on-duty Battalion Chief and operates using one Type 1 Engine, one Type 3 Engine, and one Ambulance.

Rio Del Mar Fire Station (Station 6)

The station is located at 300 Bonita Drive, Aptos, CA 95003 and was built in 1973 with remodeling completed in 1992 and 2005. It is staffed with one 3-person engine company (one captain, one firefighter/paramedic and one firefighter). On occasion there is a fourth firefighter/paramedic on duty. The station operates using one Type 1 Engine, one Urban Search & Rescue, and one Water Tender.

La Selva Beach Fire Station (Station 7)

The station is located at 312 Estrella Avenue, La Selva Beach, CA 95076 and was built in 1969 with remodeling completed in 2001 and 2004. It is staffed with one 3-person engine company (one captain, one firefighter/paramedic and one firefighter). The station operates using two Type 1 Engines.

Apparatus & Inventory

In order to provide the necessary fire protection to its constituents, fire agencies are equipped with various apparatuses and vehicles. LAFCO staff has identified 20 different types of apparatuses carried by fire agencies. At present, CFD operates using 21 apparatuses. **Table 52** provides an overview of the District's inventory. CFD has one of the highest amounts of apparatuses compared to other fire agencies. CSA 4 has the lowest with 3 vehicles and CSA 48 has the highest with 29 vehicles.

Table 52: CFD's Inventory

Aircraft Rescue	Ambulance	Admin/Battalion SUV	Chief Officer SUV	Command Vehicle
-	1	-	-	-
Fire Engine (Type 1)	Fire Engine (Type 2)	Fire Engine (Type 3)	Fire Engine (Type 6)	Haz Mat
10	-	3	1	-
Truck (4x4)	Truck (Ladder)	Truck (Pick-Up)	Truck (Medic)	Truck (Rescue)
-	2	-	1	-
Utility Vehicle	Urban Search & Rescue	Water Craft	Water Tender	Other Vehicle
-	1	-	2	-

Insurance Services Office (ISO) Rating

An ISO rating is based on a fire station's five road mile proximity to a credible water source for fighting fires. The District has an ISO Public Protection Classification of 2. The District provides fire protection, technical rescue, and advance/basic life support services. **Figure 41** on page 114 shows the distance the fire station crew can reach within 5 and 10 minutes. Based on staff's analysis, the District covers most of its jurisdiction and areas outside its limits within the hypothetical drive time scenario conducted for this report.

Figure 40: CFD's Fire Station

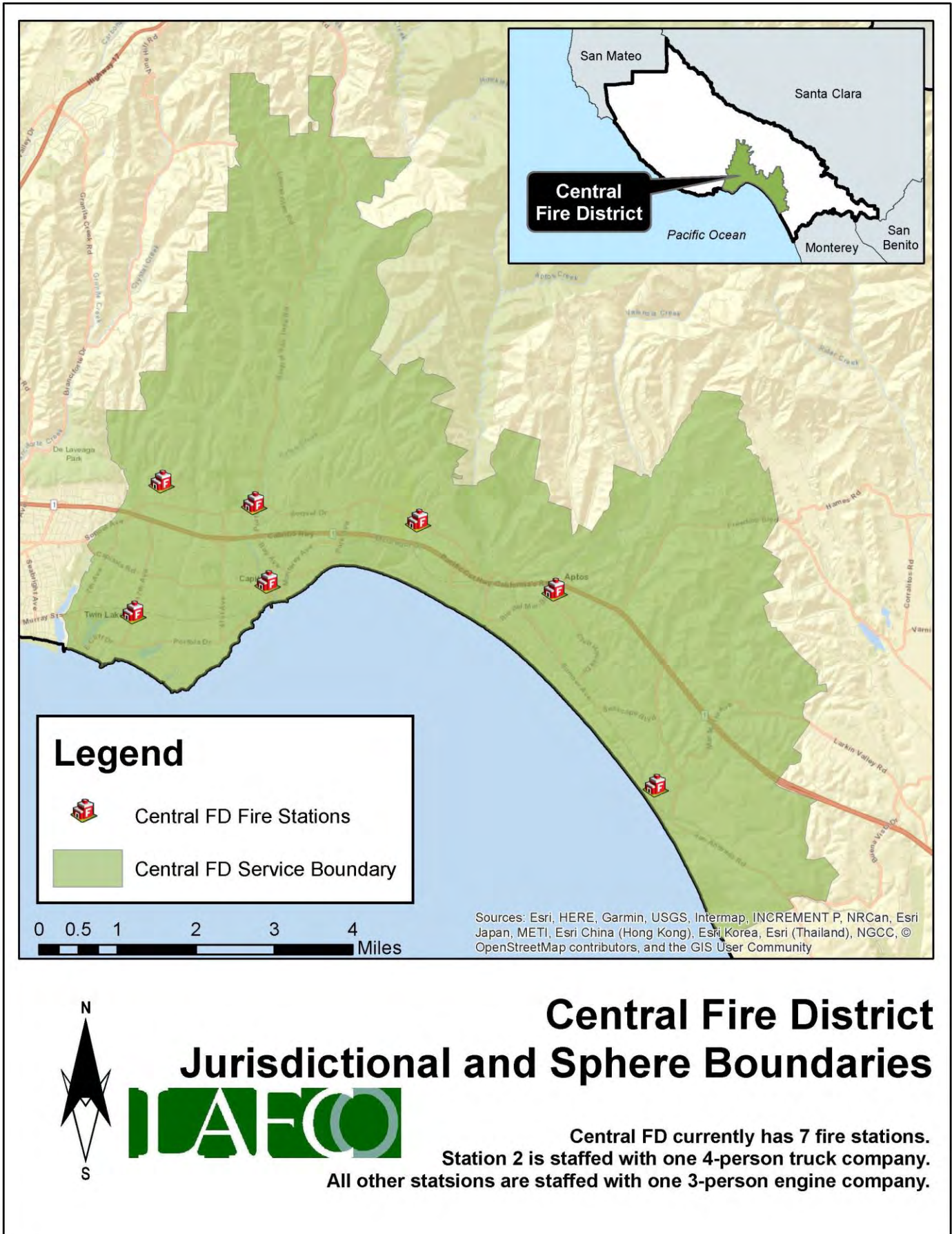
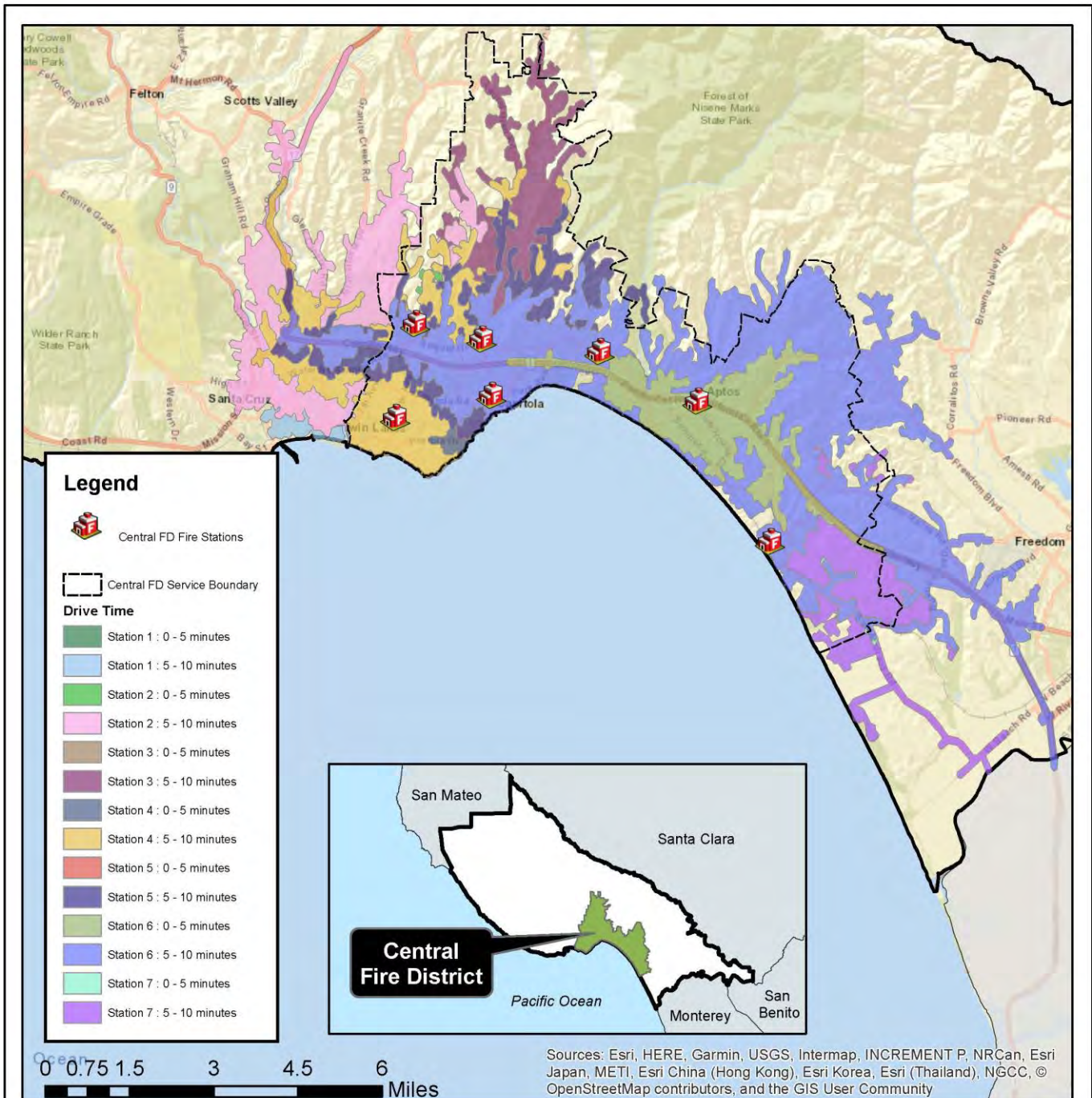


Figure 41: CFD's Fire Station (5 and 10 Mile Drive Time)



Central Fire District Drive Time Analysis (Thursday at 5:00pm)



Central FD currently has 7 fire stations.
Station 2 is staffed with one 4-person truck company.
All other stations are staffed with one 3-person engine company.

Call Data

Based on staff's analysis, fire service providers attend to several types of emergency calls, beyond fire-related situations such as medical calls, mutual aid, and vehicle accidents. LAFCO staff has identified 14 different types of calls responded by fire agencies. **Table 53** indicates that CFD responded to approximately 48,000 calls over the last six years – more than any other fire agency in the county. The annual call average is estimated to be 8,000 calls/year. The District's average response time was approximately 6 minutes.

Table 53: CFD's Call Data (2015 to 2020)

Auto Aid	EMS (Medical Call)	False Alarm	Fire	Good Intent Call
1,382	24,411	3,040	10,280	593
Haz Mat	Mutual Aid	Overpressure/ Explosion/Overheat	Rescue Call	Service Call
280	30	-	2,330	4,809
Severe Weather & Natural Disaster	Special Incident	Vehicle Accident	Other	Total
42	126	184	785	48,292

Population & Growth

Based on staff's analysis, the population of CFD in 2020 was approximately 90,000. The Association of Bay Area Governments (ABAG) and the Association of Monterey Bay Area Governments (AMBAG) provide population projections for cities and counties in the Coastal Region. Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. **Table 54** shows the anticipated population within CFD.

Population Projection

Based on the projections for Santa Cruz County, LAFCO was able to develop a population forecast for CFD. LAFCO staff increased the District's 2020 population amount by 0.86% each year. Under this assumption, our projections indicate that the entire population of CFD will be approximately 94,000 by 2040.

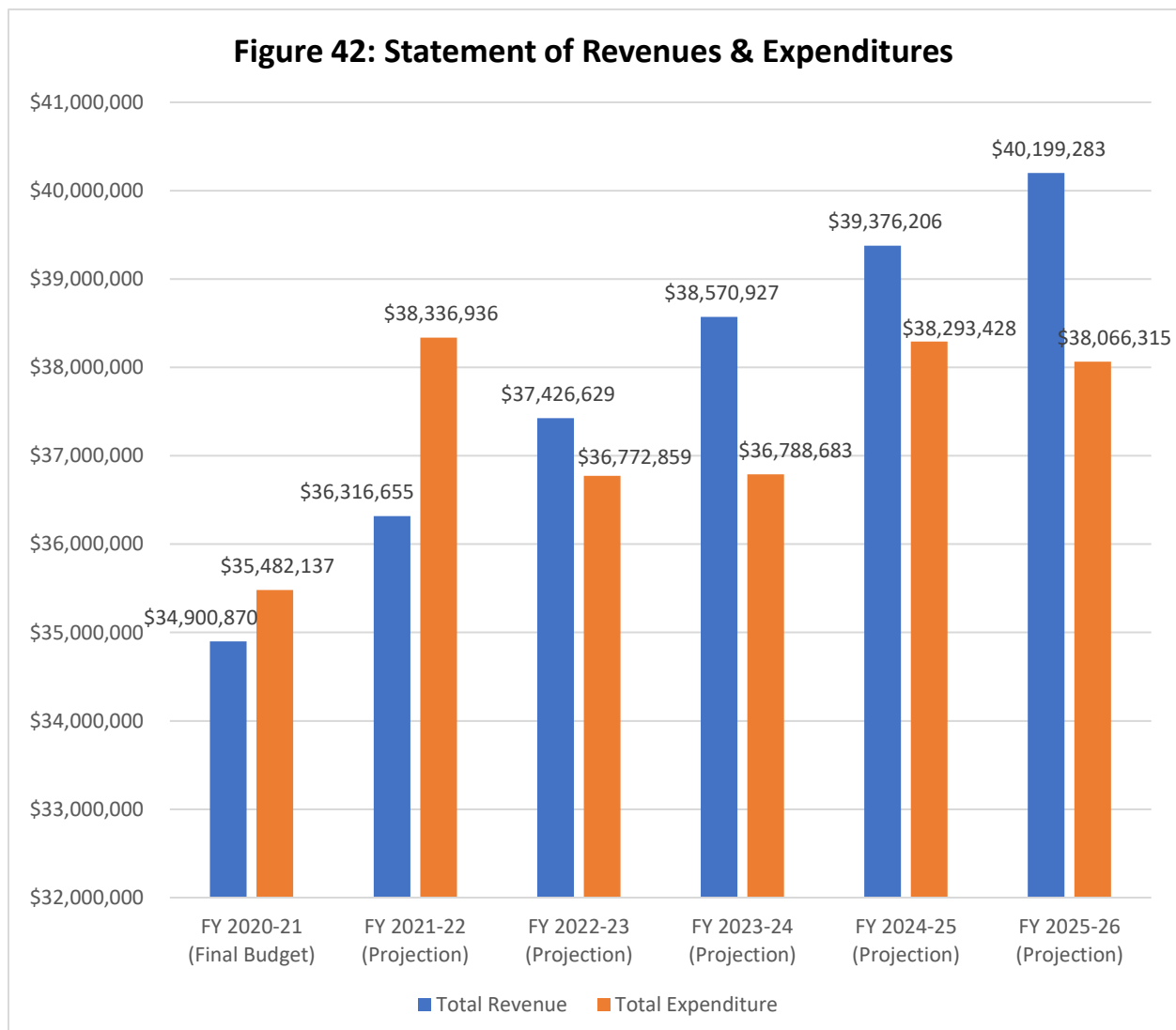
Table 54: Projected Population

	2020	2025	2030	2035	2040	Average Rate of Change
Santa Cruz County (unincorporated area)	136,891	137,896	139,105	140,356	141,645	0.86%
Central Fire District	90,377	91,152	91,933	92,721	93,516	0.86%

Finances

State law requires special districts to conduct an annual audit. The law also requires special districts to file a report of the completed audit to the State Controller's Office and LAFCO (Government Code Section 56036). Unlike the other fire districts, a full financial analysis was already conducted as part of the recent consolidation between Aptos/La Selva and Central FPDs. That is why this financial evaluation will focus on the District's future financial health.

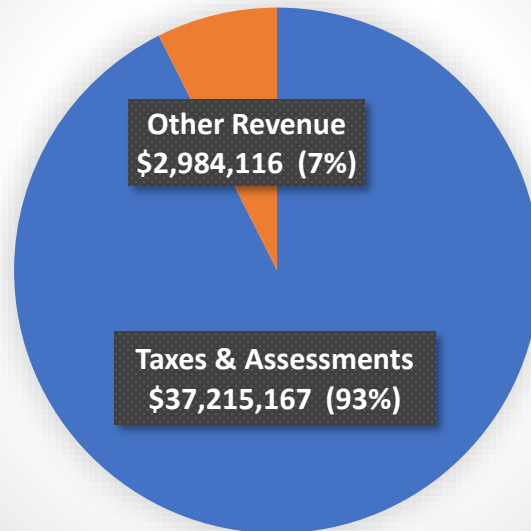
At the end of FY 2025-26, total revenue is anticipated to reach approximately \$41 million, representing a 2% increase from the previous year (\$39 million in FY 2024-25). Total expense for FY 2025-26 is anticipated to reach approximately \$38.1 million, which decreases from the previous year by 1% (\$38.3 million in FY 2024-25). The District is expected to have an annual surplus each year starting in FY 2022-23, as shown in **Figure 42**. The initial deficits anticipated in the first two years of inception can be attributed to the District's one-time costs associated with the consolidation transition. LAFCO believes that the anticipated positive trend may continue going forward under the current management practices.



District Revenues

CFD's revenue stream can be categorized into two groups: Taxes & Assessments and Other Revenue. CFD's primary source of revenue is from Taxes & Assessments, specifically Property Taxes. **Figure 43** highlights the anticipated revenue during FY 2025-26.

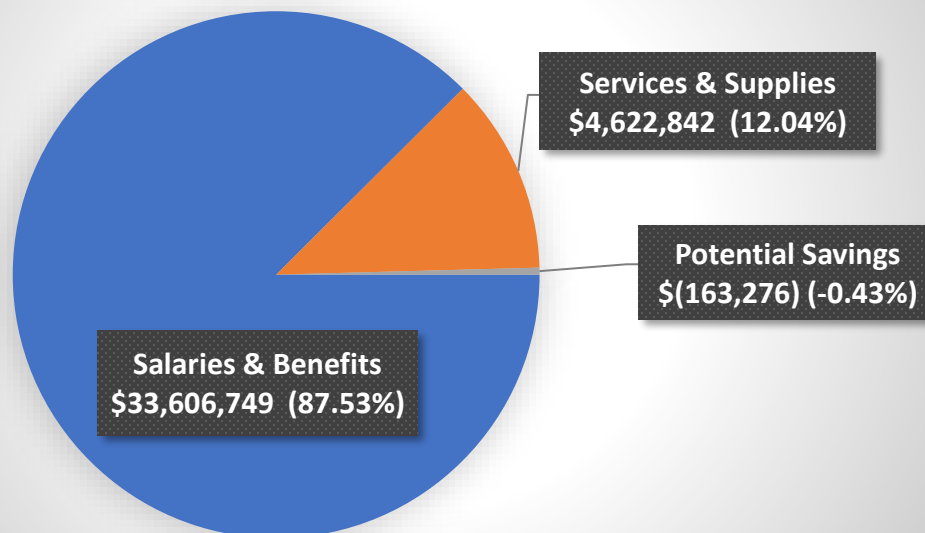
Figure 43: Revenue Breakdown (FY 25-26)



District Expenditures

CFD's total expenditures can be categorized into three groups: Salaries & Benefits, Services & Supplies, and Potential Savings. **Figure 44** below distinguishes the cost and percentage per category. As shown below, Salaries & Benefits are the highest expenditure during FY 2019-20, which represents 88% of the agency's total expense. The District expects to see annual cost savings as a result of the recent consolidation.

Figure 44: Expense Breakdown (FY 25-26)



Fund Balance/Net Position

As of June 30, 2020, the total fund balance is approximately \$29 million. The fund balance is expected to increase starting in FY 2022-23, as shown in **Table 55**. The current balance represents 76% of the District's total expenditure from FY 2019-20. This amount would be sufficient to cover any unanticipated costs. The overall financial performance of CFD during the next five years can be found in **Table 56** below.

Table 55: Fund Balance/Net Position

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Net Position (Ending Balance)	\$25,446,905	\$23,426,624	\$24,080,394	\$25,862,638	\$26,945,416	\$29,078,384
Change in (\$) from previous year		\$(2,020,281)	\$653,770	\$1,782,244	\$1,082,778	\$2,132,968
Change in (%) from previous year		-8%	3%	7%	4%	8%

Table 56: Total Revenues & Expenditures

	FY 2020-21 (Final Budget)	FY 2021-22 (Projection)	FY 2022-23 (Projection)	FY 2023-24 (Projection)	FY 2024-25 (Projection)	FY 2025-26 (Projection)
REVENUE						
Property Taxes	\$ 32,419,913	\$ 33,716,710	\$ 34,728,211	\$ 35,770,057	\$ 36,485,458	\$ 37,215,167
Other Revenue	\$ 2,480,957	\$ 2,599,945	\$ 2,698,418	\$ 2,800,870	\$ 2,890,748	\$ 2,984,116
Total Revenue	\$34,900,870	\$36,316,655	\$37,426,629	\$38,570,927	\$39,376,206	\$40,199,283
EXPENDITURE						
Salaries & Benefits	\$ 28,830,546	\$ 29,934,112	\$ 30,798,803	\$ 31,745,847	\$ 32,664,467	\$ 33,606,749
Services & Supplies	\$ 5,896,508	\$ 4,144,182	\$ 4,265,948	\$ 4,381,750	\$ 4,500,528	\$ 4,622,842
Capital	\$ 1,135,496	\$ 4,690,387	\$ 2,143,280	\$ 1,099,710	\$ 1,570,536	\$ 282,332
Contingency	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Net Cost (Savings) of Consolidation	\$ (580,413)	\$ (631,745)	\$ (635,172)	\$ (638,624)	\$ (642,103)	\$ (645,608)
Total Expenditure	\$35,482,137	\$38,336,936	\$36,772,859	\$36,788,683	\$38,293,428	\$38,066,315
Surplus/(Deficit)	\$ (581,267)	\$ (2,020,281)	\$ 653,770	\$ 1,782,244	\$ 1,082,778	\$ 2,132,968
FUND BALANCE						
Beginning Balance	\$ 26,028,172	\$ 25,446,905	\$ 23,426,624	\$ 24,080,394	\$ 25,862,638	\$ 26,945,416
Ending Balance	\$25,446,905	\$23,426,624	\$24,080,394	\$25,862,638	\$26,945,416	\$29,078,384

Governance

CFD is an independent special district governed by a five-member Board of Directors elected at-large by the voters within the District. When candidates run unopposed, or when there is a vacancy, seats are appointed by the County Board of Supervisors in lieu of conducting the election. **Table 57** shows the current board members.

Table 57: Board of Directors

Board Member	Title	Term of Office Expiration	Years in Office (Prior to Consolidation)
Orbrad Darbo	Vice-Chair	First Seated: 2021 Next Election: General 2022	3 years
George Lucchesi	Board Member	First Seated: 2021 Next Election: General 2024	5 years
Ken Radliff	Board Member	First Seated: 2021 Next Election: General 2024	1 year
Dave Ronco	Board Member	First Seated: 2021 Next Election: General 2024	1 year
John Scanlon	Chair	First Seated: 2021 Next Election: General 2022	3 years

Consolidated Board Composition

In accordance with LAFCO's adopted resolution, CFD will be governed by a five (5) member board, initially comprised from the consolidated district boards: three (3) from Aptos/La Selva FPD and two (2) from Central FPD. For better representation, and in conformance with the California Voting Rights Act, the CFD will transition to a system of elections by "zone" effective with the 2022 General Election.

Public Meetings

The Board of Directors typically meets on the second Thursday of each month. The meeting dates are posted at the fire station and on the District's Website. Public meetings are typically held at 9:00am. Based on LAFCO staff's analysis, CFD met 6 times in 2021 as a new special district. **Table 58** provides an overview of the publicly-held meetings from 2016 to 2020 by the two districts prior to the consolidation.

Table 58: Public Meetings

2016 (Calendar Year)	2017 (Calendar Year)	2018 (Calendar Year)	2019 (Calendar Year)	2020 (Calendar Year)
Aptos/La Selva: 15	Aptos/La Selva: 18	Aptos/La Selva: 15	Aptos/La Selva: 14	Aptos/La Selva: 14
Central: 12	Central: 11	Central: 11	Central: 12	Central: 12

Opportunities & Challenges

Independent special districts are tasked to operate in an efficient and transparent manner on a regular basis. It is LAFCO staff's position that public agencies should always prepare and consider future opportunities and potential challenges in order to properly provide services to their constituents. The following section explores possible actions that should be considered by the District.

Website Requirements

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. SB 929 states that the Internet Web Site, maintained by the independent special district, shall conform with various laws in Government Code Sections 6270.5, 53893, 53908, 54954.2, and Section 32139 of the Health and Safety Code. In summary, the District's Internet Website is required to have the following:

- Access to past and current, agendas, staff reports, and minutes
- Adopted budgets;
- Contact information and list of current board members;
- Information regarding public meetings (Brown Act);
- Service Reviews adopted by LAFCO;
- Recipients of grant funding or assistance provided by the district, if any;
- Audits (pursuant to GCS 26909) and adopted annual policies; and
- Any other information the board deems relevant

The District currently has an operating website and fulfills most of the requirements listed above. However, there are still opportunities to include more information that would benefit the residents in understanding the governance of CFD as a special district, such as access to legacy documents from the previously consolidated districts. CFD should also consider including past and future LAFCO service and sphere reviews on their website as another valuable resource.

LAFCO Staff Recommendation: *The District should continue updating its website to fulfill the legal requirements under SB 929.*

Potential Annexations

The sphere boundaries for Aptos/La Selva and Central FPDs were last updated on November 7, 2018 as part of the 2018 service and sphere review. The current sphere of influence of both fire districts were combined and now represent the sphere of influence for CFD. It is LAFCO's understanding that the areas in CFD's sphere are currently served by Branciforte FPD and CSA 48, as shown in **Figure 45** on page 122.

This sphere designation indicates that the District is the most logical provider of fire protection to these areas and should be annexed into CFD. It may be beneficial for representatives from CFD, BFPD, CSA 48, and LAFCO to coordinate and determine whether annexation should occur in the foreseeable future. If no annexation is anticipated, then the District and LAFCO should consider reducing the sphere boundary to reflect the District's future service area.

LAFCO Staff Recommendation: *The District should consider coordinating with CSA 48 and LAFCO to determine CFD's future service area. These discussions should occur by August 2022. LAFCO will consider amending the sphere boundaries based on these discussions no later than December 2022.*

District Best Practices

All fire districts are public agencies that must follow statutory requirements – regardless of its size or level of service. Based on LAFCO's analysis, CFD is a single-function special district. Nearly 85% of California's special districts perform a single function. In order to comply with statutory requirements, as well as adapt to current and future demands, LAFCO staff strongly recommends that the District conduct periodic updates to ensure its compliance with certain laws including but not limited to audits, public records requests, ethics training, policies and procedures, and meeting protocols. It may be beneficial for the District to also consider joining the California Special Districts Association (CSDA) to help keep track of all current and new laws. LAFCO co-hosted an online webinar with CSDA in August 2021 to discuss all the statutory requirements that must be fulfilled by all special districts. 14 out of the 22 independent special districts in Santa Cruz County attended the webinar. CFD was well-represented at the workshop with board members and employees in attendance.

LAFCO Staff Recommendation: *The District should strongly consider developing a strategic plan to ensure all statutory requirements are being fulfilled on a regular basis.*

Sphere of Influence

Santa Cruz LAFCO adopted CFD's sphere of influence on November 4, 2020 as a result of the consolidation involving Aptos/La Selva and Central FPDs. Staff is recommending that the current sphere be reaffirmed as part of this report. **Figure 46** on page 123 depicts the proposed sphere boundary.

Figure 45: CFD's Potential Annexation Areas

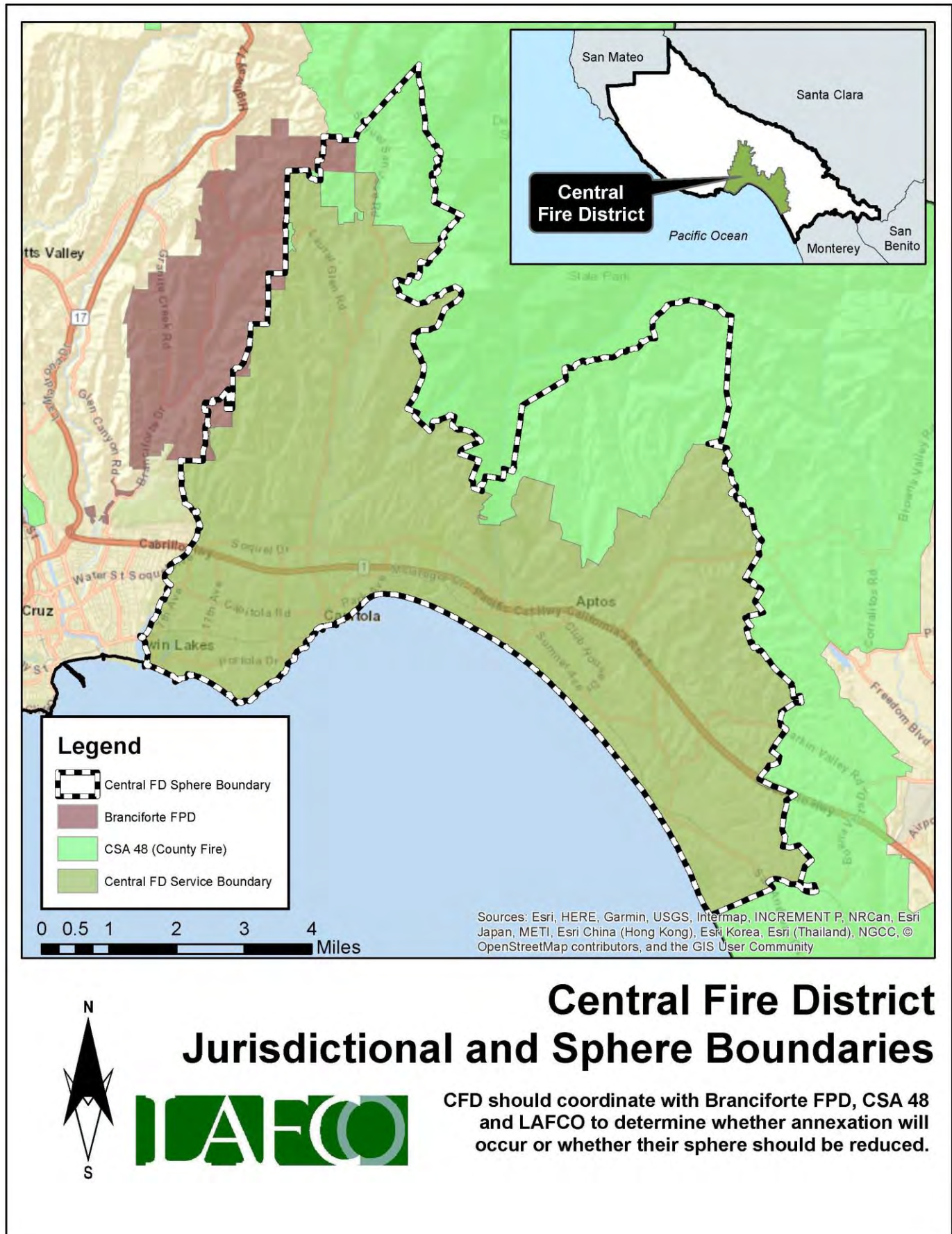
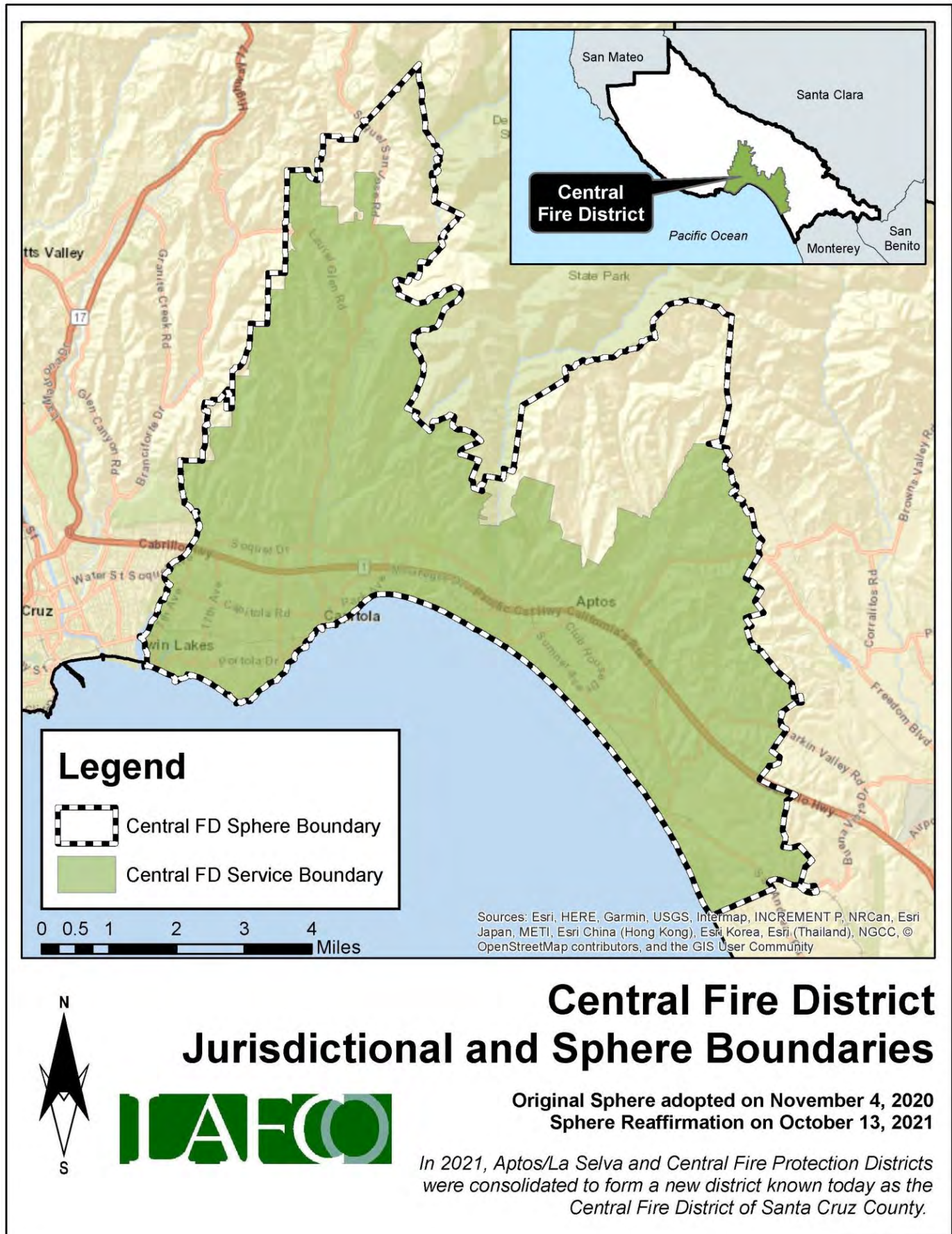


Figure 46: CFD's Proposed Sphere Map



District Summary

Central Fire District	
Formation	Fire Protection District Law of 1987 (Health & Safety Code Section 13800 et seq.)
Board of Directors	5 members, elected at-large to four-year terms
Contact Person	John Walbridge, Fire Chief
Employees	101 Full-Time Employees (1 part-time, 3 seasonal, and 10 volunteers)
Facilities	7 Fire Stations
ISO Rating	2/2x
District Area	25,400 acres (55 square miles)
Sphere of Influence	Current sphere of influence is Larger than the District's Jurisdictional Boundary <i>Proposed Designation: Reaffirm Current Sphere Boundary</i>
FY 2020-21 Budget	Total Revenue = \$35,482,137 Total Expenditure = \$35,482,137 Projected Net Position (Ending Balance) = \$25,446,905
Contact Information	Mailing Address: 930 17th Ave. Santa Cruz, CA 95062 Phone Number: (831) 479-6841 Email Address: john.walbridge@centralfiresc.org Website: https://www.centralfiresc.org/
Public Meetings	Meetings are typically held on the second Tuesday of each month.
Mission Statement	To improve quality of life by protecting the community from the risks and consequences of fire, medical, rescue, hazardous material, and natural disaster incidents.

Service and Sphere Review Determinations

The following service and sphere review determinations fulfill the requirements outlined in the Cortese-Knox-Hertzberg Act.

Service Provision Determinations

Government Code Section 56430 requires LAFCO to conduct a municipal service review before, or in conjunction with, an action to establish or update a sphere boundary. Written statements of determination must be prepared with respect to each of the following:

1. Growth and population projections for the affected area.

Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. Under this assumption, LAFCO's projections indicate that the entire population of CFD will be approximately 94,000 by 2040.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

The District was formed in 2021. The District continues to provide fire protection services to the City of Capitola and the unincorporated communities of Live Oak, Soquel, Aptos, Rio Del Mar, and La Selva Beach.

4. Financial ability of agencies to provide services.

The District is expected to have an annual surplus starting in FY 2022-23. The District's fund balance is approximately \$25 million as of June 30, 2020.

5. Status of, and opportunities for, shared facilities.

The District is a result of a collaborative effort which led to the consolidation between two fire districts involving 25,000 acres, over 30,000 parcels, and approximately 90,000 residents. The District also provides assistance to surrounding agencies through mutual and automatic aid agreements.

6. Accountability for community service needs, including governmental structure and operational efficiencies.

LAFCO staff is recommending that the District consider annexing areas located within CFD's current sphere of influence boundary.

7. Any other matter related to effective or efficient service delivery, as required by commission policy.

No additional local LAFCO policies are specifically relevant to this service and sphere review.

Sphere of Influence Determinations

Government Code Section 56425 requires LAFCO to periodically review and update spheres of influence in concert with conducting municipal service reviews. Spheres are used as regional planning tools to discourage urban sprawl and encourage orderly growth. Written statements of determination must be prepared with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.

The District is located in unincorporated county territory. The County's General Plan designates the vast majority of the District as Rural Residential and Urban Residential.

2. The present and probable need for public facilities and services in the area.

The District has an ISO Public Protection Classification of 2 within five road miles of a fire station where there is a credible water source for fighting fires. The District provides fire protection, technical rescue, and advance/basic life support services.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The District currently has seven fire stations. This allows the District to arrive to areas within and outside its jurisdiction between 5 to 10 minutes.

4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

LAFCO staff is aware of various organizations that are relevant to this agency, including but not limited to the following: County of Santa Cruz (Office of Emergency Services), Fire Department Advisory Commission of Santa Cruz County, UC Santa Cruz (Office of Emergency Services), and the Fire Safe Councils of Bonny Doon, Santa Cruz County, and South Skyline.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

COUNTY SERVICE AREA 4 (PAJARO DUNES)

District Overview

County Service Area 4 (CSA 4) was initially formed on January 4, 1966 to establish a tax base to fund sewer and water service to the Pajaro Dunes development. The Santa Cruz County Board of Supervisors and LAFCO added fire protection to the functions of CSA 4 in 1970 when fire protection services were required as a condition of development to expand Pajaro Dunes. It operates under the County Service Area Law (Government Code Section 25210 et. seq) and is a part of the Santa Cruz County Fire Department (County Fire) along with CSA 48 under a cooperative agreement with The California Department of Forestry & Fire Protection (CAL FIRE). The District has been providing fire protection services to the unincorporated community of Pajaro Dunes located in the south coastal area of Santa Cruz County. CSA 4 encompasses less than half a square mile of territory. **Figure 47**, on page 128, is a vicinity map depicting CSA 4's current jurisdictional and sphere boundaries. **Figure 48**, on page 129, also shows the current land use designation under the County's General Plan. At present, the lands within the District are primarily designated as Urban Low Residential.

Services & Operations

Santa Cruz County currently contracts with CAL FIRE for the administration of CSA 4 including operational oversight and supervision of all career and volunteer firefighters. CAL FIRE provides administration, access to state resources, training, vehicle and equipment maintenance, purchasing specifications and recommendations, structural maintenance, dispatching, and administration of volunteer firefighter benefits and worker's compensation programs. A three-year reimbursement agreement, starting July 1, 2020 and ending June 30, 2023, was adopted by the County Board of Supervisors on June 2, 2020. The agreement and operational plan are available in **Appendix D**. The maximum amount allocated to CAL FIRE under this agreement for the administration of CSA 4 is approximately \$4.48 million.

Types of Services

Fire protection covers a variety of services from basic life support to vegetation management. LAFCO staff has identified 18 different types of services provided by fire agencies. At present, CSA 4 offers 61% of those services (11 out of 18), as shown in **Table 59**. CSA 4 is in the low-tier when compared to the other 13 fire agencies that provide similar services. The lowest is BFPD with 9 services and the highest is Ben Lomond FPD with 17 different services.

Table 59: CSA 4's Type of Services

Advance Life Support	Ambulance Transportation	Ambulance Transportation (Non-Emergency)	Basic Life Support	Basic Rescue	Community Education
-	-	-	Yes	Yes	Yes
Construction Plan Check	Fire Code Enforcement	Fire Code Permitting	Fire Investigation	Fire Suppression	Haz Mat Administration
Yes	Yes	Yes	Yes	Yes	-
Haz Mat Response	Public Awareness	Technical Rescue	Vegetation Management	Water Rescue	Other Service
Yes	Yes	Yes	-	-	-

Figure 47: CSA 4's Vicinity Map

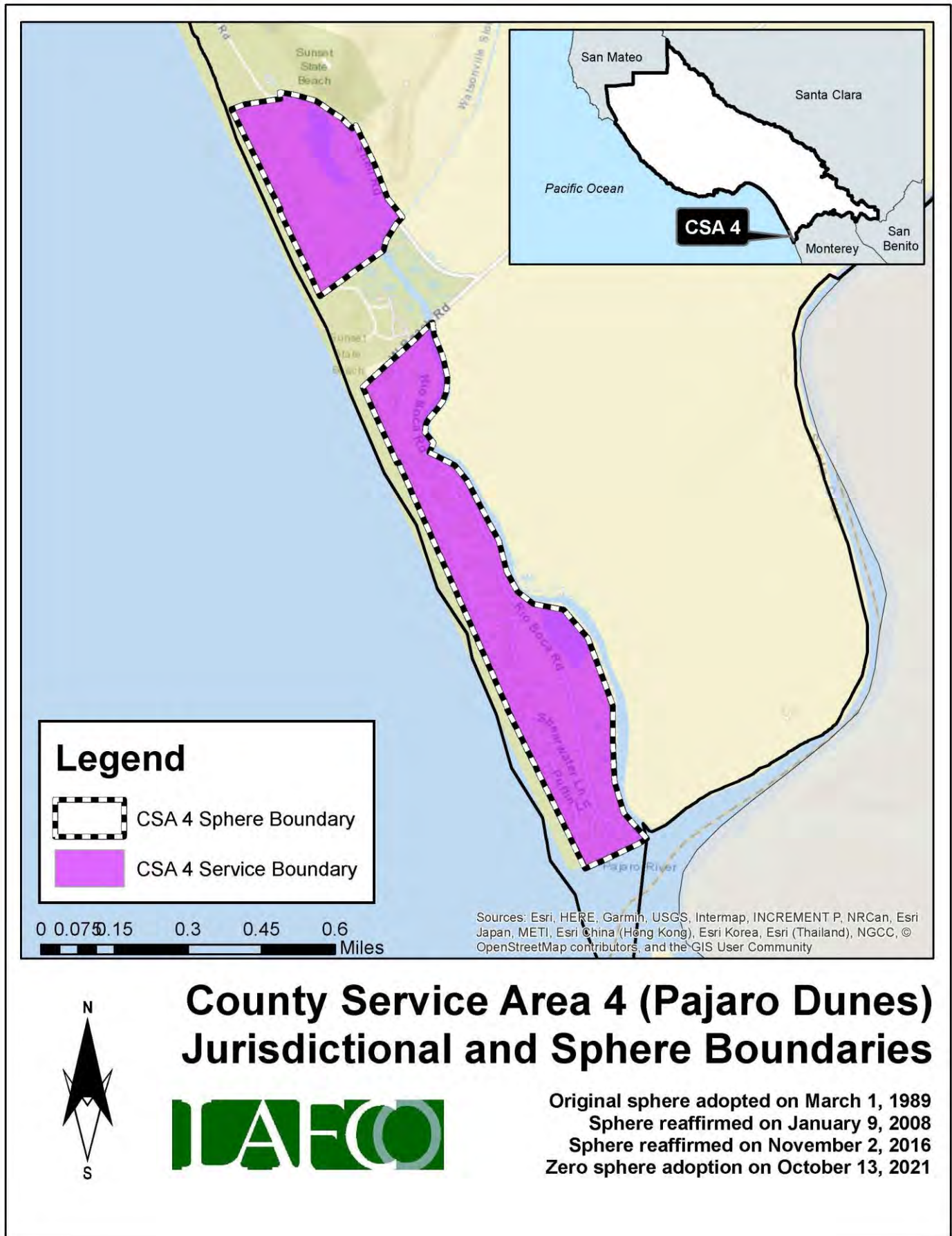
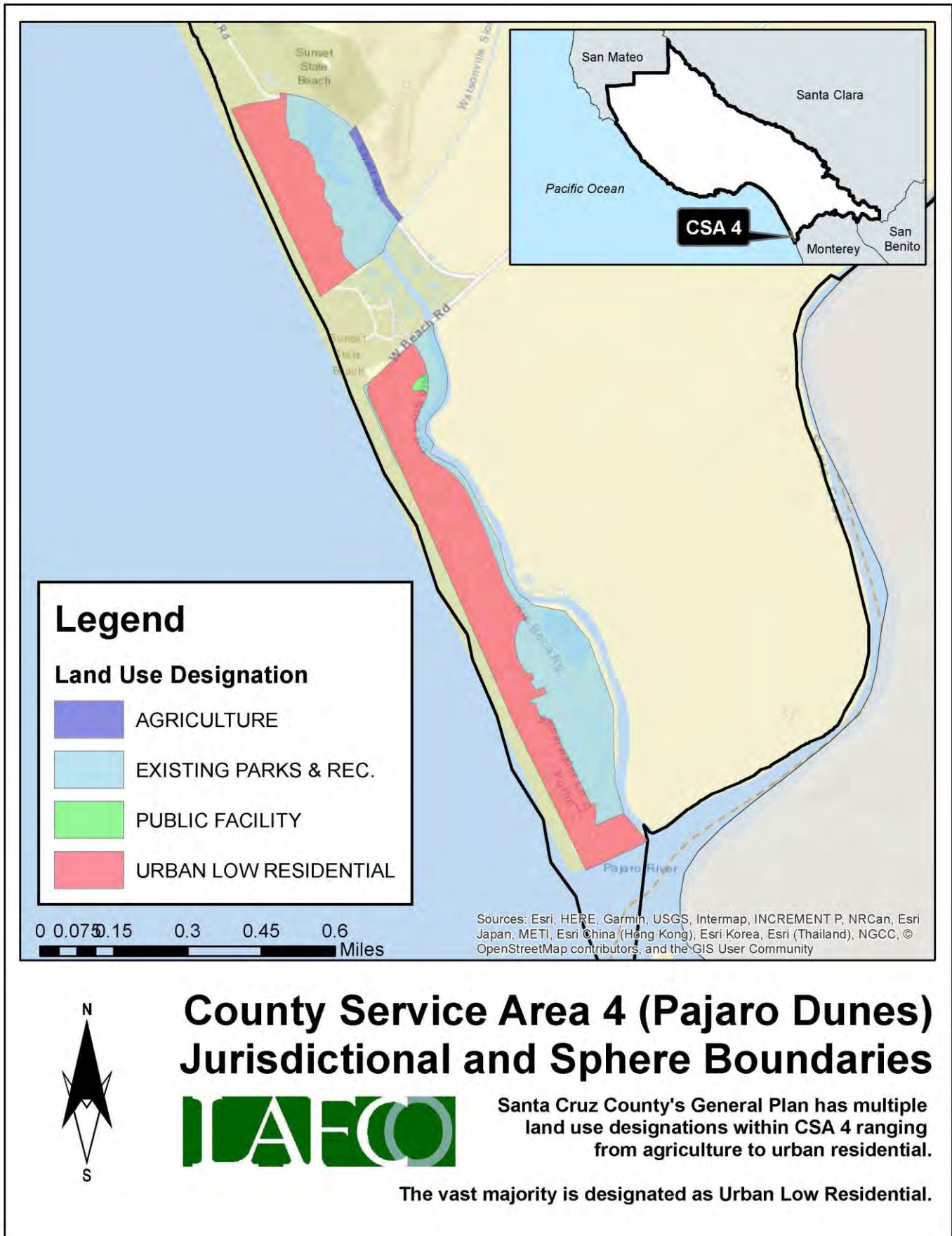


Figure 48: CSA 4's Land Use Map



Types of Training

Similar to services, fire protection covers a variety of training requirements from auto extrication to swift water rescue. LAFCO staff has identified 17 different types of training offered by fire agencies. At present, CSA 4 offers 65% of those training courses (11 out of 17). **Table 60** illustrates those training opportunities.

Table 60: CSA 4's Type of Training

Administration	Advance Life Support	Auto Extrication	Basic Life Support	Confined Space Awareness	Fire Prevention & Inspection
Yes	-	Yes	Yes	Yes	Yes
Hazardous Materials	Ocean Rescue	Physical Fitness	Rapid Intervention	Rescue Systems	Surf Rescue
Yes	-	Yes	Yes	Yes	-
Swift Water Rescue	Technical Rescue	Transport	Truck Company Operations	Other Training	Total
Yes	Yes	-	-	-	11

Fire Station

The District currently operates one fire station in CSA 4. The station is located at 2661 Beach Road in Watsonville. The station's staffing varies with a 3-person company consisting of 1 fire captain, and 2 apparatus engineers 24 hours a day, 7 days a week. 10% of 1 full time Battalion Chief position is shared by the Pajaro Valley Fire Protection District for oversight. The volunteer program is suspended at this time pending further review. **Figure 49** on page 131 shows the location of the fire station.

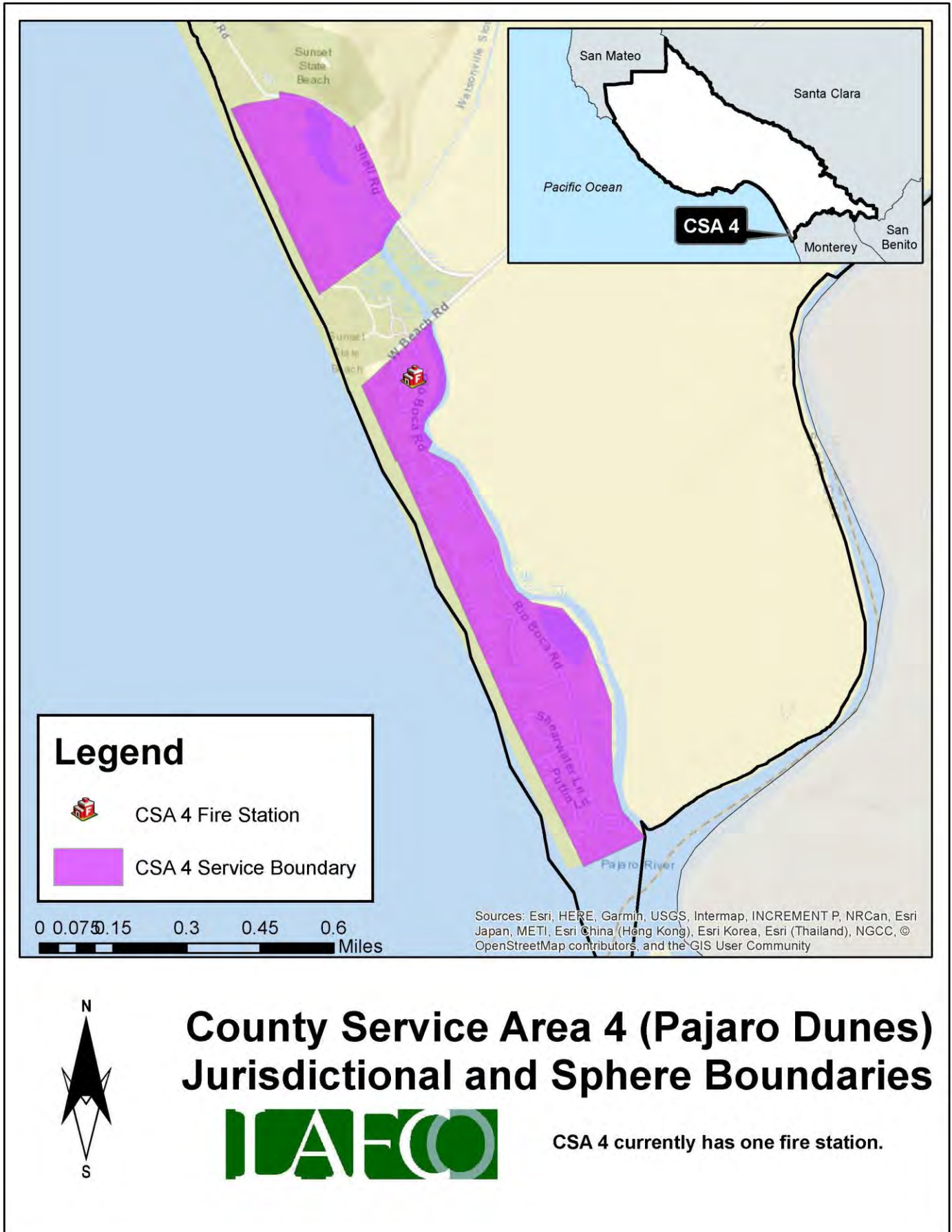
Apparatus & Inventory

In order to provide the necessary fire protection to its constituents, fire agencies are equipped with various apparatuses and vehicles. LAFCO staff has identified 20 different types of apparatuses carried by fire agencies. At present, CSA 4 operates using 3 apparatuses. **Table 61** provides an overview of the District's inventory.

Table 61: CSA 4's Inventory

Aircraft Rescue	Ambulance	Admin/Battalion SUV	Chief Officer SUV	Command Vehicle
-	-	-	-	-
Fire Engine (Type 1)	Fire Engine (Type 2)	Fire Engine (Type 3)	Fire Engine (Type 6)	Haz Mat
2	-	-	-	-
Truck (4x4)	Truck (Ladder)	Truck (Pick-Up)	Truck (Medic)	Truck (Rescue)
1	-	-	-	-
Utility Vehicle	Urban Search & Rescue	Water Craft	Water Tender	Other Vehicle
-	-	-	-	-

Figure 49: CSA 4's Fire Station



Insurance Services Office (ISO) Rating

An ISO rating is based on a fire station's five road mile proximity to a credible water source for fighting fires. The District has an ISO Public Protection Classification of 4. The District provides fire protection and basic life support (EMT) services. **Figure 50** on page 133 shows the distance the fire station crew can reach within 5 and 10 minutes. Based on staff's analysis, the fire station can cover the District's jurisdiction within the time limit.

Call Data

Based on staff's analysis, fire service providers attend to several types of emergency calls, beyond fire-related situations such as medical calls, mutual aid, and vehicle accidents. LAFCO staff has identified 14 different types of calls responded by fire agencies. **Table 62** indicates that CSA 4 responded to 814 calls over the last six years. The annual call average is estimated to be 136 calls/year. The District's average response time was 10 minutes.

Table 62: CSA 4's Call Data

Auto Aid	EMS (Medical Call)	False Alarm	Fire	Good Intent Call
-	192	-	568	-
Haz Mat	Mutual Aid	Overpressure/ Explosion/Overheat	Rescue Call	Service Call
-	-	-	-	-
Severe Weather & Natural Disaster	Special Incident	Vehicle Accident	Other	Total
-	-	24	30	814

Population & Growth

Based on staff's analysis, the population of CSA 4 in 2020 was approximately 250. The Association of Bay Area Governments (ABAG) and the Association of Monterey Bay Area Governments (AMBAG) provide population projections for cities and counties in the Coastal Region. Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. **Table 63** shows the anticipated population.

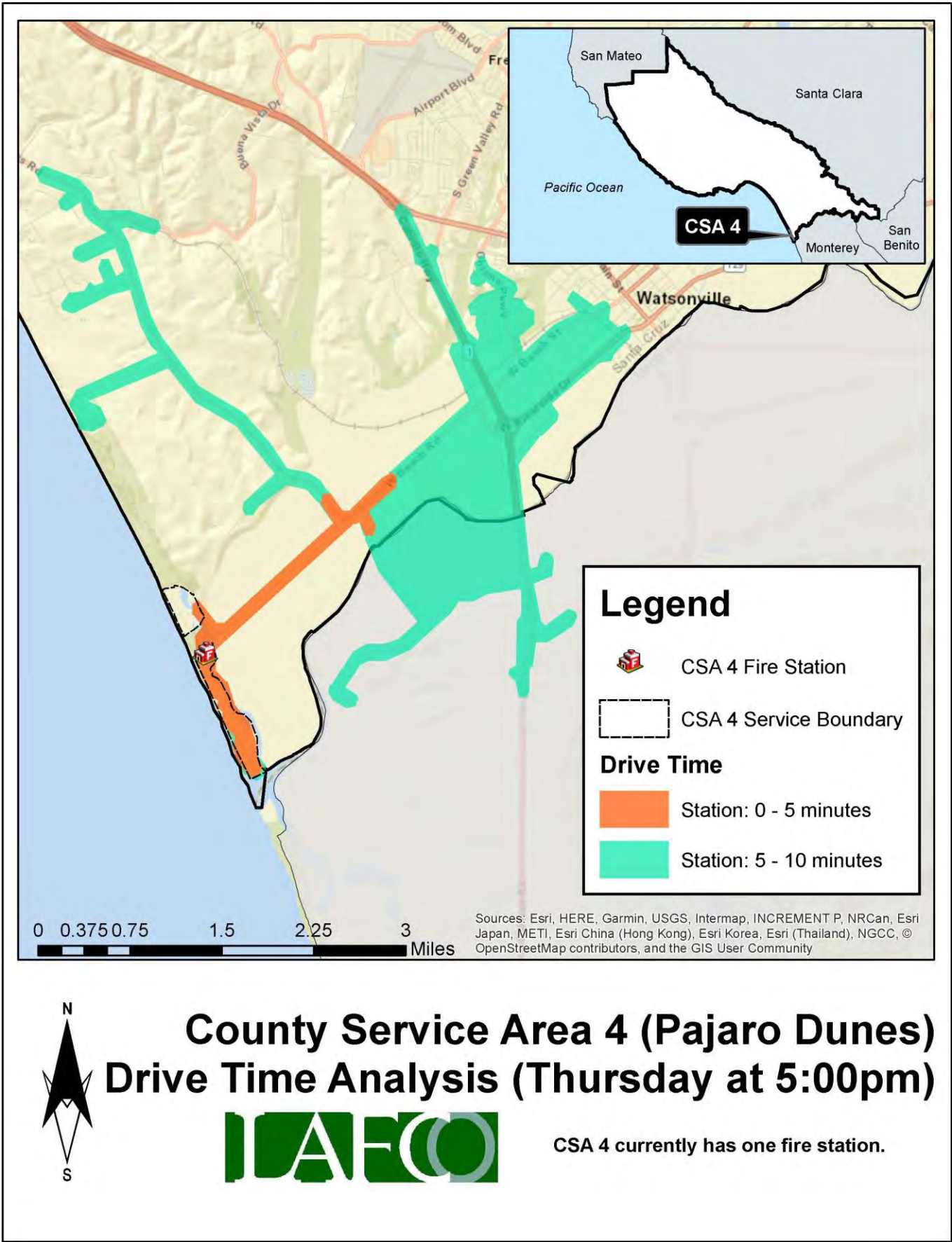
Population Projection

Based on the projections for Santa Cruz County, LAFCO was able to develop a population forecast for CSA 4. LAFCO staff increased the District's 2020 population amount by 0.86% each year. Under this assumption, our projections indicate that the entire population of CSA 4 will be approximately 260 by 2040.

Table 63: Projected Population

	2020	2025	2030	2035	2040	Average Rate of Change
Santa Cruz County (unincorporated area)	136,891	137,896	139,105	140,356	141,645	0.86%
County Service Area 4 (Pajaro Dunes)	250	252	254	257	259	0.86%

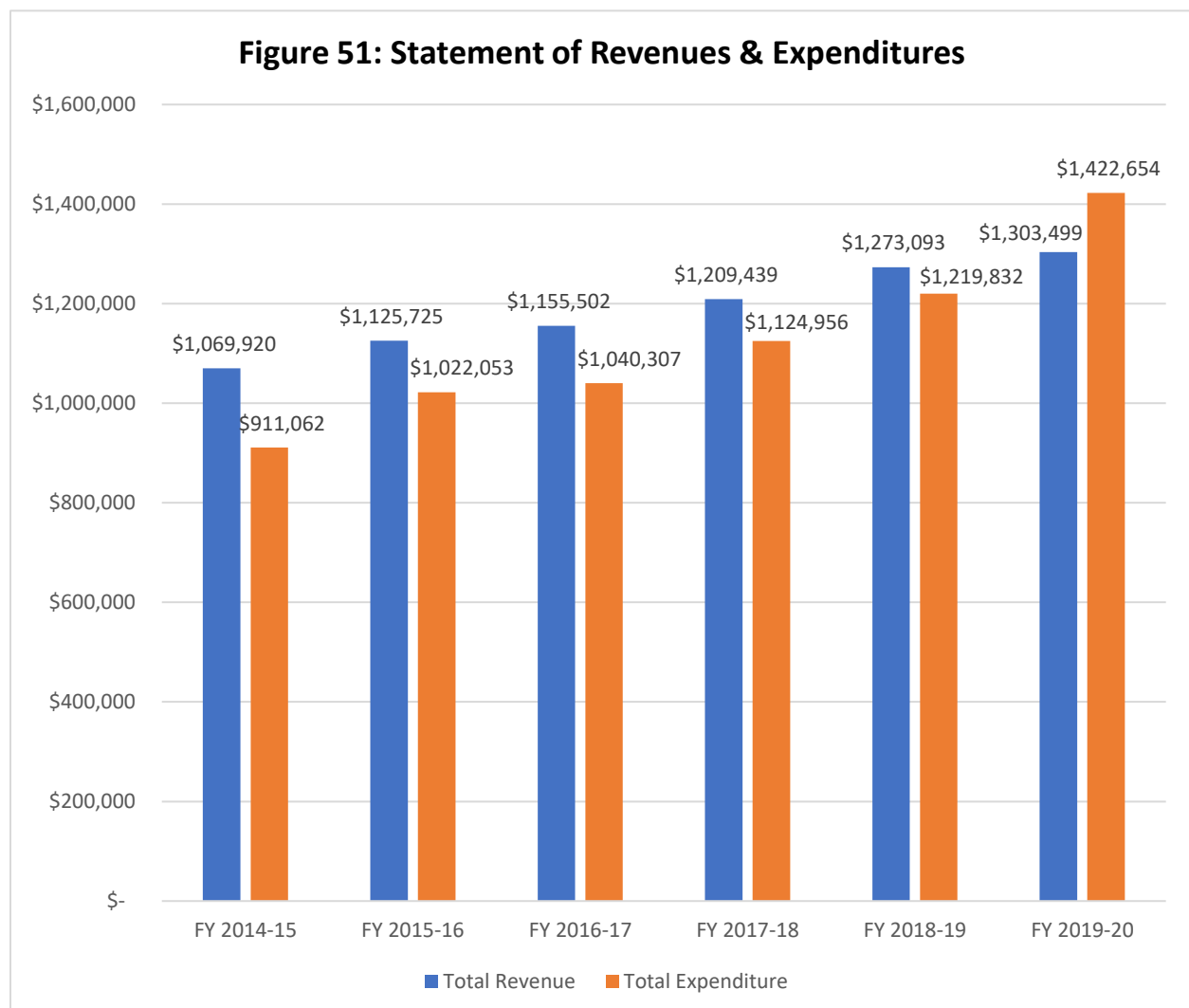
Figure 50: CSA 4's Fire Station (5 and 10 Mile Drive Time)



Finances

State law requires special districts to conduct an annual audit. The law also requires special districts to file a report of the completed audit to the State Controller's Office and LAFCO (Government Code Section 56036). For purposes of this report, the District provided financial documents covering the last six years. However, no audits were readily available on the County's website. For purposes of this section, LAFCO staff requested the necessary financial documents. This section will highlight the District's financial performance during the most recent fiscal years based on information retrieved. Specifically, LAFCO evaluated CSA 4's financial health from FY 2014-15 to FY 2019-20.

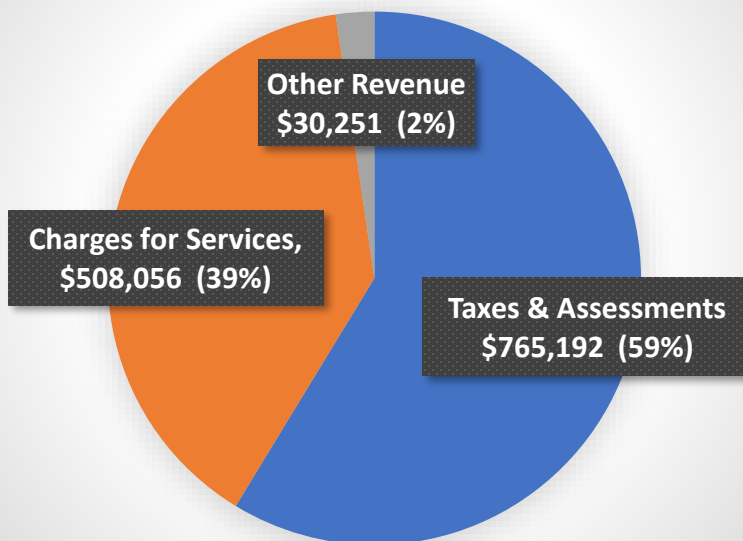
At the end of FY 2019-20, total revenue collected was approximately \$1.30 million, representing a 2% increase from the previous year (1.27 million in FY 2018-19). Total expense for FY 2019-20 was approximately \$1.4 million, which increased from the previous year by 17% (\$1.2 million in FY 2018-19). The recent deficit is attributed to the purchasing of necessary equipment. Overall, the District has ended with an annual surplus in five of the last six years, as shown in **Figure 51**. LAFCO believes that this positive trend may continue going forward under the current strategic partnership with CAL FIRE.



District Revenues

CSA 4's revenue stream can be categorized into three groups: Taxes & Assessments, Charges for Services, and Other Revenue. CSA 4's primary source of revenue is from Taxes & Assessments. This category includes Property Taxes. **Figure 52** highlights the revenue received during FY 2019-20.

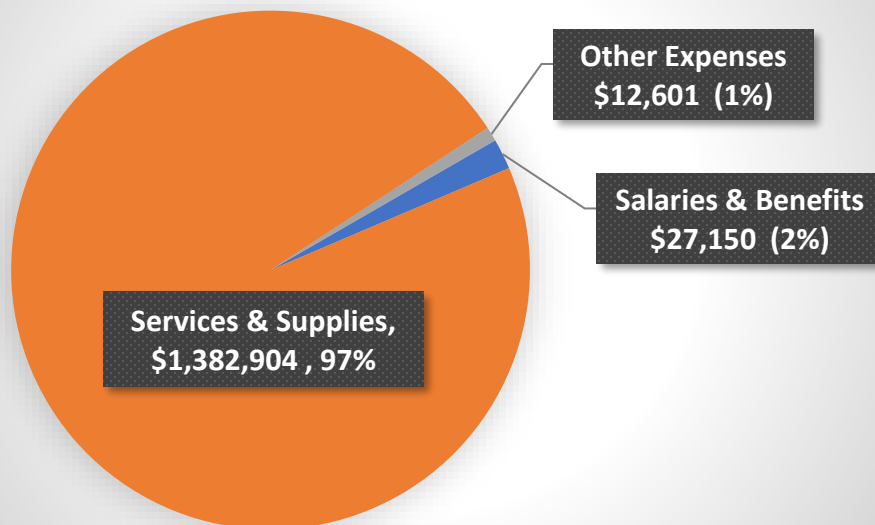
Figure 52: Revenue Breakdown (FY 19-20)



District Expenditures

CSA 4's total expenditures can be categorized into three groups: Salaries & Benefits, Services & Supplies and Other Expenses. **Figure 53** below distinguishes the cost and percentage per category. As shown below, Services & Supplies are the highest expenditure during FY 2019-20. This category is primarily the CAL FIRE contract that allows the State to provide fire protection services within the District's jurisdiction.

Figure 53: Expense Breakdown (FY 19-20)



Fund Balance/Net Position

As of June 30, 2020, the total fund balance is approximately \$944,000. The fund balance has been increasing each year since 2014, with the exception of FY 2019-20, as shown in **Table 64**. The current balance represents 66% of the District's total expenditure from FY 2019-20. This amount would be sufficient to cover any unanticipated costs. The overall financial performance of CSA 4 during the last five years can be found in **Table 65** below.

Table 64: Fund Balance/Net Position

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Net Position (Ending Balance)	\$706,579	\$810,246	\$925,446	\$1,009,928	\$1,063,190	\$944,035
Change in (\$) from previous year		\$103,667	\$115,200	\$84,482	\$53,262	\$(119,115)
Change in (%) from previous year		15%	14%	9%	5%	-11%

Table 65: Total Revenues & Expenditures

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
REVENUE						
Benefit Assessment (Taxes)	\$ 614,526	\$ 657,113	\$ 682,272	\$ 714,219	\$ 746,108	\$ 765,192
Use of Money & Property	\$ 4,730	\$ 6,303	\$ 8,760	\$ 15,914	\$ 27,844	\$ 26,071
Aid from Other Govt Agencies	\$ 14,518	\$ 4,593	\$ 4,451	\$ 5,484	\$ 4,408	\$ 4,180
Other Financing Sources	\$ -	\$ 5,792	\$ -	\$ -	\$ -	\$ -
Charges for Services	\$ 436,146	\$ 451,923	\$ 460,019	\$ 473,822	\$ 494,733	\$ 508,056
Total Revenue	\$1,069,920	\$1,125,725	\$ 1,155,502	\$1,209,439	\$1,273,093	\$1,303,499
EXPENDITURE						
Salaries & Benefits	\$ 38,526	\$ 48,632	\$ 37,476	\$ 70,917	\$ 49,571	\$ 27,150
Services & Supplies	\$ 854,995	\$ 950,842	\$ 994,343	\$ 1,032,390	\$ 1,166,968	\$ 1,382,904
Other Charges	\$ 10,431	\$ 10,177	\$ 8,488	\$ 5,675	\$ 3,294	\$ 4,104
Fixed Assets	\$ 7,110	\$ 12,402	\$ -	\$ 15,974	\$ -	\$ 8,497
Total Expenditure	\$ 911,062	\$1,022,053	\$ 1,040,307	\$1,124,956	\$1,219,832	\$1,422,654
Surplus/(Deficit)	\$ 158,858	\$ 103,672	\$ 115,195	\$ 84,483	\$ 53,260	\$ (119,155)
FUND BALANCE						
Beginning Balance	\$ 547,721	\$ 706,574	\$ 810,251	\$ 925,445	\$ 1,009,930	\$ 1,063,190
Ending Balance	\$ 706,579	\$ 810,246	\$ 925,446	\$1,009,928	\$1,063,190	\$ 944,035

Governance

CSA 4 is a dependent special district governed by the County Board of Supervisors. All CSAs are formed and operate pursuant to the County Service Area Law (Government Code Section 25210 et seq.). County Supervisors receive no additional compensation for their CSA responsibilities. **Table 66** shows the current board members.

Table 66: Board of Directors

Board Member	Title	Term of Office Expiration	Years in Office
Manu Koenig	Supervisor, District 1	First Elected: 2020 Next Election: General 2024	1 year
Zach Friend	Supervisor, District 2	First Elected: 2012 Next Election: General 2024	9 years
Ryan Coonerty	Supervisor, District 3	First Elected: 2012 Next Election: General 2022	9 years
Greg Caput	Supervisor, District 4	First Elected: 2012 Next Election: General 2022	9 years
Bruce McPherson	Supervisor, District 5	First Elected: 2012 Next Election: General 2024	9 years

Public Meetings

The Board of Supervisors typically meets on scheduled Tuesdays of each month. The meeting dates are posted at the County Governmental Building and on the County's Website. Public meetings are typically held at 9:00am. Based on LAFCO staff's analysis, the County Board of Supervisors met 36 times in 2020. However, it is difficult to determine how many meetings were conducting on behalf of CSA 4 due to the County's extensive agenda and outdated website.

Opportunities & Challenges

Dependent special districts are tasked to operate in an efficient and transparent manner on a regular basis, similar to its independent counterparts. It is LAFCO staff's position that public agencies should always prepare and consider future opportunities and potential challenges in order to properly provide services to their constituents. The following section explores possible actions that should be considered by the District.

Website Requirements

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. It outlines minimum website data requirements, including contact information, financial reports, and meeting

agendas/minutes. While this new law does not apply to county service areas, the County should consider following the requirements outlined in the new law. The County's "CSA Webpage" offers limited information about CSAs. Additionally, it is difficult to locate any information or material regarding CSA 4. For example, there is no reference to staff reports or other supporting documents that provide background information on the CSA's annual rates or recent actions. The County has dedicated a stand-alone website for CSA 48 (County Fire): <http://www.santacruzcountyfire.com/>. The website does mention CSA 4 but only at a limited capacity. It should dedicate a section specifically for CSA 4 since it is a separate dependent special district.

LAFCO Staff Recommendation: *It may be beneficial for the County to create a standalone website for CSA 4 or dedicate a webpage on the County website or County Fire website. Additionally, the webpage should include all past and future LAFCO service reviews involving CSA 4 as additional resource material.*

Potential Reorganization

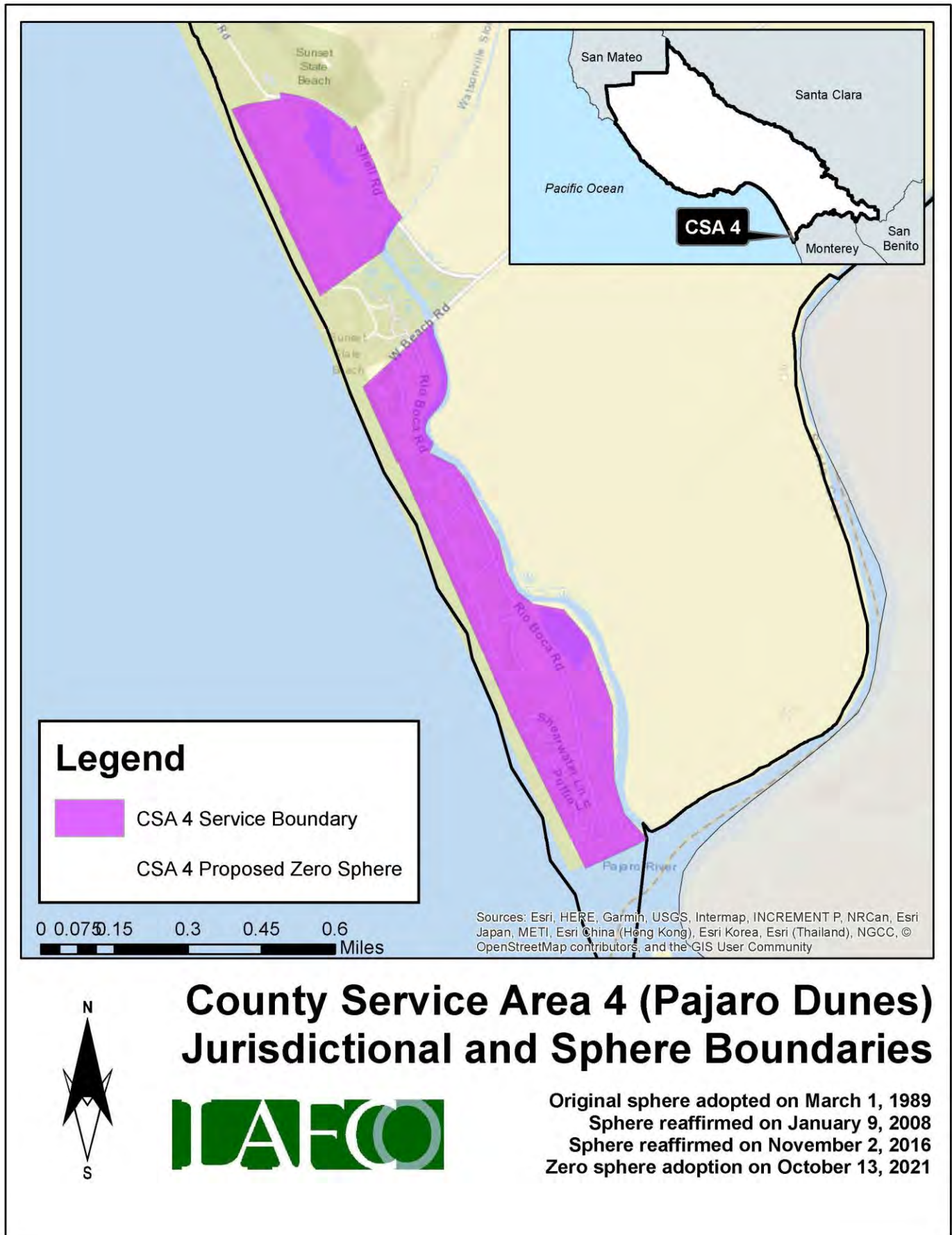
CAL FIRE provides fire protection services within CSAs 4 and 48 through an ongoing contractual agreement. It is LAFCO's understanding that separate funding for the two districts is required by law and one budget may not be used to provide services within the others' boundaries, unless a reorganization occurs. The most recent agreement was approved in June 2020 and will continue for the next three years. Based on LAFCO's analysis and findings, it would be more efficient if CSA 4 was dissolved and subsequently annexed into CSA 48. The level of service and existing operations is not expected to be affected since the contract aligns with the fire stations already in place. The proposed reorganization may also include the creation of a "zone of benefit," which allows CSA 48 to retain the existing revenue and expenditures within the Pajaro Dunes community. In other words, it would allow the functionality of CSA 4 to continue without the additional layer of government.

LAFCO Staff Recommendation: *CSA 4 should be dissolved and concurrently annexed into CSA 48 in order to be more efficient in the delivery of fire protection.*

Sphere of Influence

LAFCO originally adopted a coterminous sphere of influence for the District on March 1, 1989. A coterminous sphere is identical to the agency's jurisdictional boundary. For the past 32 years, the sphere boundary has remained unchanged. LAFCO staff is recommending a zero sphere designation. A "zero" sphere of influence indicates that the district should be dissolved, and fire service responsibilities should be transferred to another local agency. LAFCO believes that CSA 4 should be dissolved and concurrently annexed into CSA 48. The County may create a zone of benefit to ensure that the collected funds remain within the Pajaro Dunes community. **Figure 54** on page 139 depicts the proposed sphere boundary.

Figure 54: CSA 4's Proposed Sphere Map



District Summary

County Service Area 4 (Pajaro Dunes)	
Formation	County Service Area Law (Government Code Section 25210 et. seq).
Board of Directors	5 members (Board of Supervisors), elected by district-based to four-year terms
Contact Person	Ian Larkin, Fire Chief
Employees	6 Full-Time Employees
Facilities	1 Fire Station
ISO Rating	4/4y
District Area	259 acres (0.4 square miles)
Sphere of Influence	Current sphere of influence is Coterminous with the District's Jurisdictional Boundary <i>Proposed Designation: Reaffirm Current Sphere Boundary</i>
FY 2019-20 Audit	Total Revenue = \$1,303,499 Total Expenditure = \$1,422,654 Projected Net Position (Ending Balance) = \$394,034
Contact Information	Mailing Address: 6059 Highway 9 (P.O. Drawer F-2) Felton, CA Phone Number: (831) 722-6188 Email Address: ian.larkin@fire.ca.gov Website: http://www.santacruzcountyfire.com/
Public Meetings	The Board regularly meets on most Tuesdays in the Board of Supervisors' Chambers, 701 Ocean St, Rm. 525. Meetings generally begin at 9:00 am.
Mission Statement	The mission of the Santa Cruz County Fire Department is to protect the life, property, and natural resources of its citizens and visitors through effective emergency response, preparedness, education, and prevention.

Service and Sphere Review Determinations

The following service and sphere review determinations fulfill the requirements outlined in the Cortese-Knox-Hertzberg Act.

Service Provision Determinations

Government Code Section 56430 requires LAFCO to conduct a municipal service review before, or in conjunction with, an action to establish or update a sphere boundary. Written statements of determination must be prepared with respect to each of the following:

1. Growth and population projections for the affected area.

Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. Under this assumption, LAFCO's projections indicate that the entire population of CSA 4 will be approximately 260 by 2040.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

The District was formed in 1966. The District has been providing fire protection services to the Pajaro Dunes community through a contract with the California Department of Forestry and Fire Protection (CAL FIRE).

4. Financial ability of agencies to provide services.

The District has ended with an annual surplus in the last six fiscal years. The District's fund balance is approximately \$944,000 as of June 30, 2020.

5. Status of, and opportunities for, shared facilities.

The District has a strategic partnership with CAL FIRE to provide fire protection services. This agreement was recently renewed until June 2023. The District also provides assistance to surrounding agencies through mutual and automatic aid agreements.

6. Accountability for community service needs, including governmental structure and operational efficiencies.

LAFCO recommends that CSA 4 be dissolved and concurrently annexed into CSA 48. Such reorganization would reflect the ongoing contract with CAL FIRE and maintain the same level of service while also removing a layer of government.

7. Any other matter related to effective or efficient service delivery, as required by commission policy.

No additional local LAFCO policies are specifically relevant to this service and sphere review.

Sphere of Influence Determinations

Government Code Section 56425 requires LAFCO to periodically review and update spheres of influence in concert with conducting municipal service reviews. Spheres are used as regional planning tools to discourage urban sprawl and encourage orderly growth. Written statements of determination must be prepared with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.

The District is located in unincorporated county territory. The County's General Plan designates the area as primarily Urban Low Residential.

2. The present and probable need for public facilities and services in the area.

The District has an ISO Public Protection Classification of 4 within five road miles of a fire station where there is a credible water source for fighting fires. The District provides fire protection, technical rescue, and basic life support (EMT) services.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The District currently operates one fire station. The station is located at 2661 Beach Road in Watsonville. The station's staffing varies with a 3-person company consisting of 1 fire captain and 2 apparatus engineers 24 hours a day, 7 days a week. The volunteer program is currently suspended pending review.

4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

LAFCO staff is aware of various organizations that are relevant to this agency, including but not limited to the following: County of Santa Cruz (Office of Emergency Services), Fire Department Advisory Commission of Santa Cruz County, UC Santa Cruz (Office of Emergency Services), the Pajaro Dunes Community Affairs Committee, and the Fire Safe Councils of Bonny Doon, Santa Cruz County, and South Skyline.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

COUNTY SERVICE AREA 48 (COUNTY FIRE)

District Overview

County Service Area 48 (CSA 48) was formed on December 30, 1985 and operates under the County Service Area Law (Government Code Section 25210 et. seq) and is a part of the Santa Cruz County Fire Department (County Fire) along with CSA 4 under a cooperative agreement with The California Department of Forestry & Fire Protection (CAL FIRE). The District has been providing fire protection services to the unincorporated communities in Santa Cruz County outside the jurisdiction of the existing fire agencies. CSA 48 encompasses 261 square miles of territory. **Figure 55**, on page 144, is a vicinity map depicting CSA 48's current jurisdictional and sphere boundaries. **Figure 56**, on page 145, also shows the current land use designation under the County's General Plan. At present, the lands within the District are primarily designated as Mountain Residential.

Services & Operations

Santa Cruz County currently contracts with CAL FIRE for the administration of CSA 48 including operational oversight and supervision of all career and volunteer firefighters. CAL FIRE provides administration, access to state resources, training, vehicle and equipment maintenance, purchasing specifications and recommendations, structural maintenance and administration of volunteer firefighter benefits and worker's compensation programs. A three-year reimbursement agreement, starting July 1, 2020 and ending June 30, 2023, was adopted by the County Board of Supervisors on June 2, 2020. The agreement and operational plan are available in **Appendix E**. The maximum amount allocated to CAL FIRE under this agreement is approximately \$13.99 million.

Types of Services

Fire protection covers a variety of services from basic life support to vegetation management. LAFCO staff has identified 18 different types of services provided by fire agencies. At present, CSA 48 offers 61% of those services (12 out of 18), as shown in **Table 67**. CSA 48 is in the low-tier when compared to the other 13 fire agencies that provide similar services. The lowest is BFPD with 9 services and the highest is Ben Lomond FPD with 17 different services.

Table 67: CSA 48's Type of Services

Advance Life Support	Ambulance Transportation	Ambulance Transportation (Non-Emergency)	Basic Life Support	Basic Rescue	Community Education
-	-	-	Yes	Yes	Yes
Construction Plan Check	Fire Code Enforcement	Fire Code Permitting	Fire Investigation	Fire Suppression	Haz Mat Administration
Yes	Yes	Yes	Yes	Yes	-
Haz Mat Response	Public Awareness	Technical Rescue	Vegetation Management	Water Rescue	Other Service
Yes	Yes	Yes	Yes	-	-

Figure 55: CSA 48's Vicinity Map

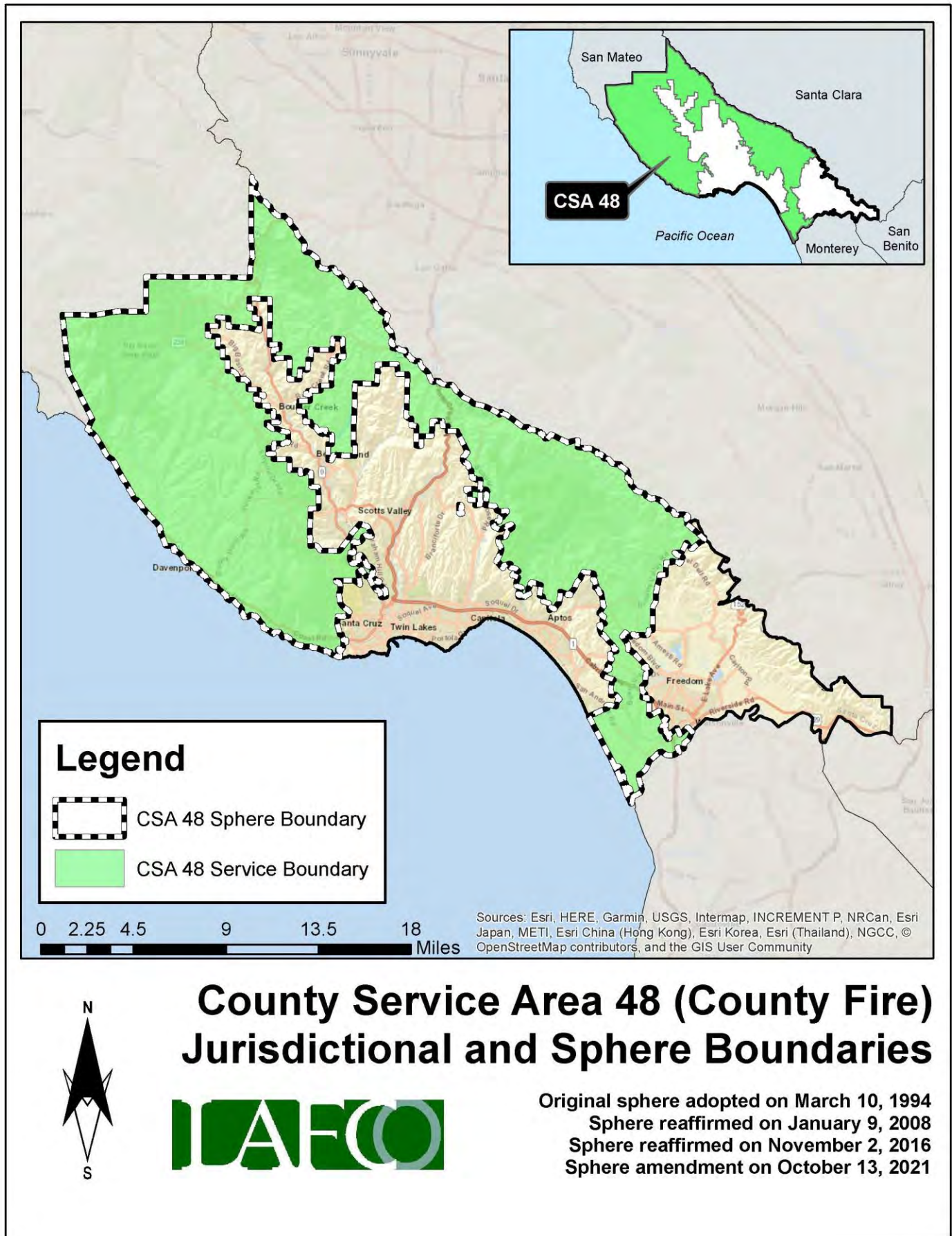
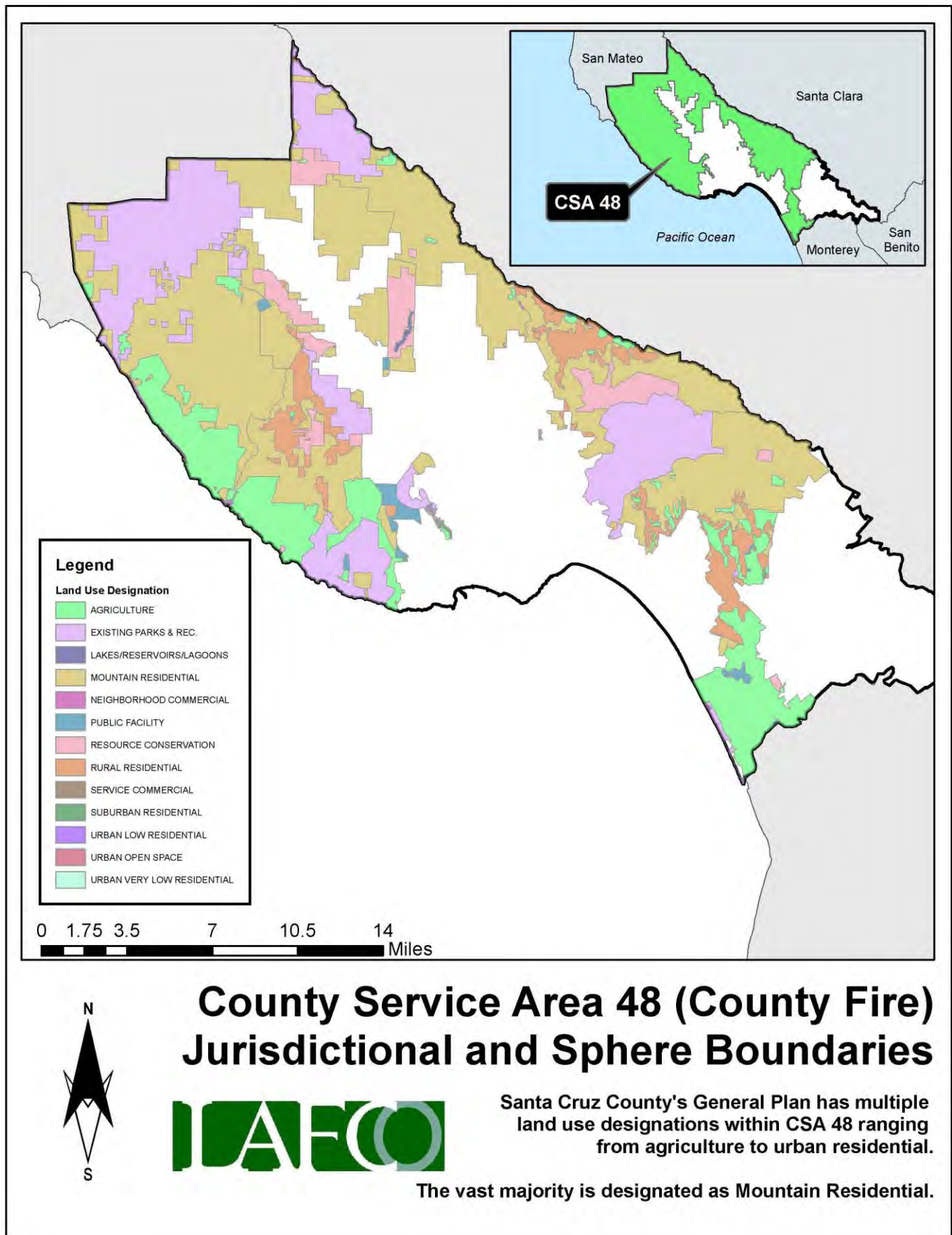


Figure 56: CSA 48's Land Use Map



Types of Training

Similar to services, fire protection covers a variety of training requirements from auto extrication to swift water rescue. LAFCO staff has identified 17 different types of training offered by fire agencies. At present, CSA 48 offers 65% of those training courses (11 out of 17). **Table 68** illustrates those training opportunities.

Table 68: CSA 48's Type of Training

Administration	Advance Life Support	Auto Extrication	Basic Life Support	Confined Space Awareness	Fire Prevention & Inspection
Yes	-	Yes	Yes	Yes	Yes
Hazardous Materials	Ocean Rescue	Physical Fitness	Rapid Intervention	Rescue Systems	Surf Rescue
Yes	-	Yes	Yes	Yes	-
Swift Water Rescue	Technical Rescue	Transport	Truck Company Operations	Other Training	Total
Yes	Yes	-	-	-	11

Fire Station

The District currently operates 10 fire stations. Staffing within each station varies with a 3-person company consisting of 1 battalion chief, 1 fire captain, and 1 apparatus engineer 24 hours a day, 7 days a week to all volunteer firefighters. **Figure 57** on page 147 shows the location of each fire station.

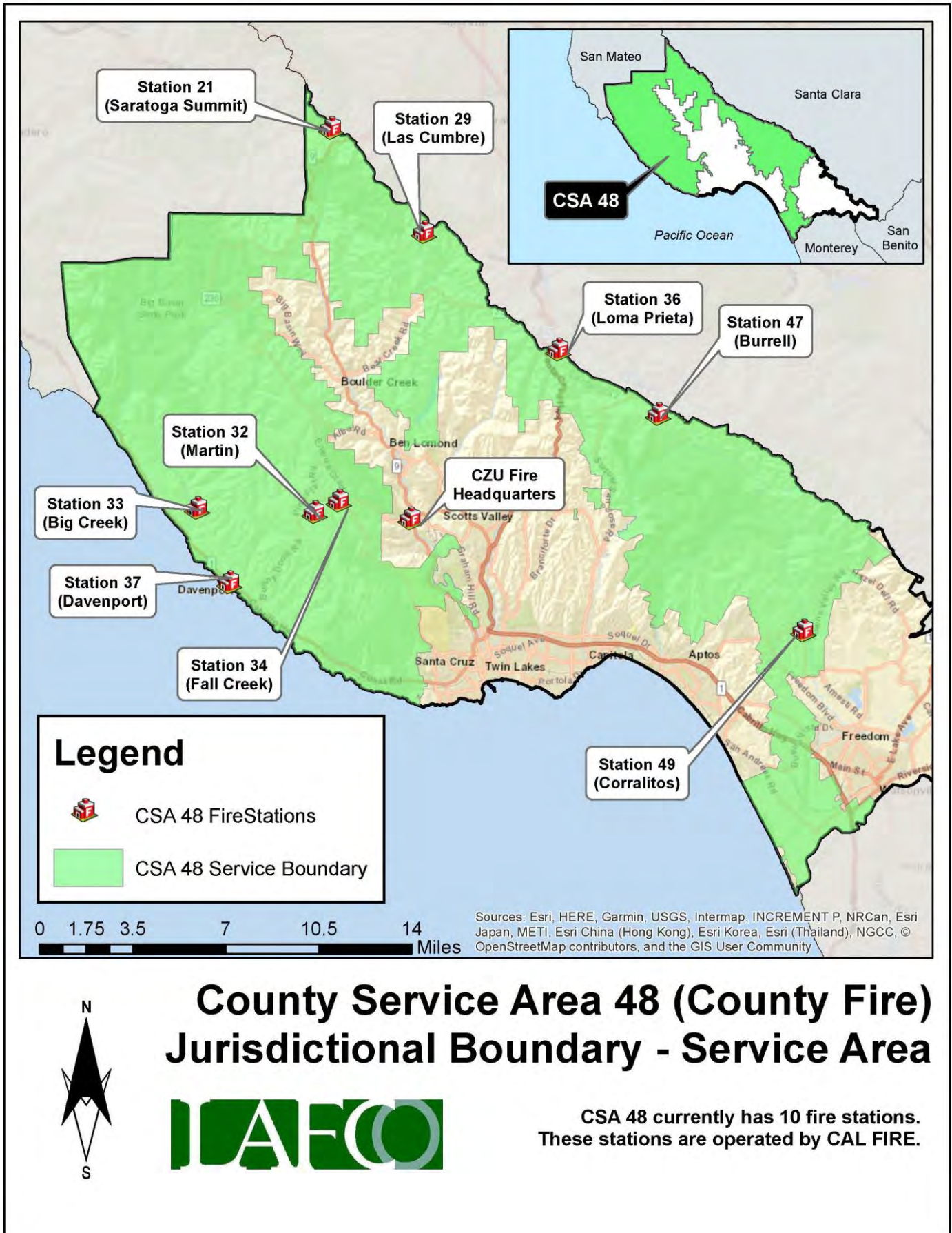
Apparatus & Inventory

In order to provide the necessary fire protection to its constituents, fire agencies are equipped with various apparatuses and vehicles. LAFCO staff has identified 20 different types of apparatuses carried by fire agencies. At present, CSA 48 operates using 29 apparatuses. **Table 69** provides an overview of the District's inventory.

Table 69: CSA 48's Inventory

Aircraft Rescue	Ambulance	Admin/Battalion SUV	Chief Officer SUV	Command Vehicle
-	-	1	2	-
Fire Engine (Type 1)	Fire Engine (Type 2)	Fire Engine (Type 3)	Fire Engine (Type 6)	Haz Mat
5	4	2	1	-
Truck (4x4)	Truck (Ladder)	Truck (Pick-Up)	Truck (Medic)	Truck (Rescue)
4	-	-	-	5
Utility Vehicle	Urban Search & Rescue	Water Craft	Water Tender	Other Vehicle
-	-	-	5	-

Figure 57: CSA 48's Fire Station



Insurance Services Office (ISO) Rating

An ISO rating is based on a fire station's five road mile proximity to a credible water source for fighting fires. The District has an ISO Public Protection Classification of 4. The District provides fire protection, technical rescue, and basic life support (EMT) services. **Figure 58** on page 149 shows the distance the fire station crew can reach within 5 and 10 minutes. Based on staff's analysis, there are many unincorporated areas within the District's jurisdiction that will require more than 10 minutes to receive fire-related services.

Call Data

Based on staff's analysis, fire service providers attend to several types of emergency calls, beyond fire-related situations such as medical calls, mutual aid, and vehicle accidents. LAFCO staff has identified 14 different types of calls responded by fire agencies. **Table 70** indicates that CSA 48 responded to 12,248 calls over the last six years. The annual call average is estimated to be 2,071 calls/year. The District's average response time was 14 minutes.

Table 70: CSA 48's Call Data

Auto Aid	EMS (Medical Call)	False Alarm	Fire	Good Intent Call
-	4,508	-	2,445	-
Haz Mat	Mutual Aid	Overpressure/ Explosion/Overheat	Rescue Call	Service Call
-	-	-	-	-
Severe Weather & Natural Disaster	Special Incident	Vehicle Accident	Other	Total
-	-	3,368	2,107	12,428

Population & Growth

Based on staff's analysis, the population of CSA 48 in 2020 was approximately 24,200. The Association of Bay Area Governments (ABAG) and the Association of Monterey Bay Area Governments (AMBAG) provide population projections for cities and counties in the Coastal Region. Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. **Table 71** shows the anticipated population.

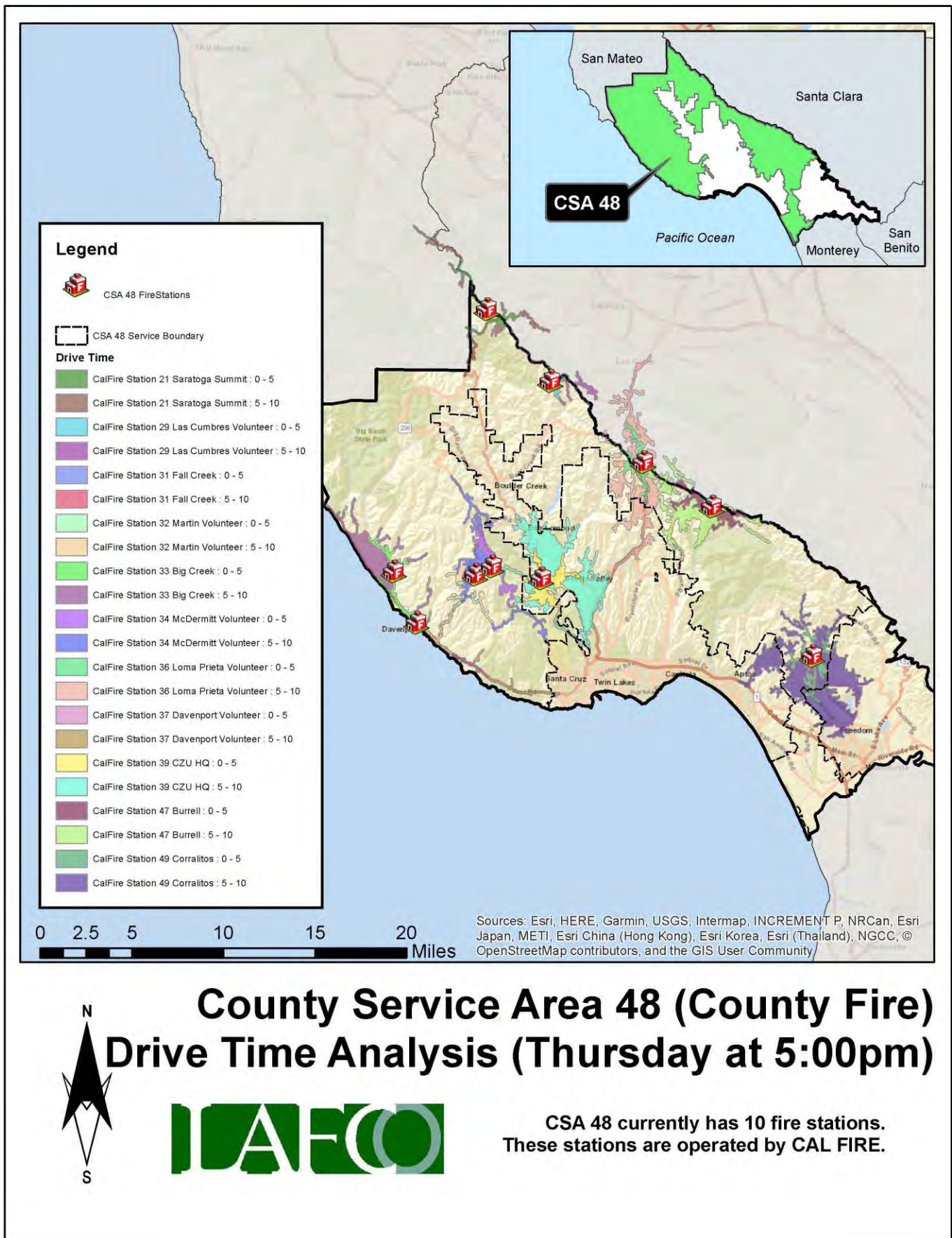
Population Projection

Based on the projections for Santa Cruz County, LAFCO was able to develop a population forecast for CSA 48. LAFCO staff increased the District's 2020 population amount by 0.86% each year. Under this assumption, our projections indicate that the entire population of CSA 48 will be approximately 25,000 by 2040.

Table 71: Projected Population

	2020	2025	2030	2035	2040	Average Rate of Change
Santa Cruz County (unincorporated area)	136,891	137,896	139,105	140,356	141,645	0.86%
County Service Area 48 (County Fire)	24,206	24,413	24,622	24,834	25,046	0.86%

Figure 58: CSA 48's Fire Station (5 and 10 Mile Drive Time)

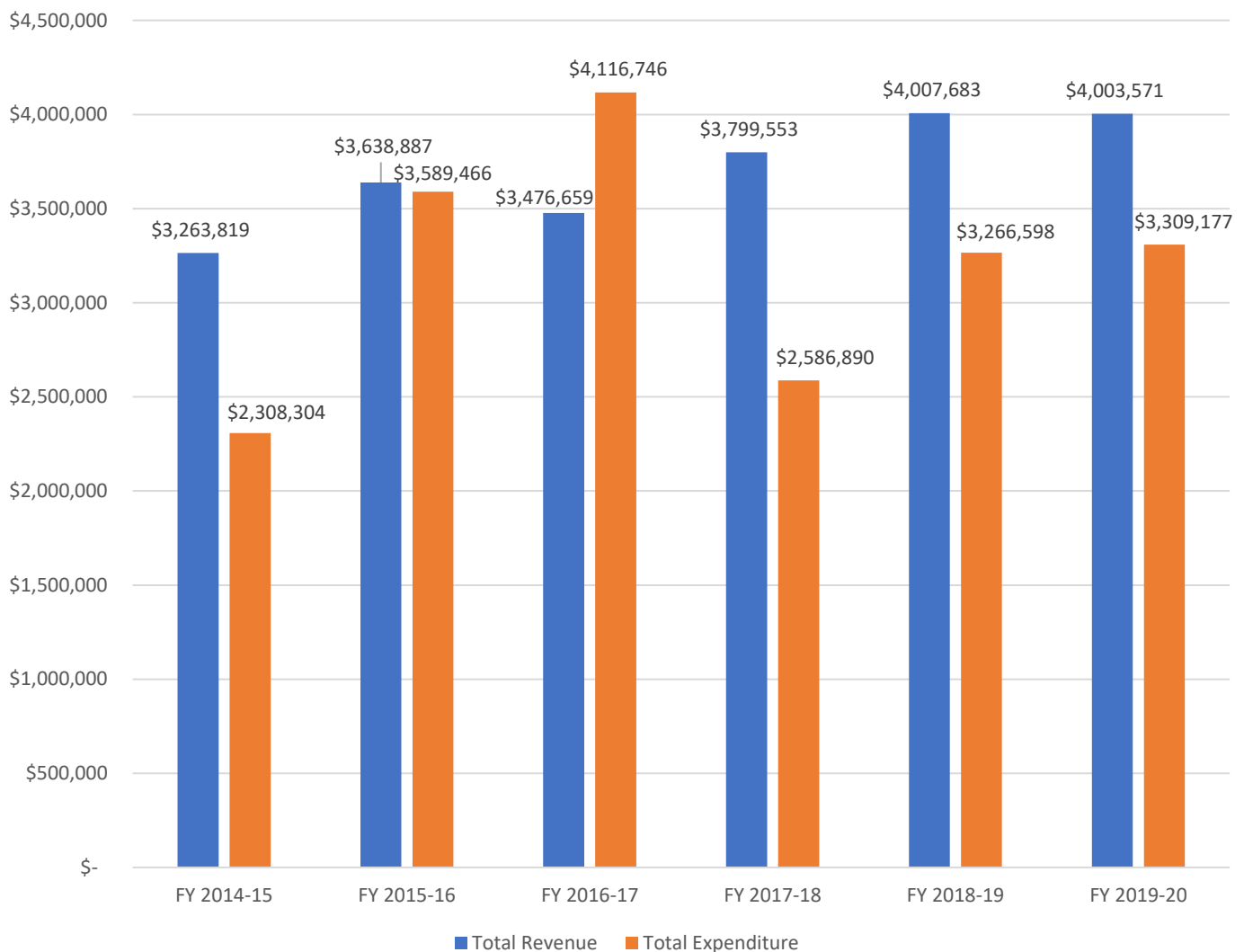


Finances

State law requires special districts to conduct an annual audit. The law also requires special districts to file a report of the completed audit to the State Controller's Office and LAFCO (Government Code Section 56036). For purposes of this report, the District provided financial documents covering the last six years. However, no audits were readily available on the County's website. For purposes of this section, LAFCO staff requested the necessary financial documents. This section will highlight the District's financial performance during the most recent fiscal years based on information retrieved. Specifically, LAFCO evaluated CSA 48's financial health from FY 2014-15 to FY 2019-20.

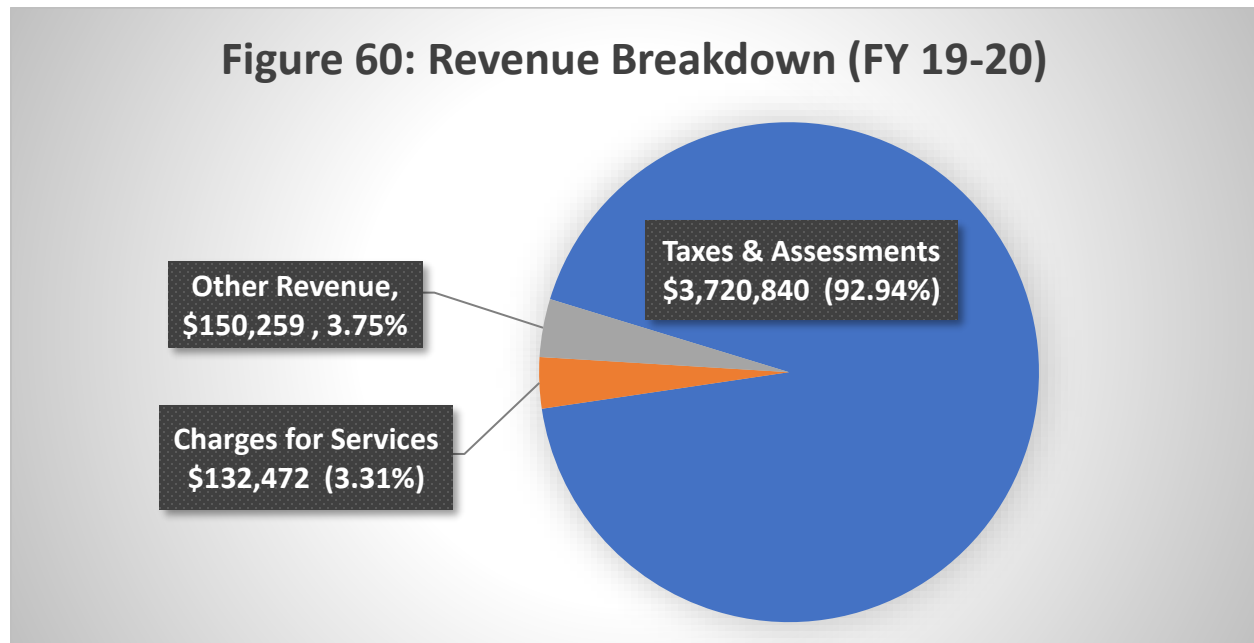
At the end of FY 2019-20, total revenue collected was approximately \$4 million, virtually the same from the previous year (\$4 million in FY 2018-19). Total expense for FY 2019-20 was approximately \$3.3 million, which increased from the previous year by 1% (\$3.26 million in FY 2018-19). The District has ended with an annual surplus each year since 2014, excluding FY 2016-17, as shown in **Figure 59**. LAFCO believes that this positive trend may continue going forward under the current strategic partnership with CAL FIRE.

Figure 59: Statement of Revenues & Expenditures



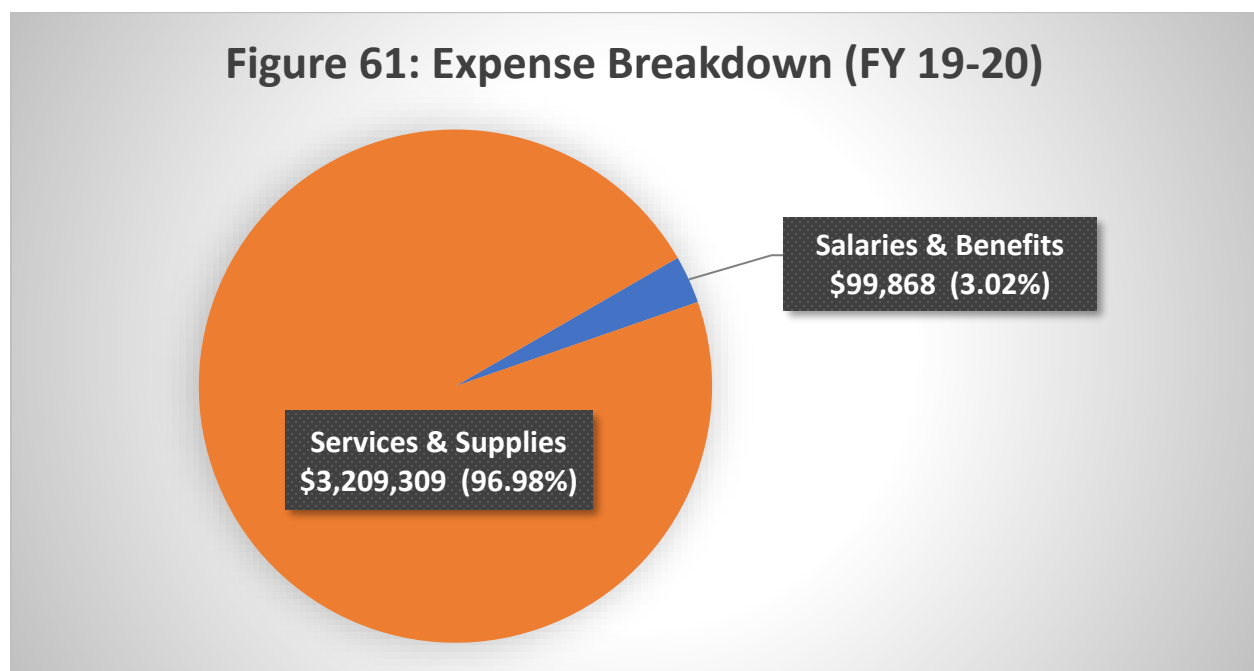
District Revenues

CSA 48's revenue stream can be categorized into three groups: Taxes & Assessments, Charges for Services, and Other Revenue. CSA 48's primary source of revenue is from Taxes & Assessments. This category includes Property Taxes. **Figure 60** highlights the revenue received during FY 2019-20.



District Expenditures

CSA 48's total expenditures can be categorized into two groups: Services & Supplies and Salaries & Benefits. **Figure 61** below distinguishes the cost and percentage per category. As shown below, Services & Supplies are the highest expenditure during FY 2019-20. This category is primarily the CAL FIRE contract that allows the State to provide fire protection services within the District's jurisdiction.



Fund Balance/Net Position

As of June 30, 2020, the total fund balance is approximately \$6.2 million. The fund balance increased each year since 2014, with the exception of FY 2016-17, as shown in **Table 72**. The current balance represents 186% of the District's total expenditure from FY 2019-20. This amount would be more than sufficient to cover any unanticipated costs. The overall financial performance of CSA 48 during the last five years can be found in **Table 73** below.

Table 72: Fund Balance/Net Position

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Net Position (Ending Balance)	\$4,100,874	\$4,150,150	\$3,510,063	\$4,722,726	\$5,463,811	\$6,158,205
Change in (\$) from previous year		\$49,276	\$(640,087)	\$1,212,663	\$741,085	\$694,394
Change in (%) from previous year		1.20%	-15.42%	34.55%	15.69%	12.71%

Table 73: Total Revenues & Expenditures

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
REVENUE						
Benefit Assessment (Taxes)	\$ 2,878,962	\$ 3,095,688	\$ 3,290,640	\$ 3,401,641	\$ 3,605,850	\$ 3,720,840
Charges for Services	\$ 182,484	\$ 288,339	\$ 122,727	\$ 320,048	\$ 246,413	\$ 132,472
Other Revenue	\$ 202,373	\$ 254,860	\$ 63,292	\$ 77,864	\$ 155,420	\$ 150,259
Total Revenue	<u>\$3,263,819</u>	<u>\$3,638,887</u>	<u>\$3,476,659</u>	<u>\$3,799,553</u>	<u>\$4,007,683</u>	<u>\$4,003,571</u>
EXPENDITURE						
Salaries & Benefits	\$ 97,282	\$ 87,980	\$ 126,126	\$ 79,334	\$ 99,116	\$ 99,868
Services & Supplies	\$ 2,211,022	\$ 3,501,486	\$ 3,990,620	\$ 2,507,556	\$ 3,167,482	\$ 3,209,309
Total Expenditure	<u>\$2,308,304</u>	<u>\$3,589,466</u>	<u>\$4,116,746</u>	<u>\$2,586,890</u>	<u>\$3,266,598</u>	<u>\$3,309,177</u>
Surplus/(Deficit)	<u>\$ 955,515</u>	<u>\$ 49,421</u>	<u>\$ (640,087)</u>	<u>\$1,212,663</u>	<u>\$ 741,085</u>	<u>\$ 694,394</u>
FUND BALANCE						
Beginning Balance	\$ 3,145,359	\$ 4,100,729	\$ 4,150,150	\$ 3,510,063	\$ 4,722,726	\$ 5,463,811
Ending Balance	<u>\$4,100,874</u>	<u>\$4,150,150</u>	<u>\$3,510,063</u>	<u>\$4,722,726</u>	<u>\$5,463,811</u>	<u>\$6,158,205</u>

Governance

CSA 48 is a dependent special district governed by the County Board of Supervisors. All CSAs are formed and operate pursuant to the County Service Area Law (Government Code Section 25210 et seq.). County Supervisors receive no additional compensation for their CSA responsibilities. **Table 74** shows the current board members.

Table 74: Board of Directors

Board Member	Title	Term of Office Expiration	Years in Office
Manu Koenig	Supervisor, District 1	First Elected: 2020 Next Election: General 2024	1 year
Zach Friend	Supervisor, District 2	First Elected: 2012 Next Election: General 2024	9 years
Ryan Coonerty	Supervisor, District 3	First Elected: 2012 Next Election: General 2022	9 years
Greg Caput	Supervisor, District 4	First Elected: 2012 Next Election: General 2022	9 years
Bruce McPherson	Supervisor, District 5	First Elected: 2012 Next Election: General 2024	9 years

Public Meetings

The Board of Supervisors typically meets on scheduled Tuesdays of each month. The meeting dates are posted at the County Governmental Building and on the County's Website. Public meetings are typically held at 9:00am. Based on LAFCO staff's analysis, the County Board of Supervisors met 36 times in 2020. However, it is difficult to determine how many meetings were conducting on behalf of CSA 48 due to the County's extensive agenda and outdated website.

Opportunities & Challenges

Dependent special districts are tasked to operate in an efficient and transparent manner on a regular basis, similar to its independent counterparts. It is LAFCO staff's position that public agencies should always prepare and consider future opportunities and potential challenges in order to properly provide services to their constituents. The following section explores possible actions that should be considered by the District.

Website Requirements

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. It outlines minimum website data requirements, including contact information, financial reports, and meeting agendas/minutes. While this new law does not apply to county service areas, the County should consider following the requirements outlined in the new law for the stand-alone website dedicated to CSA 48: <http://www.santacruzcountyfire.com/>.

LAFCO Staff Recommendation: *The District should continue updating its website to fulfill the legal requirements under SB 929.*

Potential Reorganization

CAL FIRE provides fire protection services within CSAs 4 and 48 through an ongoing contractual agreement. The most recent agreement was approved in June 2020 and will continue for the next three years. Based on LAFCO's analysis and findings, it would be more efficient if CSA 4 was dissolved and subsequently annexed into CSA 48. The level of service and existing operations is not expected to be affected since the contract aligns with the fire stations already in place. The proposed reorganization may also include the creation of a "zone of benefit," which allows CSA 48 to retain the existing revenue and expenditures within the Pajaro Dunes community. In other words, it would allow the functionality of CSA 4 to continue without the additional layer of government.

LAFCO Staff Recommendation: *CSA 4 should be dissolved and concurrently annexed into CSA 48 in order to be more efficient in the delivery of fire protection.*

Transition from Dependent to Independent

CSA 48 is a dependent special district, meaning that its functions and operations are managed by the County. It may be beneficial for the County to consider transitioning CSA 48 into a stand-alone special district. Benefits include having its own board of directors, its own staff, better resident representation, and more local control by the affected communities. More importantly, it would allow the County to focus on more regional issues rather than certain municipal services, such as fire protection.

LAFCO Staff Recommendation: *The County should coordinate with LAFCO to determine the benefits and/or constraints associated with transitioning CSA 48 from a dependent to an independent special district.*

Formation of Zones

As previously mentioned, CSA 48 provides services to approximately 167,000 acres throughout the entire county. At present, all residents within CSA 48 pay the same benefit assessment to fund the District's services and operations. It may be beneficial to create zones within CSA 48 to more effectively charge residents based on the level of service by area. A zone of benefit is a geographic area within an existing special district. Unlike most boundary changes, formation of zones do not require LAFCO action. The Board of Supervisors may consider and approve the creation of zones within CSA 48. This type of action has already been accomplished within other CSAs under the County's purview, including but not limited to CSA 9 and its six zones. LAFCO strongly encourages the County to consider creating these zones for better representation and adequate charges to the affected residents.

LAFCO Staff Recommendation: *The County should strongly consider forming zones within CSA 48.*

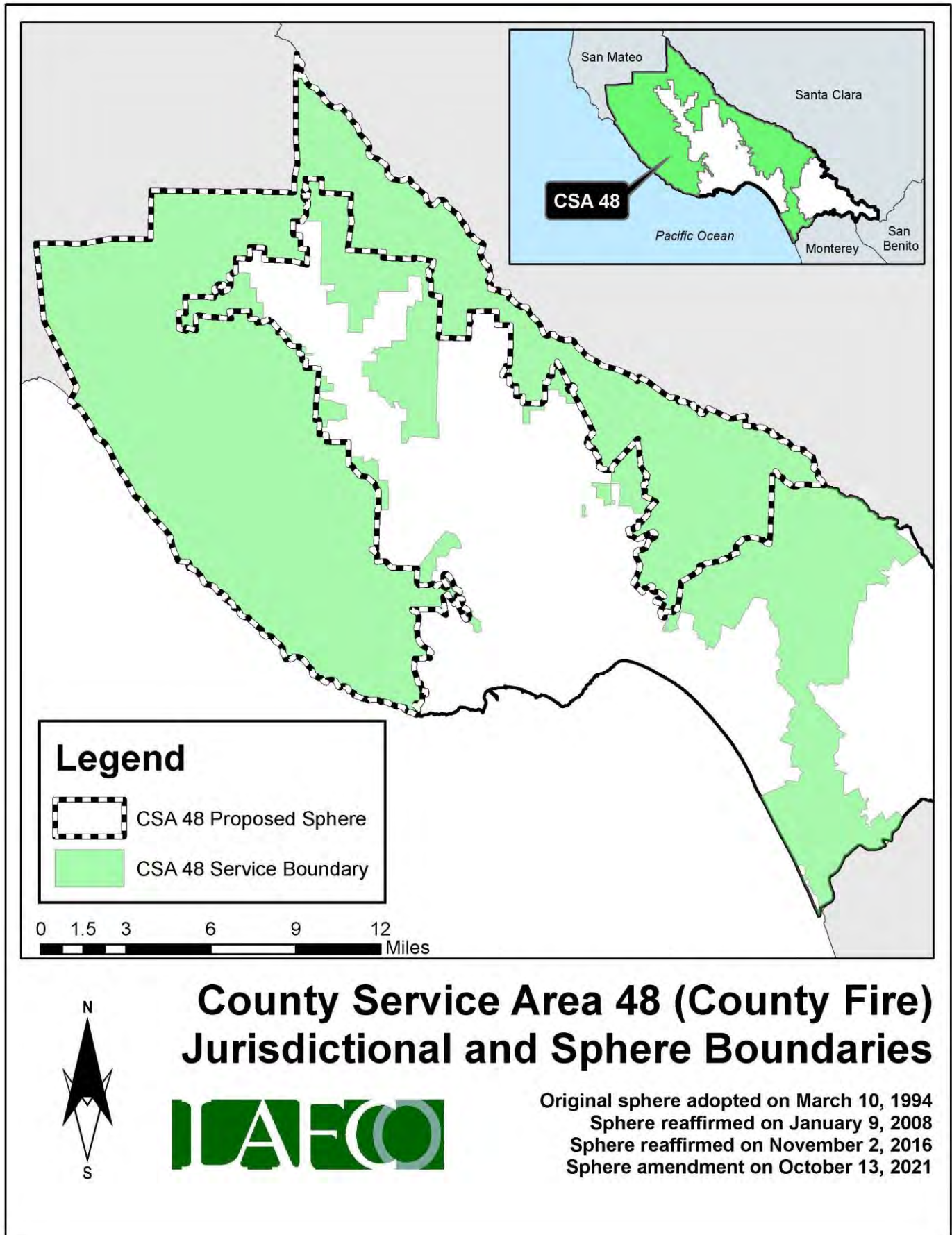
Sphere of Influence

LAFCO originally adopted a sphere of influence for the District on October 16, 1985 as part of its formation. The original sphere included areas beyond CSA 48's jurisdictional boundary. The 1985 resolution included language that stated, "Annexations to fire districts and cities with municipal fire departments shall be accompanied by detachments from this county service area." For the past 36 years, areas have been detached from CSA 48 and annexed into the other fire agencies. The last detachment occurred on June 2018 in which the "Upper Porter Gulch Reorganization" detached approximately 130 acres from CSA 48 and concurrently annexed the area into Central FPD.

Overlapping Sphere Boundaries

The purpose of spheres of influence is to identify the most logical service provider to communities throughout Santa Cruz County. Typically, areas are located within one sphere boundary. However, CSA 48's existing sphere of influence overlaps with other fire agencies – causing confusion on which entity is the most logical service provider. Therefore, staff is recommending that CSA 48's sphere be modified to remove all overlapping areas. If approved, this will allow the affected fire districts to consider annexation and may result in additional detachments from CSA 48 in the foreseeable future. The goal is to improve the level of service to unincorporated communities near fire districts and allow CSA 48 to focus on more rural or remote areas. **Figure 62** on page 156 depicts the proposed sphere boundary.

Figure 62: CSA 48's Proposed Sphere Map



District Summary

County Service Area 48 (County Fire)	
Formation	County Service Area Law (Government Code Section 25210 et. seq).
Board of Directors	5 members (Board of Supervisors), elected district-based to four-year terms
Contact Person	Ian Larkin, Fire Chief
Employees	8.9 Full-Time Employees, 24 Seasonal Employees, and 73 Volunteers
Facilities	10 Fire Stations
ISO Rating	4/4y
District Area	167,153 acres (261 square miles)
Sphere of Influence	Current sphere of influence is Larger than the District's Jurisdictional Boundary <i>Proposed Designation: Sphere Amendment (Reduction)</i>
FY 2019-20 Audit	Total Revenue = \$1,231,653 Total Expenditure = \$1,231,653 Projected Net Position (Ending Balance) = \$13,023
Contact Information	Mailing Address: 6059 Highway 9 (P.O. Drawer F-2) Felton, CA Phone Number: (831) 722-6188 Email Address: ian.larkin@fire.ca.gov Website: http://www.santacruzcountyfire.com/
Public Meetings	The Board regularly meets on most Tuesdays in the Board of Supervisors' Chambers, 701 Ocean St, Rm. 525. Meetings generally begin at 9:00 am.
Mission Statement	The mission of the Santa Cruz County Fire Department is to protect the life, property, and natural resources of its citizens and visitors through effective emergency response, preparedness, education, and prevention.

Service and Sphere Review Determinations

The following service and sphere review determinations fulfill the requirements outlined in the Cortese-Knox-Hertzberg Act.

Service Provision Determinations

Government Code Section 56430 requires LAFCO to conduct a municipal service review before, or in conjunction with, an action to establish or update a sphere boundary. Written statements of determination must be prepared with respect to each of the following:

1. Growth and population projections for the affected area.

Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. Under this assumption, LAFCO's projections indicate that the entire population of CSA 48 will be approximately 25,000 by 2040.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

County Fire was created in 1948 when the County Board of Supervisors entered into a cooperative agreement with the California Department of Forestry & Fire Protection (CAL FIRE) to address fire protection and emergency services for the unincorporated areas of the county not encompassed in a local fire district. CSA 48 was formed in 1985 to assist in funding this department. CSA 4 is also part of County Fire and encompassed in the same contract with CAL FIRE.

4. Financial ability of agencies to provide services.

The District has ended with an annual surplus in five of the last six fiscal years. The District's fund balance is approximately \$6.2 million as of June 30, 2020.

5. Status of, and opportunities for, shared facilities.

The District has a strategic partnership with CAL FIRE to provide fire protection services. This agreement was recently renewed until June 2023. The District also provides assistance to surrounding agencies through mutual and automatic aid agreements.

6. Accountability for community service needs, including governmental structure and operational efficiencies.

LAFCO recommends that CSA 4 be dissolved and concurrently annexed into CSA 48. Such reorganization would reflect the ongoing contract with CAL FIRE and maintain the same level of service while also removing a layer of government.

7. Any other matter related to effective or efficient service delivery, as required by commission policy.

No additional local LAFCO policies are specifically relevant to this service and sphere review.

Sphere of Influence Determinations

Government Code Section 56425 requires LAFCO to periodically review and update spheres of influence in concert with conducting municipal service reviews. Spheres are used as regional planning tools to discourage urban sprawl and encourage orderly growth. Written statements of determination must be prepared with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.

The District is located in unincorporated county territory. The County's General Plan designates the area as primarily Mountain Residential.

2. The present and probable need for public facilities and services in the area.

The District has an ISO Public Protection Classification of 4 within five road miles of a fire station where there is a credible water source for fighting fires. The District provides fire protection, technical rescue, and basic life support (EMT) services.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The District currently operates 10 fire stations. Staffing within each station varies with a 3-person company consisting of 1 fire captain, 1 apparatus engineer and a minimum of 2 firefighters 24 hours a day, 7 days a week. The 5 volunteer stations are not staffed.

4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

LAFCO staff is aware of various organizations that are relevant to this agency, including but not limited to the following: County of Santa Cruz (Office of Emergency Services), Fire Department Advisory Commission of Santa Cruz County, UC Santa Cruz (Office of Emergency Services), and the Fire Safe Councils of Bonny Doon, Santa Cruz County, and South Skyline.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

FELTON FIRE PROTECTION DISTRICT

District Overview

Felton Fire Protection District (FFPD) was formed on October 23, 1946 and operates under the Fire Protection District Law of 1987. FFPD encompasses nearly 6 square miles of territory located in the San Lorenzo Valley. **Figure 63**, on page 161, is a vicinity map depicting FFPD's current jurisdictional and sphere boundaries. **Figure 64**, on page 162, also shows the current land use designation under the County's General Plan. At present, the lands within the District vary from agriculture to service commercial. The vast majority of the District is designated as Mountain Residential.

Services & Operations

FFPD currently provides fire protection services to the Felton community and its surrounding areas. It currently operates with 1 full-time employee, 1 part-time employee, and 28 volunteer firefighters. The following sections provide a detailed overview of FFPD's services and operations.

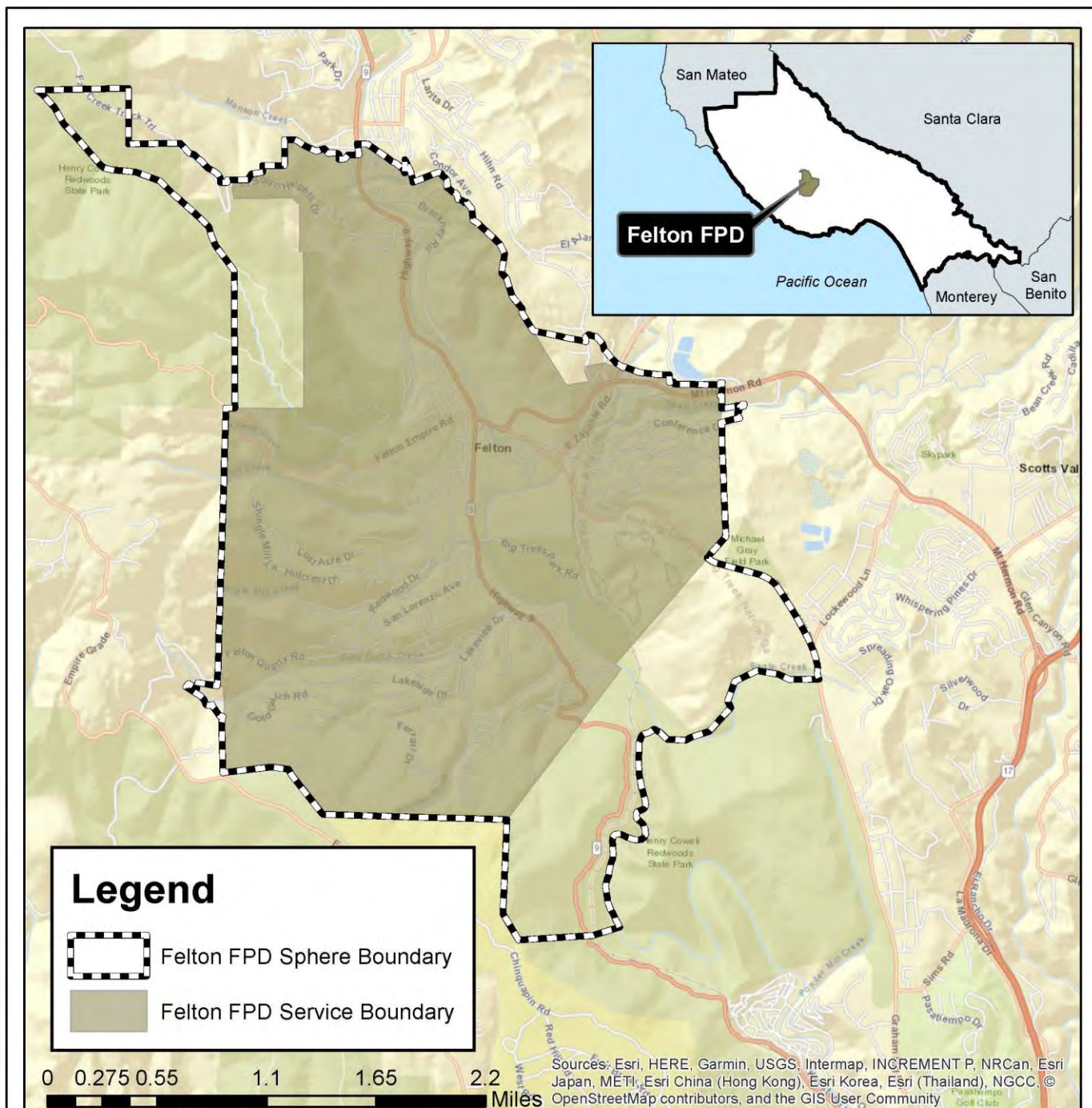
Types of Services

Fire protection covers a variety of services from basic life support to vegetation management. LAFCO staff has identified 18 different types of services provided by fire agencies. At present, FFPD offers 89% of those services (16 out of 18). **Table 75** illustrates those services. FFPD offers the second highest amount of services when compared to the other 13 fire agencies in Santa Cruz County. The lowest is BFPD with 9 services and the highest is Ben Lomond FPD with 17 different services. It is important to note that FFPD is one of only five agencies that provide advance life support services. The "Other Service" offered by the District involves mutual aid. If requested, the District may provide services outside its jurisdictional boundary.

Table 75: FFPD's Type of Services

Advance Life Support	Ambulance Transportation	Ambulance Transportation (Non-Emergency)	Basic Life Support	Basic Rescue	Community Education
Yes	-	-	Yes	Yes	Yes
Construction Plan Check	Fire Code Enforcement	Fire Code Permitting	Fire Investigation	Fire Suppression	Haz Mat Administration
Yes	Yes	Yes	Yes	Yes	Yes
Haz Mat Response	Public Awareness	Technical Rescue	Vegetation Management	Water Rescue	Other Service
Yes	Yes	Yes	Yes	Yes	Yes

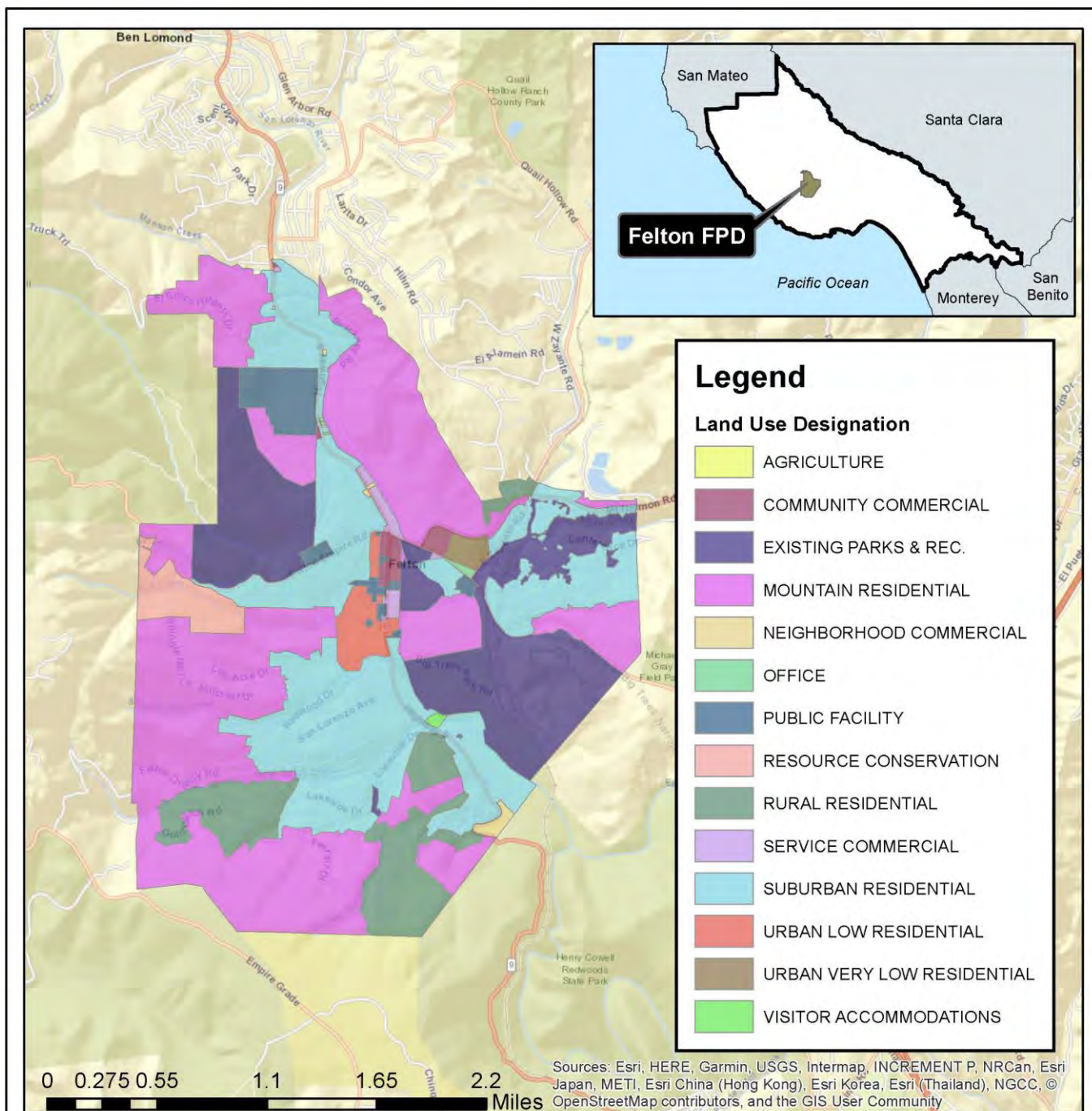
Figure 63: FFPD's Vicinity Map



Felton Fire Protection District Jurisdictional and Sphere Boundaries

Original Sphere adopted on March 10, 1994
 Sphere Reaffirmed on March 5, 2008
 Sphere Reaffirmed on November 2, 2016
 Sphere Reaffirmation on October 13, 2021

Figure 64: FFPD's Land Use Map



Felton Fire Protection District Jurisdictional and Sphere Boundaries



Santa Cruz County's General Plan has multiple land use designations within Felton FPD ranging from agriculture to service commercial.

The vast majority is designated as Mountain Residential.

Types of Training

Similar to services, fire protection covers a variety of training requirements from auto extrication to swift water rescue. LAFCO staff has identified 17 different types of training offered by fire agencies. At present, FFPD offers 82% of those training courses (14 out of 17). **Table 76** illustrates those training opportunities.

Table 76: FFPD's Type of Training

Administration	Advance Life Support	Auto Extrication	Basic Life Support	Confined Space Awareness	Fire Prevention & Inspection
Yes	-	Yes	Yes	Yes	Yes
Hazardous Materials	Ocean Rescue	Physical Fitness	Rapid Intervention	Rescue Systems	Surf Rescue
Yes	-	Yes	Yes	Yes	-
Swift Water Rescue	Technical Rescue	Transport	Truck Company Operations	Other Training	Total
Yes	Yes	Yes	Yes	Yes	14

Fire Stations

The District currently operates one fire station. The station was built in 1935 and is located at 131 Kirby Street in Felton. The station is staffed with 2 firefighters and the fire chief during regular business hours (Monday to Friday). At present, FFPD has 1 full-time firefighter, 1 rotating part-time firefighter, 1 part-time fire prevention inspector/EMT, 1 part-time HR/Payroll Admin, 1 volunteer Assistant Chief, 4 volunteer Captains, 3 volunteer Driver Operators, and 25 volunteer firefighters/EMTs. **Figure 65** on page 164 shows the location of the fire station.

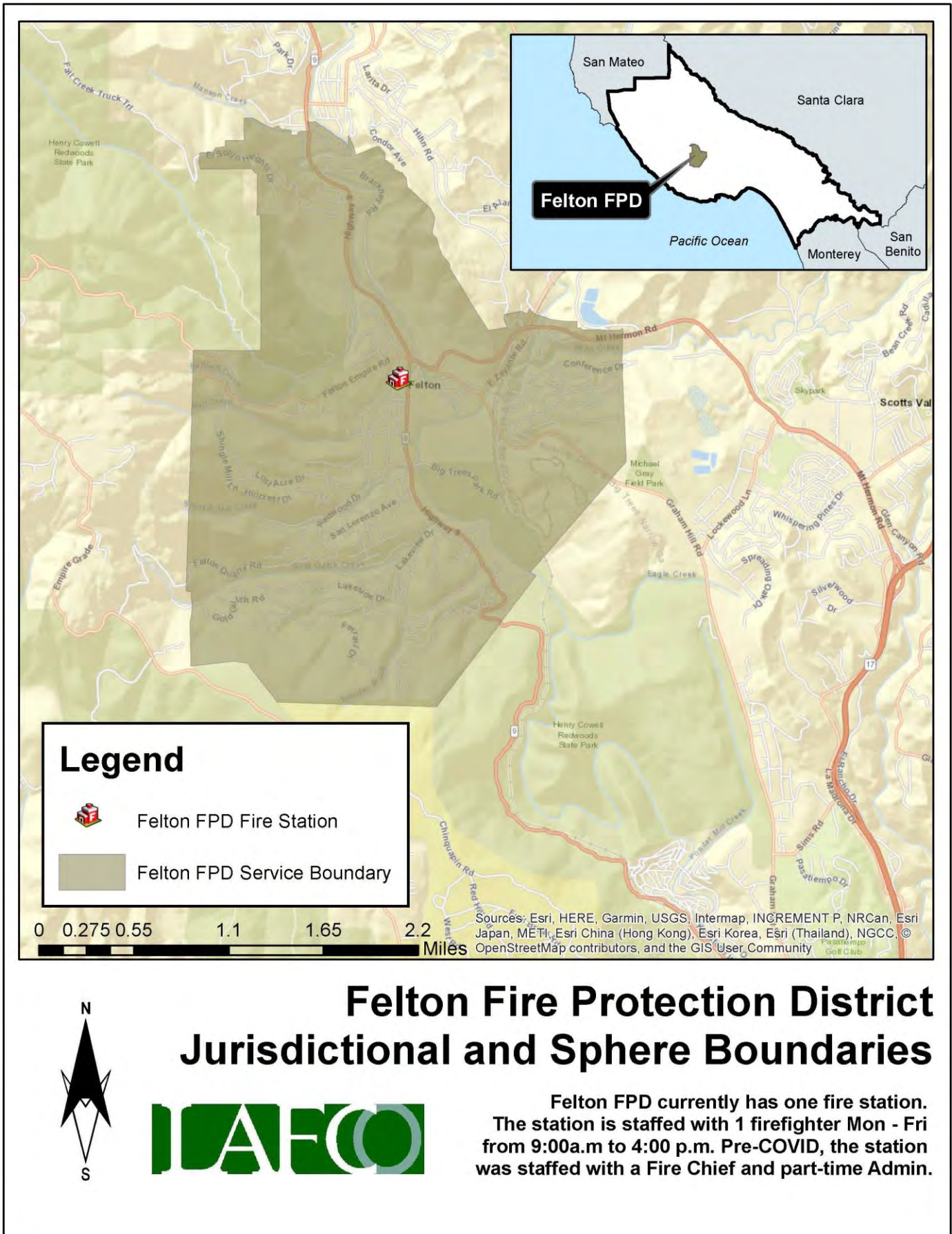
Apparatus & Inventory

In order to provide the necessary fire protection to its constituents, fire agencies are equipped with various apparatuses and vehicles. LAFCO staff has identified 20 different types of apparatuses carried by fire agencies. At present, FFPD operates using 8 apparatuses. **Table 77** provides an overview of the District's inventory. The District is in the middle-range when compared to the other fire agencies. CSA 4 has the lowest with 5 vehicles and CSA 48 has the highest with 29 vehicles. It is important to note that FFPD shares a breathing air bottle truck with local agencies through a JPA agreement: the County, BCFPD, BLFPD, SVFPD, and ZFPD.

Table 77: FFPD's Inventory

Aircraft Rescue	Ambulance	Admin/Battalion SUV	Chief Officer SUV	Command Vehicle
-	-	1	1	-
Fire Engine (Type 1)	Fire Engine (Type 2)	Fire Engine (Type 3)	Fire Engine (Type 6)	Haz Mat
2	-	1	-	-
Truck (4x4)	Truck (Ladder)	Truck (Pick-Up)	Truck (Medic)	Truck (Rescue)
1	-	-	-	-
Utility Vehicle	Urban Search & Rescue	Water Craft	Water Tender	Other Vehicle
-	-	-	1	1

Figure 65: FFPD's Fire Station



Insurance Services Office (ISO) Rating

An ISO rating is based on a fire station's five road mile proximity to a credible water source for fighting fires. The District has an ISO Public Protection Classification of 4. The District provides fire protection and advance/basic life support services. **Figure 66** on page 166 shows the distance the fire station crew can reach within 5 and 10 minutes. Based on staff's analysis, the District covers most of its jurisdiction and areas outside its limits.

Call Data

Based on staff's analysis, fire service providers attend to several types of emergency calls, beyond fire-related situations such as medical calls, mutual aid, and vehicle accidents. LAFCO staff has identified 14 different types of calls responded by fire agencies. **Table 78** indicates that FFPD responded to approximately 4,000 calls over the last six years. The annual call average is estimated to be 667 calls/year. The District's average response time was approximately 8 minutes.

Table 78: FFPD's Call Data (2015 to 2020)

Auto Aid	EMS (Medical Call)	False Alarm	Fire	Good Intent Call
-	2,389	178	233	508
Haz Mat	Mutual Aid	Overpressure/ Explosion/Overheat	Rescue Call	Service Call
308	-	3	-	258
Severe Weather & Natural Disaster	Special Incident	Vehicle Accident	Other	Total
5	3	-	11	3,996

Population & Growth

Based on staff's analysis, the population of FFPD in 2020 was approximately 6,000. The Association of Bay Area Governments (ABAG) and the Association of Monterey Bay Area Governments (AMBAG) provide population projections for cities and counties in the Coastal Region. Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. **Table 79** shows the anticipated population within FFPD.

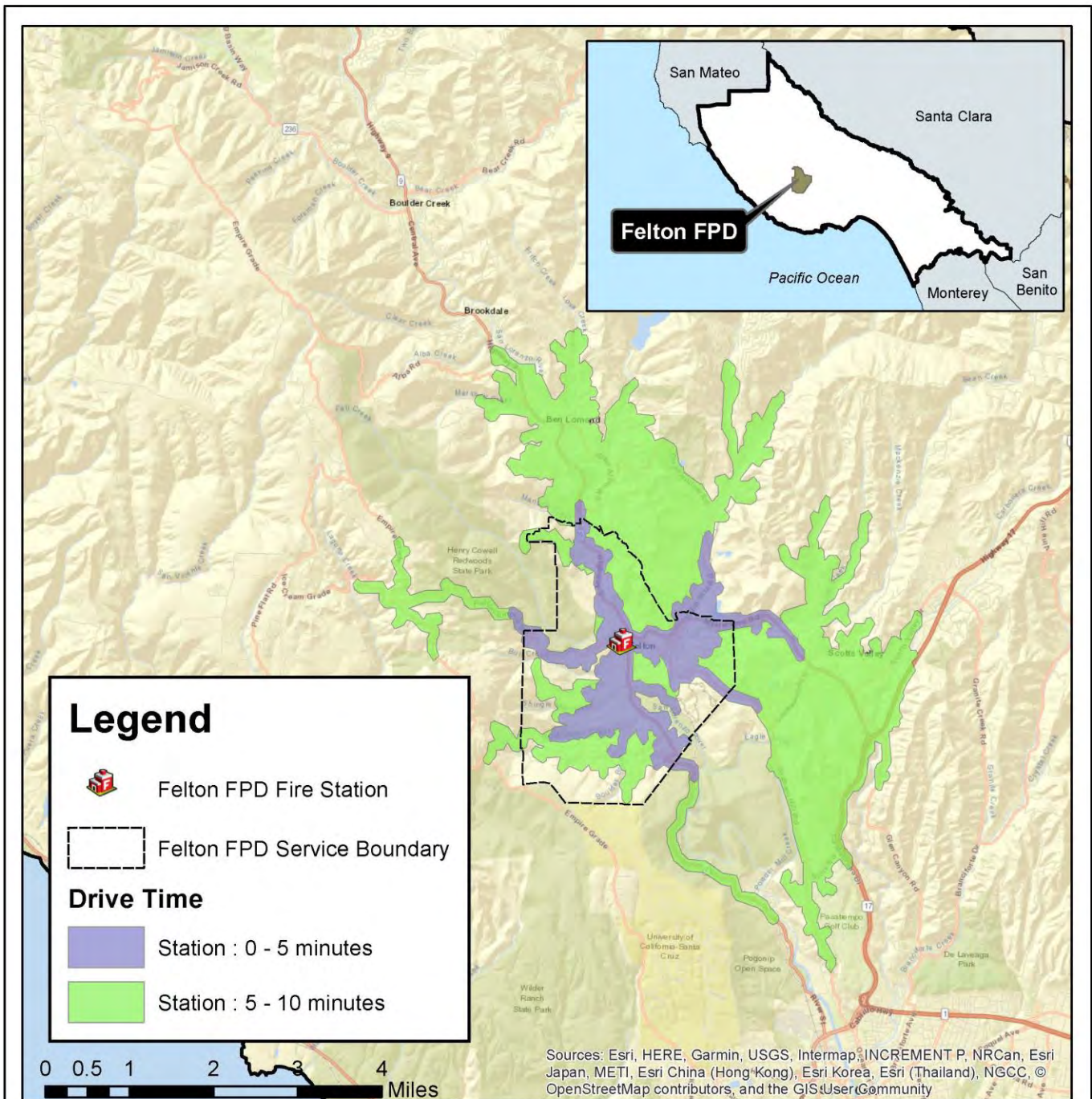
Population Projection

Based on the projections for Santa Cruz County, LAFCO was able to develop a population forecast for FFPD. LAFCO staff increased the District's 2020 population amount by 0.86% each year. Under this assumption, our projections indicate that the entire population of FFPD will be approximately 6,300 by 2040.

Table 79: Projected Population

	2020	2025	2030	2035	2040	Average Rate of Change
Santa Cruz County (unincorporated area)	136,891	137,896	139,105	140,356	141,645	0.86%
Felton Fire Protection District	6,051	6,103	6,156	6,208	6,262	0.86%

Figure 66: FFPD's Fire Station (5 and 10 Mile Drive Time)



Felton Fire Protection District Drive Time Analysis (Thursday at 5:00pm)

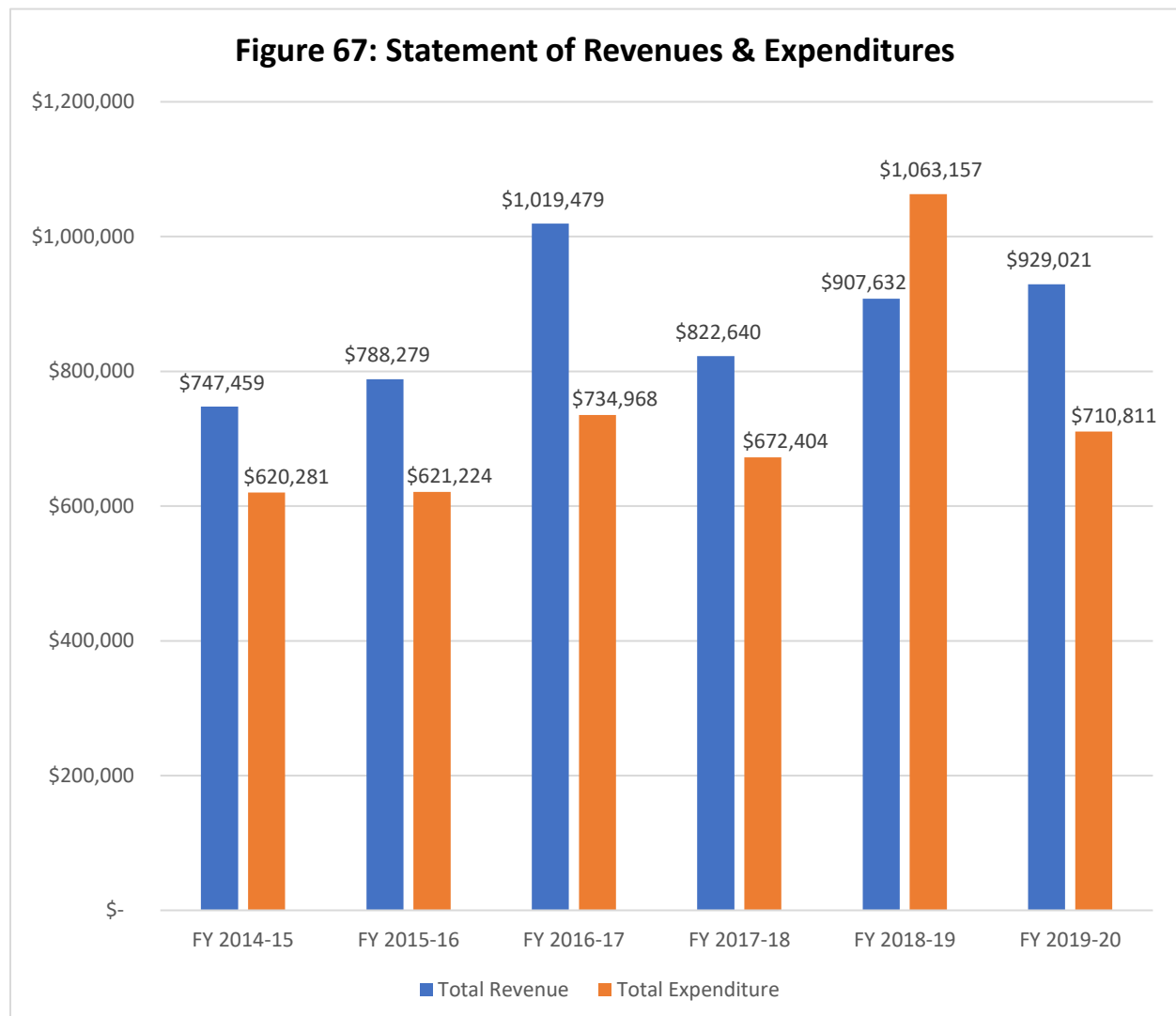


Felton FPD currently has one fire station. The station is staffed with 1 firefighter Mon - Fri from 9:00a.m to 4:00 p.m. Pre-COVID, the station was staffed with a Fire Chief and part-time Admin.

Finances

State law requires special districts to conduct an annual audit. The law also requires special districts to file a report of the completed audit to the State Controller's Office and LAFCO (Government Code Section 56036). For purposes of this report, the District provided financial documents covering the last six years. In addition, all recent audits were available on the District's website as statutorily required (Government Code Sections 6270.6 and 53087.8). This section will highlight the District's financial performance during the most recent fiscal years based on information retrieved. Specifically, LAFCO evaluated FFPD's financial health from FY 2014-15 to FY 2019-20.

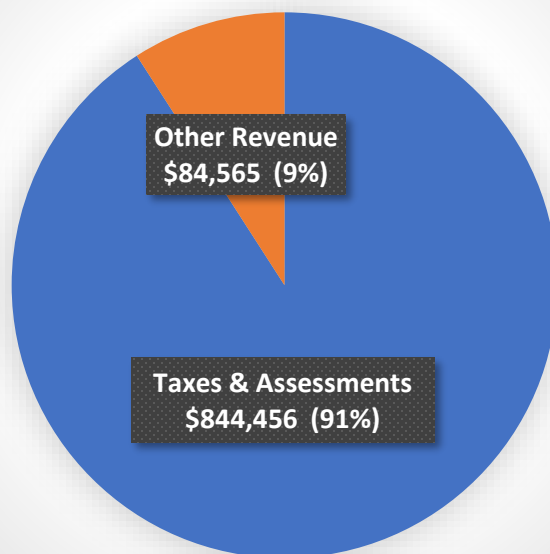
At the end of FY 2019-20, total revenue collected was approximately \$930,000, representing a 2% increase from the previous year (\$907,000 in FY 2018-19). Total expense for FY 2019-20 was approximately \$711,000, which increased from the previous year by 33% (\$1 million in FY 2018-19). The District has ended with an annual surplus in five of the last six years, as shown in **Figure 67**. The deficit experience in FY 2018-19 can be attributed to the District's purchase of equipment. LAFCO believes that this positive trend may continue going forward under the current management practices.



District Revenues

FFPD's revenue stream can be categorized into two groups: Taxes & Assessments and Other Revenue. FFPD's primary source of revenue is from Taxes & Assessments, specifically Property Taxes. **Figure 68** highlights the revenue received during FY 2019-20.

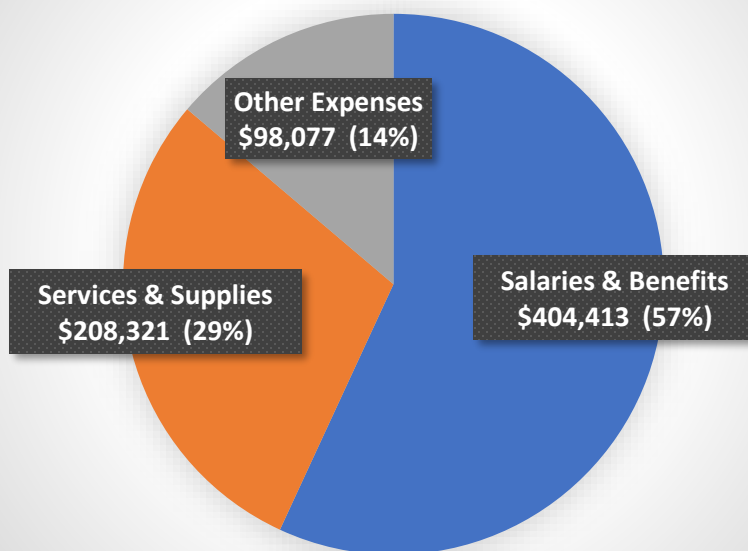
Figure 68: Revenue Breakdown (FY 19-20)



District Expenditures

FFPD's total expenditures can be categorized into three groups: Salaries & Benefits, Services & Supplies, and Other Expenses. **Figure 69** below distinguishes the cost and percentage per category. As shown below, Salaries & Benefits are the highest expenditure during FY 2019-20, which represents 57% of the agency's total expense. FFPD's expenditures are well-balanced.

Figure 69: Expense Breakdown (FY 19-20)



Fund Balance/Net Position

As of June 30, 2020, the total fund balance is approximately \$2 million. The fund balance has increased over the years since 2014, as shown in **Table 80**. The current balance represents 272% of the District's total expenditure from FY 2019-20. This amount would be more than sufficient to cover any unanticipated costs. The overall financial performance of FFPD during the last six years can be found in **Table 81** below.

Table 80: Fund Balance/Net Position

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Net Position (Ending Balance)	\$127,178	\$167,055	\$284,511	\$1,856,156	\$1,700,631	\$1,940,274
Change in (\$) from previous year		\$39,877	\$117,456	\$1,571,645	\$(155,525)	\$239,643
Change in (%) from previous year		31%	70%	552%	-8%	14%

Table 81: Total Revenues & Expenditures

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
REVENUE						
Tax Revenue	\$ 618,169	\$ 684,079	\$ 724,753	\$ 764,255	\$ 814,118	\$ 844,456
Strike Team Reimbursements	\$ 42,747	\$ 54,868	\$ 237,712	\$ -	\$ -	\$ -
Charges for Service	\$ 35,035	\$ 575	\$ 2,150	\$ 700	\$ 1,050	\$ -
License & Permits	\$ -	\$ 8,233	\$ 33,099	\$ 20,908	\$ 37,019	\$ 38,055
Interest & Investment Earnings	\$ 37,889	\$ 33,099	\$ 11,674	\$ 36,391	\$ 32,589	\$ 33,941
Grants & Contributions	\$ 6,267	\$ 4,925	\$ 7,885	\$ -	\$ 15,312	\$ 5,919
Miscellaneous	\$ 7,352	\$ 2,500	\$ 2,206	\$ 386	\$ 7,544	\$ 6,650
Total Revenue	\$ 747,459	\$ 788,279	\$ 1,019,479	\$ 822,640	\$ 907,632	\$ 929,021
EXPENDITURE						
Salaries & Benefits	\$ 380,291	\$ 403,286	\$ 523,228	\$ 406,972	\$ 434,583	\$ 404,413
Services & Supplies	\$ 206,988	\$ 144,350	\$ 157,497	\$ 152,534	\$ 159,958	\$ 208,321
Repairs & Maintenance	\$ -	\$ 52,544	\$ 30,589	\$ 71,054	\$ 43,915	\$ 43,155
Insurance	\$ -	\$ 21,044	\$ 23,654	\$ 22,566	\$ 23,001	\$ 24,732
Capital Assets	\$ 33,002	\$ -	\$ -	\$ 19,278	\$ 401,700	\$ 30,191
Debt Service						
Principle	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditure	\$ 620,281	\$ 621,224	\$ 734,968	\$ 672,404	\$ 1,063,157	\$ 710,811
Surplus/(Deficit)	\$ 127,178	\$ 167,055	\$ 284,511	\$ 150,236	\$ (155,525)	\$ 218,210
FUND BALANCE						
Beginning Balance				\$ 1,705,920	\$ 1,856,156	\$ 1,722,064
Ending Balance	\$ 127,178	\$ 167,055	\$ 284,511	\$ 1,856,156	\$ 1,700,631	\$ 1,940,274

Governance

FFPD is an independent special district governed by a five-member Board of Directors elected at-large by the voters within the District. When candidates run unopposed, or when there is a vacancy, seats are appointed by the County Board of Supervisors in lieu of conducting the election. **Table 82** shows the current board members.

Table 82: Board of Directors

Board Member	Title	Term of Office Expiration	Years in Office
Jim Anderson	Board Member	First Appointed: 1999 Next Election: General 2022	22 years
Cyndi Foreman	Board Member	First Appointed: 2020 Next Election: General 2024	1 year
Robert Geline	Board Member	First Elected: 1996 Next Election: General 2024	25 years
David Ladd	Board Member	First Appointed: 2016 Next Election: General 2024	5 years
Normand Crandell	Board Member	First Appointed: 2021 Next Election: General 2022	0 years

Public Meetings

The Board of Directors typically meets on the first Monday of each month. The meeting dates are posted at the fire station and on the District's Website. Public meetings are typically held at 6:00pm. Based on LAFCO staff's analysis, FFPD met 13 times in 2020. **Table 83** provides an overview of the publicly-held meetings from 2016 to 2020.

Table 83: Public Meetings

2016 (Calendar Year)	2017 (Calendar Year)	2018 (Calendar Year)	2019 (Calendar Year)	2020 (Calendar Year)
14	14	15	15	13

Opportunities & Challenges

Independent special districts are tasked to operate in an efficient and transparent manner on a regular basis. It is LAFCO staff's position that public agencies should always prepare and consider future opportunities and potential challenges in order to properly provide services to their constituents. For example, the District currently shares staffing for administrative services with BLFPD. This is a great example of shared services and strategic partnerships that other agencies can replicate. The following section explores other possible actions that should be considered by the District.

Website Requirements

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. SB 929 states that the Internet Web Site, maintained by the independent special district, shall conform with various laws in Government Code Sections 6270.5, 53893, 53908, 54954.2, and Section 32139 of the Health and Safety Code. In summary, the District's Internet Website is required to have the following:

- Access to past and current, agendas, staff reports, and minutes
- Adopted budgets;
- Contact information and list of current board members;
- Information regarding public meetings (Brown Act);
- Service Reviews adopted by LAFCO;
- Recipients of grant funding or assistance provided by the district, if any;
- Audits (pursuant to GCS 26909) and adopted annual policies; and
- Any other information the board deems relevant

The District currently has an operating website and fulfills most of the requirements listed above. However, there are still opportunities to include more information that would benefit the residents in understanding the governance of FFPD as a special district, specifically the availability of financial documentations such as budgets and audits. FFPD should also consider including LAFCO's adopted service and sphere reviews on their website as another valuable resource.

LAFCO Staff Recommendation: *The District should continue updating its website to fulfill the legal requirements under SB 929.*

Staffing Structure

FFPD relies heavily on volunteer firefighters to protect the Felton community. The District currently has 37 employees, 87% are volunteers (32 out of 37). At present, FFPD has two Firefighters and the fire chief staffed at the fire station during regular business hours (Monday to Friday from 9:00am to 4:00pm). This similar approach is conducted by other small fire districts surrounding FFPD. However, many organizations such as the National Fire Protection Association and the California Office of Emergency Services recommend a minimum of a four-person staffing on duty.

It may be beneficial to consider increasing the regular staffing to at least a 3-member crew, which is the minimum standard for other fire agencies in Santa Cruz County. Nationally, the average is fewer than four firefighters for fire engines and three for fire trucks. The National Fire Protection Association calls for four on fire engines and four on fire trucks. Increasing FFPD's minimum staffing will ensure adequate fire protection to the Felton community.

LAFCO Staff Recommendation: *The District should consider meeting the minimum staffing requirements outlined by the National Fire Protection Association as soon as possible.*

Governance Structure Options

State law does not require LAFCO to initiate changes of organization based on this report's conclusions or findings; however, LAFCO, local agencies, and the public may subsequently use the determinations and related analysis to consider whether to pursue changes in service delivery, government organization, or spheres of influence. Therefore, LAFCO is encouraging the affected agency to consider the following governance option.

Potential Annexations

Since 1994, FFPD's sphere of influence has included areas currently served by County Service Area 48, as shown in **Figure 70** on page 173. This sphere designation indicates that the District is the most logical provider of fire protection to these areas and should be annexed into FFPD. The sphere boundary has remained unchanged for almost 30 years. It may be beneficial for representatives from FFPD, CSA 48, and LAFCO to coordinate and determine whether annexation should occur in the foreseeable future. If no annexation is anticipated, then the District and LAFCO should consider reducing the sphere boundary to reflect the District's future service area.

LAFCO Staff Recommendation: *The District should consider coordinating with CSA 48 and LAFCO to determine FFPD's future service area. These discussions should occur by August 2022. LAFCO will consider amending the sphere boundaries based on these discussions no later than December 2022.*

District Best Practices

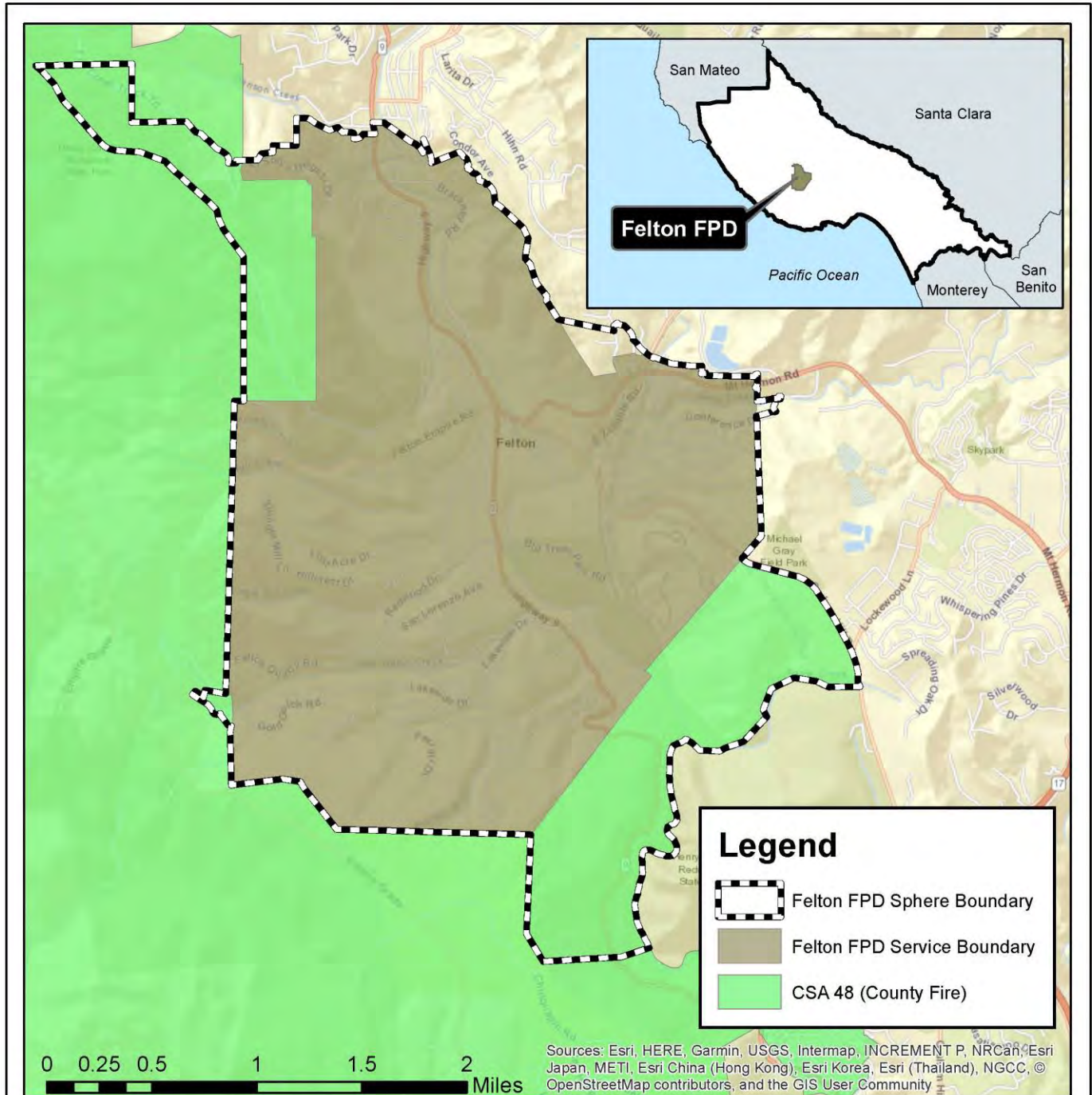
All fire districts are public agencies that must follow statutory requirements – regardless of its size or level of service. Based on LAFCO's analysis, FFPD is a single-function special district. Nearly 85% of California's special districts perform a single function. In order to comply with statutory requirements, as well as adapt to current and future demands, LAFCO staff strongly recommends that the District conduct periodic updates to ensure its compliance with certain laws including but not limited to audits, public records requests, ethics training, policies and procedures, and meeting protocols. It may be beneficial for the District to also consider joining the California Special Districts Association (CSDA) to help keep track of all current and new laws. LAFCO co-hosted an online webinar with CSDA in August 2021 to discuss all the statutory requirements that must be fulfilled by all special districts. 14 out of the 22 independent special districts in Santa Cruz County attended the webinar. FFPD was well-represented at the workshop with board members and employees in attendance.

LAFCO Staff Recommendation: *The District should strongly consider developing a strategic plan to ensure all statutory requirements are being fulfilled on a regular basis.*

Sphere of Influence

Santa Cruz LAFCO originally adopted a sphere of influence for FFPD on March 10, 1994. The sphere goes beyond FFPD's current jurisdictional boundary, indicating that these areas should be annexed into the District in the foreseeable future. Therefore, staff is recommending that the current sphere be reaffirmed as part of this report. **Figure 71** on page 174 depicts the proposed sphere boundary.

Figure 70: FFPD's Potential Annexation Areas

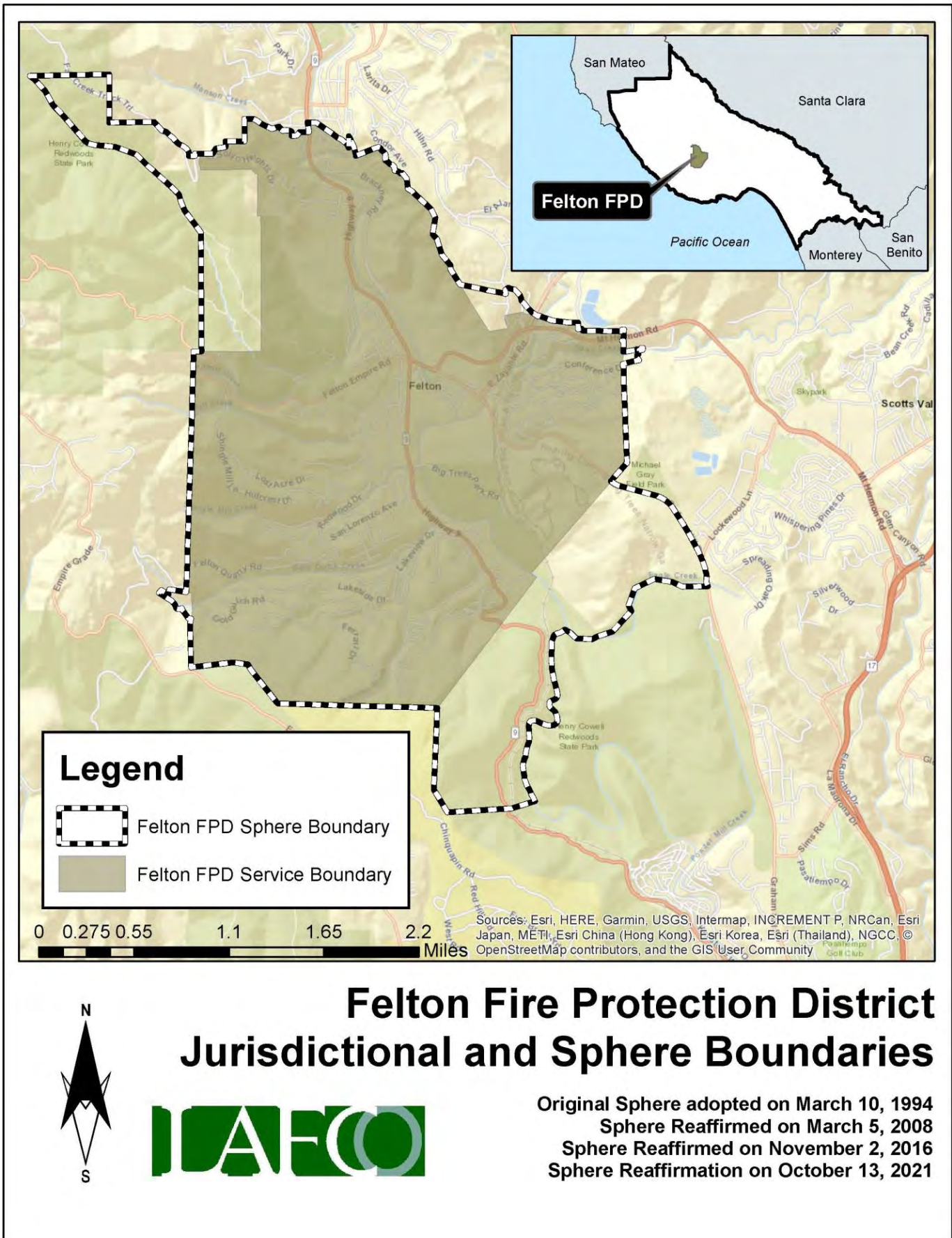


Felton Fire Protection District Jurisdictional and Sphere Boundaries



Original Sphere adopted on March 10, 1994
Sphere Reaffirmed on March 5, 2008
Sphere Reaffirmed on November 2, 2016
Sphere Reaffirmation on October 13, 2021

Figure 71: FFPD's Proposed Sphere Map



District Summary

Felton Fire Protection District	
Formation	Fire Protection District Law of 1987 (Health & Safety Code Section 13800 et seq.)
Board of Directors	5 members, elected at-large to four-year terms
Contact Person	Robert Gray, Fire Chief
Employees	2 Full-Time Employee (3 part-time and 32 volunteers)
Facilities	1 Fire Station
ISO Rating	4/4x
District Area	4,052 acres (6 square miles)
Sphere of Influence	Current sphere of influence is Larger than the District's Jurisdictional Boundary <i>Proposed Designation: Reaffirm Current Sphere Boundary</i>
FY 2019-20 Audit	Total Revenue = \$929,021 Total Expenditure = \$710,811 Projected Net Position (Ending Balance) = \$1,940,274
Contact Information	Mailing Address: 131 Kirby Street Felton, CA 95018 Phone Number: (831) 335-4422 Email Address: rgray@feltonfire.com Website: www.feltonfire.com
Public Meetings	Meetings are typically held on the first Monday of each month.
Mission Statement	The Felton Fire Protection District's mission is to be an effective emergency service organization serving the residents, business and property owners, and visitors of Felton, with quality fire suppression, emergency medical services, rescue, fire prevention and public education. In carrying out this mission, the Felton Fire Protection District will: Provide priority to fire fighter safety Encourage the educational and personal development of fire district personnel Promote positive attitudes and teamwork to take full advantage of our skills, knowledge and creativity Communicate openly and honestly to our members and community to inspire trust and confidence Felton Fire is committed to providing the highest level of Professionalism, Service, and Honor.

Service and Sphere Review Determinations

The following service and sphere review determinations fulfill the requirements outlined in the Cortese-Knox-Hertzberg Act.

Service Provision Determinations

Government Code Section 56430 requires LAFCO to conduct a municipal service review before, or in conjunction with, an action to establish or update a sphere boundary. Written statements of determination must be prepared with respect to each of the following:

1. Growth and population projections for the affected area.

Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. Under this assumption, LAFCO's projections indicate that the entire population of FFPD will be approximately 6,300 by 2040.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

The District was formed in 1946. The District continues to provide fire protection services to the Felton community and its surrounding areas.

4. Financial ability of agencies to provide services.

The District has ended with an annual surplus in five of the last six fiscal years. The District's fund balance is approximately \$2 million as of June 30, 2020.

5. Status of, and opportunities for, shared facilities.

The District provides assistance to surrounding agencies through mutual and automatic aid agreements. It is also LAFCO's understanding that the District shares its personnel staff with neighboring fire agencies.

6. Accountability for community service needs, including governmental structure and operational efficiencies.

LAFCO staff is recommending that the District consider the two governance options identified in the report including but not limited to increasing their staffing to meet the minimum requirements identified by the National Fire Protection Association.

7. Any other matter related to effective or efficient service delivery, as required by commission policy.

No additional local LAFCO policies are specifically relevant to this service and sphere review.

Sphere of Influence Determinations

Government Code Section 56425 requires LAFCO to periodically review and update spheres of influence in concert with conducting municipal service reviews. Spheres are used as regional planning tools to discourage urban sprawl and encourage orderly growth. Written statements of determination must be prepared with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.

The District is located in unincorporated county territory. The County's General Plan designates the vast majority of the District as Mountain Residential.

2. The present and probable need for public facilities and services in the area.

The District has an ISO Public Protection Classification of 4 within five road miles of a fire station where there is a credible water source for fighting fires. The District provides fire protection, technical rescue, and basic life support services.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The District currently has one fire station. The station is located at 131 Kirby Street in Felton. The station is staffed with one firefighter during regular business hours.

4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

LAFCO staff is aware of various organizations that are relevant to this agency, including but not limited to the following: County of Santa Cruz (Office of Emergency Services), Fire Department Advisory Commission of Santa Cruz County, UC Santa Cruz (Office of Emergency Services), and the Fire Safe Councils of Bonny Doon, Santa Cruz County, and South Skyline.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

PAJARO VALLEY FIRE PROTECTION DISTRICT

District Overview

Pajaro Valley Fire Protection District (PVFPD) was formed on November 1, 1995 as a result of a consolidation between Freedom and Salsipuedes FPDs and operates under the Fire Protection District Law of 1987. The District has been providing fire protection services to various populated communities through a contract with the California Department of Forestry and Fire Protection (CAL FIRE) for the past 24 years. PVFPD encompasses nearly 47 square miles of territory located in the southern portion of Santa Cruz County. **Figure 72**, on page 179, is a vicinity map depicting PVFPD's current jurisdictional and sphere boundaries. **Figure 73**, on page 180, also shows the current land use designation under the County's General Plan. At present, the lands within the District are primarily designated as Agriculture.

Services & Operations

PVFPD passed a resolution in 1997 to contract CAL FIRE whereby the PVFPD pays the State for fire protection services. Under the terms of the agreement either party may terminate the agreement with or without cause by giving a one-year written notice. The District also contracts with the Watsonville Fire Department to provide emergency services in what is known as the former Freedom Fire District. The contract is available as **Appendix F**. PVFPD is a full time paid department funded and staffed with 9 personnel including one Battalion Chief, two Captains, five Engineers, and one Fire Marshal. The Fire Engine staffing consists of three personnel every day, all year and provides the community with Basic Life Support emergency medical services, supplemented by Paramedics from AMR (outside private ALS provider).

Types of Services

Fire protection covers a variety of services from basic life support to vegetation management. LAFCO staff has identified 18 different types of services provided by fire agencies. At present, PVFPD offers 61% of those services (11 out of 18), as shown in **Table 84**. PVFPD is in the low-tier when compared to the other 13 fire agencies that provide similar services. The lowest is BFPD with 9 services and the highest is Ben Lomond FPD with 17 different services.

Table 84: PVFPD's Type of Services

Advance Life Support	Ambulance Transportation	Ambulance Transportation (Non-Emergency)	Basic Life Support	Basic Rescue	Community Education
-	-	-	Yes	Yes	Yes
Construction Plan Check	Fire Code Enforcement	Fire Code Permitting	Fire Investigation	Fire Suppression	Haz Mat Administration
Yes	Yes	Yes	Yes	Yes	-
Haz Mat Response	Public Awareness	Technical Rescue	Vegetation Management	Water Rescue	Other Service
Yes	Yes	Yes	-	-	-

Figure 72: PVFPD's Vicinity Map

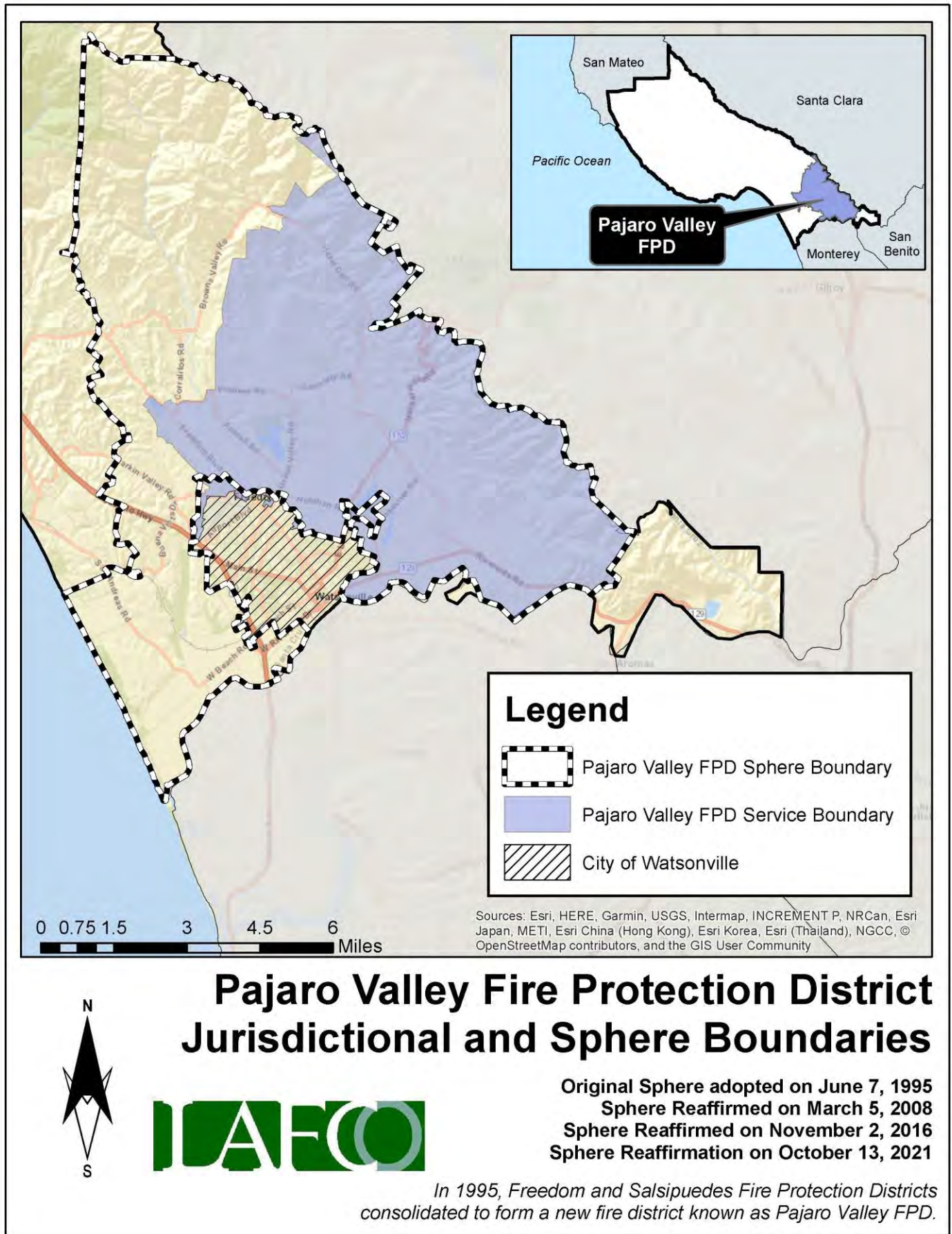
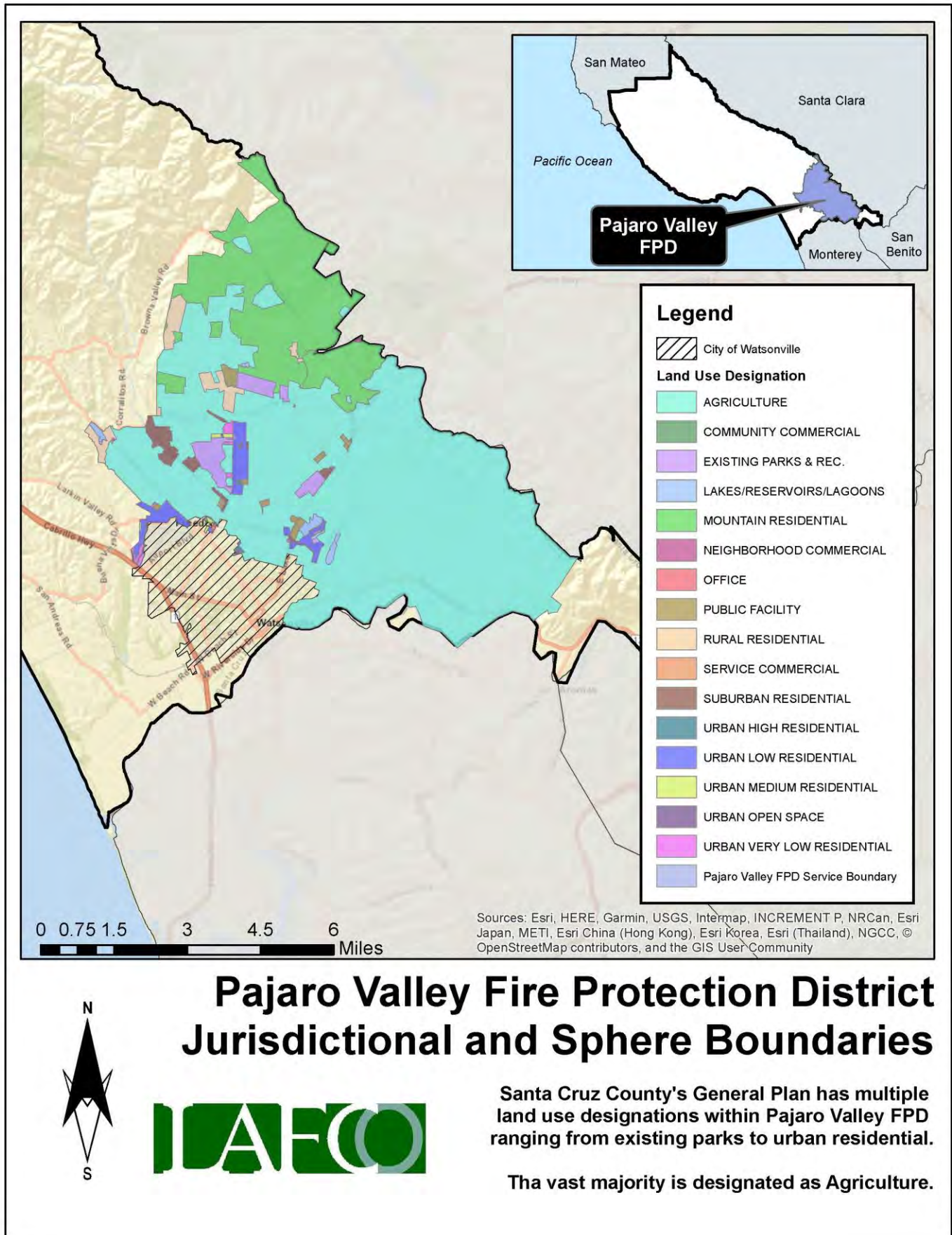


Figure 73: PVFPD's Land Use Map



Types of Training

Similar to services, fire protection covers a variety of training requirements from auto extrication to swift water rescue. LAFCO staff has identified 17 different types of training offered by fire agencies. At present, PVFPD offers 59% of those training courses (10 out of 17). **Table 85** illustrates those training opportunities.

Table 85: PVFPD's Type of Training

Administration	Advance Life Support	Auto Extrication	Basic Life Support	Confined Space Awareness	Fire Prevention & Inspection
-	-	Yes	Yes	Yes	Yes
Hazardous Materials	Ocean Rescue	Physical Fitness	Rapid Intervention	Rescue Systems	Surf Rescue
Yes	-	Yes	Yes	Yes	-
Swift Water Rescue	Technical Rescue	Transport	Truck Company Operations	Other Training	Total
-	Yes	Yes	-	-	10

Fire Station

The District currently operates one fire station. The station, which was built in 2005, is located at 562 Casserly Road in Watsonville. The station is staffed with a daily minimum of a 3-person company consisting of 1 fire captain, 1 battalion chief, and 2 fire apparatus engineers. **Figure 74** on page 182 shows the location of the fire station.

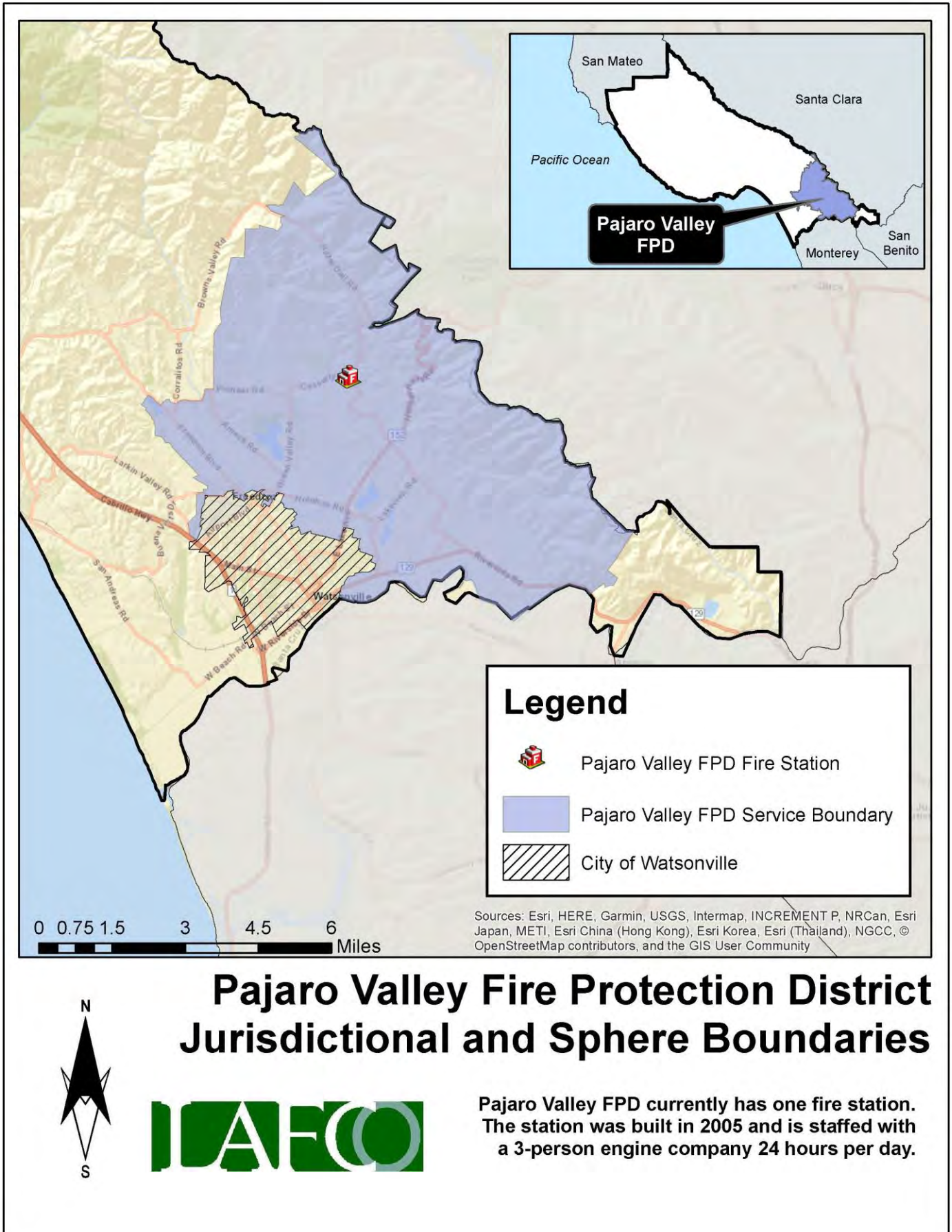
Apparatus & Inventory

In order to provide the necessary fire protection to its constituents, fire agencies are equipped with various apparatuses and vehicles. LAFCO staff has identified 20 different types of apparatuses carried by fire agencies. At present, PVFPD operates using 6 apparatuses. **Table 86** provides an overview of the District's inventory. The other vehicle identified is a fire prevention vehicle. PVFPD has one of the lowest amounts when compared with the other fire agencies. CSA 4 has the lowest with 5 vehicles and CSA 48 has the highest with 29 vehicles.

Table 86: PVFPD's Inventory

Aircraft Rescue	Ambulance	Admin/Battalion SUV	Chief Officer SUV	Command Vehicle
-	-	-	-	1
Fire Engine (Type 1)	Fire Engine (Type 2)	Fire Engine (Type 3)	Fire Engine (Type 6)	Haz Mat
2	-	-	-	-
Truck (4x4)	Truck (Ladder)	Truck (Pick-Up)	Truck (Medic)	Truck (Rescue)
-	-	-	-	-
Utility Vehicle	Urban Search & Rescue	Water Craft	Water Tender	Other Vehicle
1	-	-	1	1

Figure 74: PVFPD's Fire Station



Insurance Services Office (ISO) Rating

An ISO rating is based on a fire station's five road mile proximity to a credible water source for fighting fires. The District has an ISO Public Protection Classification of 3. The District provides fire protection, technical rescue, and basic life support (EMT) services. **Figure 75** on page 184 shows the distance the fire station crew can reach within 5 and 10 minutes. Based on staff's analysis, it may require the District more than 10 minutes to arrive to certain areas.

Call Data

Based on staff's analysis, fire service providers attend to several types of emergency calls, beyond fire-related situations such as medical calls, mutual aid, and vehicle accidents. LAFCO staff has identified 14 different types of calls responded by fire agencies. **Table 87** indicates that PVFPD responded to 6,000 calls over the last six years. The annual call average is estimated to be 921 calls/year. The average response time was 7 minutes.

Table 87: PVFPD's Call Data

Auto Aid	EMS (Medical Call)	False Alarm	Fire	Good Intent Call
39	3,611	7	1,546	-
Haz Mat	Mutual Aid	Overpressure/ Explosion/Overheat	Rescue Call	Service Call
-	-	-	15	175
Severe Weather & Natural Disaster	Special Incident	Vehicle Accident	Other	Total
28	105	-	-	5,526

Population & Growth

Based on staff's analysis, the population of PVFPD in 2020 was approximately 18,000. The Association of Bay Area Governments (ABAG) and the Association of Monterey Bay Area Governments (AMBAG) provide population projections for cities and counties in the Coastal Region. Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. **Table 88** shows the anticipated population.

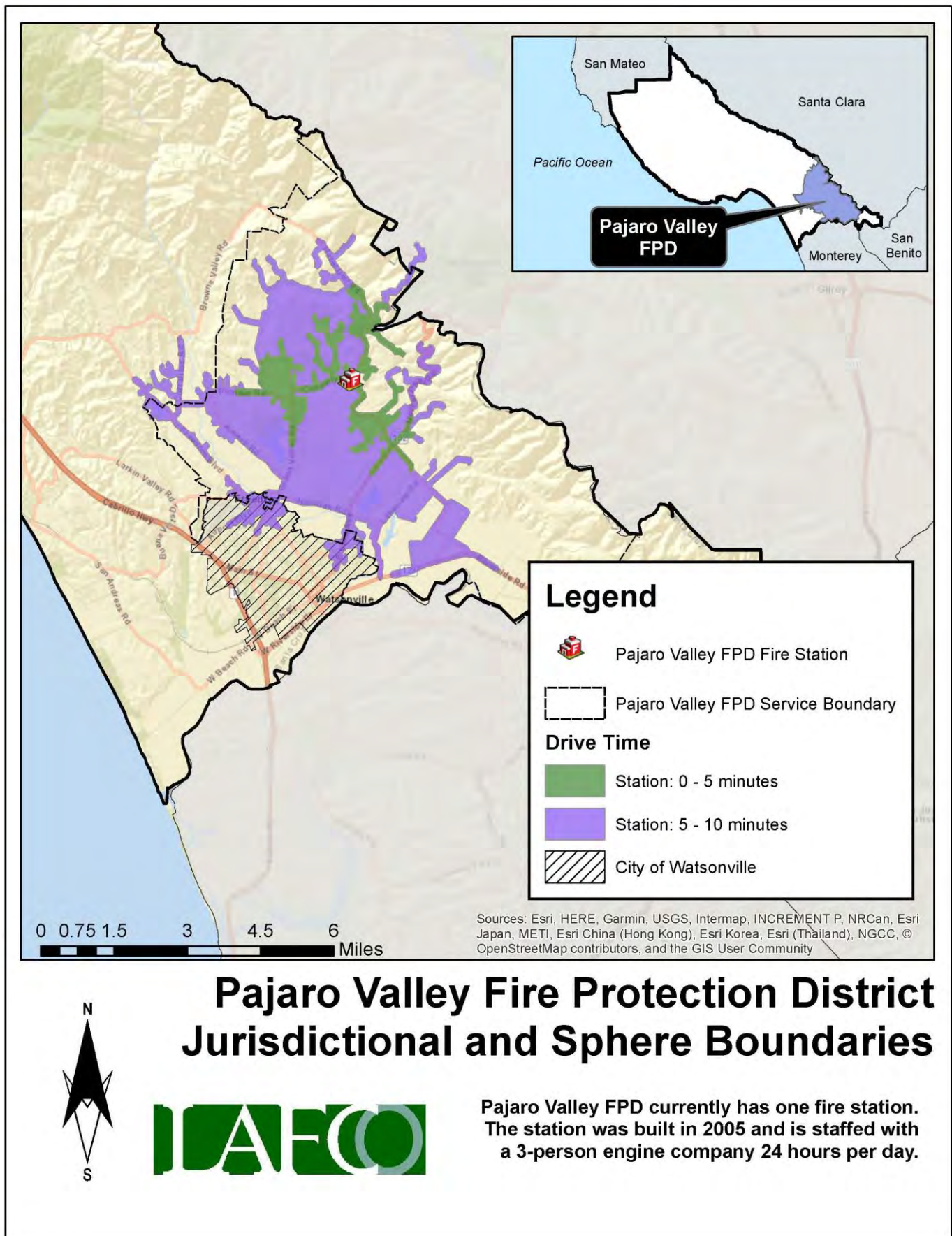
Population Projection

Based on the projections for Santa Cruz County, LAFCO was able to develop a population forecast for PVFPD. LAFCO staff increased the District's 2020 population amount by 0.86% each year. Under this assumption, our projections indicate that the entire population of PVFPD will be approximately 19,000 by 2040.

Table 88: Projected Population

	2020	2025	2030	2035	2040	Average Rate of Change
Santa Cruz County (unincorporated area)	136,891	137,896	139,105	140,356	141,645	0.86%
Pajaro Valley Fire Protection District	18,154	18,310	18,467	18,625	18,785	0.86%

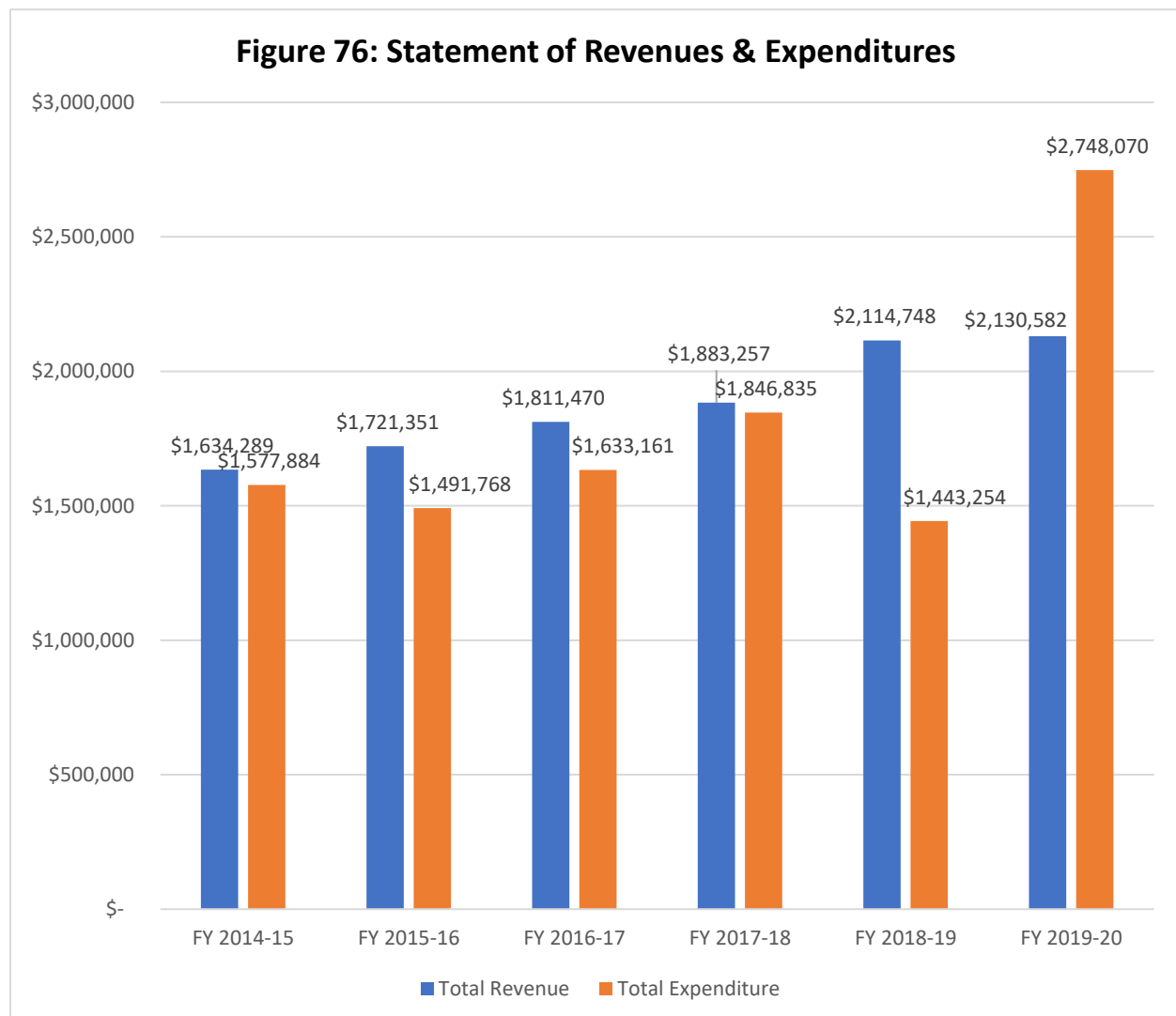
Figure 75: PVFPD's Fire Station (5 and 10 Mile Drive Time)



Finances

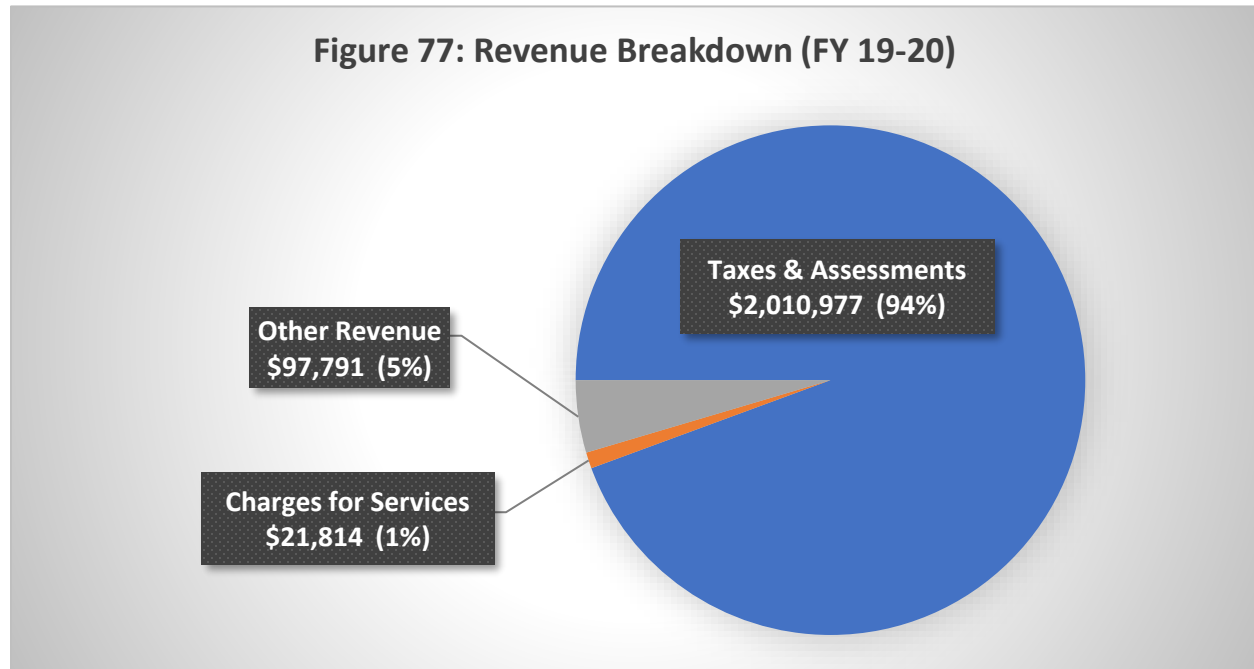
State law requires special districts to conduct an annual audit. The law also requires special districts to file a report of the completed audit to the State Controller's Office and LAFCO (Government Code Section 56036). For purposes of this report, the District provided financial documents covering the last six years. All recent audits were available on the District's website as statutorily required (Government Code Sections 6270.6 and 53087.8). This section will highlight the District's financial performance during the most recent fiscal years based on information retrieved. Specifically, LAFCO evaluated PVFPD's financial health from FY 2014-15 to FY 2019-20.

At the end of FY 2019-20, total revenue collected was approximately \$2.13 million, representing a 1% increase from the previous year (\$2.11 million in FY 2018-19). Total expense for FY 2019-20 was approximately \$2.75 million, which increased from the previous year by 90% (\$1.44 million in FY 2018-19). The District has ended with an annual surplus in five of the last six years, as shown in **Figure 76**. The deficit experienced in FY 2019-20 was a result of investments in a broad range of capital assets including structures and improvements, and equipment. LAFCO believes that the overall positive trend may continue going forward under the current strategic partnership with CAL FIRE.



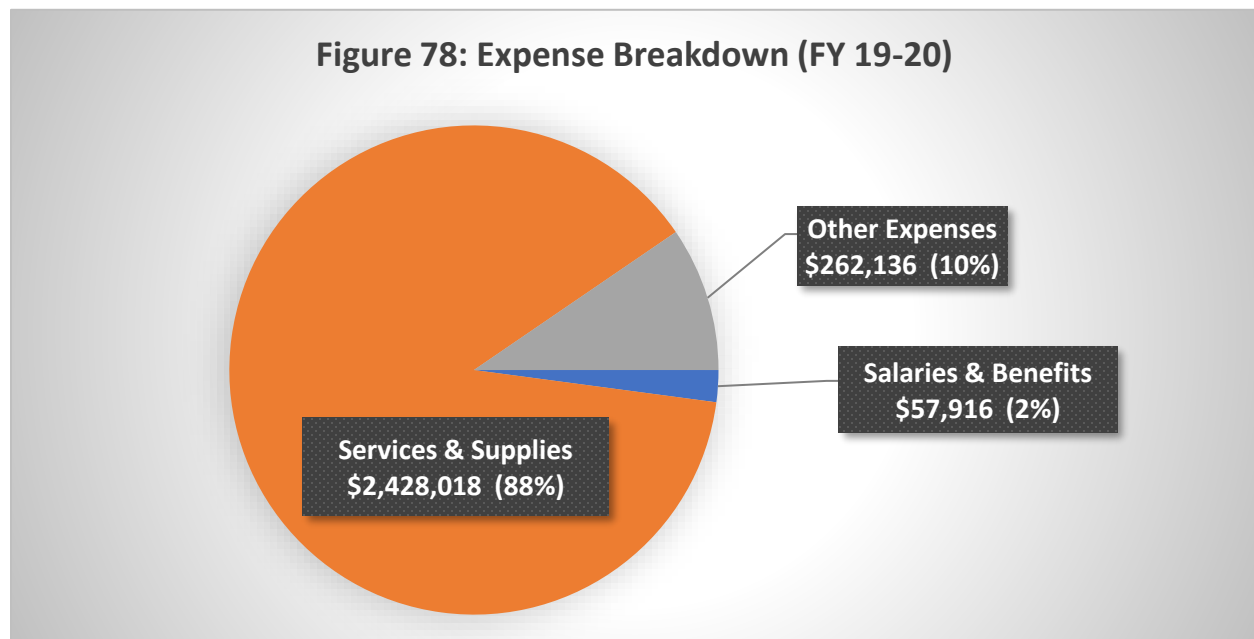
District Revenues

PVFPD's revenue stream can be categorized into three groups: Taxes & Assessments, Charges for Services, and Other Revenue. PVFPD's primary source of revenue is from Taxes & Assessments, specifically property taxes. **Figure 77** highlights the revenue received during FY 2019-20.



District Expenditures

PVFPD's total expenditures can be categorized into three groups: Salaries & Benefits, Services & Supplies and Other Expenses. **Figure 78** below distinguishes the cost and percentage per category. As shown below, Services & Supplies are the highest expenditure during FY 2019-20. This category is primarily the CAL FIRE contract that allows the State to provide fire protection services within the District's jurisdiction.



Fund Balance/Net Position

As of June 30, 2020, the total fund balance is approximately \$1.5 million. The fund balance has been increasing over the years since 2014, as shown in **Table 89**. The current balance represents 53% of the District's total expenditure from FY 2019-20. This amount would be sufficient to cover any unanticipated costs. The overall financial performance of PVFPD during the last six years can be found in **Table 90** below.

Table 89: Fund Balance/Net Position

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Net Position (Ending Balance)	\$963,286	\$1,201,064	\$1,379,373	\$1,415,795	\$2,087,289	\$1,469,801
Change in (\$) from previous year		\$237,778	\$178,309	\$36,422	\$671,494	\$(617,488)
Change in (%) from previous year		25%	15%	3%	47%	-30%

Table 90: Total Revenues & Expenditures

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
REVENUE						
Property Taxes	\$ 1,430,978	\$ 1,513,316	\$ 1,608,083	\$ 1,684,563	\$ 1,808,597	\$ 1,870,270
Fire Suppression Benefit Assessment	\$ 141,886	\$ 141,962	\$ 141,882	\$ 141,436	\$ 140,982	\$ 140,707
Use of Money & Property (Interest)	\$ 4,822	\$ 8,005	\$ 11,070	\$ 20,380	\$ 36,307	\$ 35,225
Aid from Other Govt Agencies	\$ 10,587	\$ 10,462	\$ 10,355	\$ 10,093	\$ 10,142	\$ 10,105
Charges for Services	\$ 29,604	\$ 39,650	\$ 29,537	\$ 26,494	\$ 26,762	\$ 21,814
Other Revenue	\$ 16,412	\$ 7,956	\$ 10,543	\$ 291	\$ 91,958	\$ 52,461
Total Revenue	\$ 1,634,289	\$ 1,721,351	\$ 1,811,470	\$ 1,883,257	\$ 2,114,748	\$ 2,130,582
EXPENDITURE						
Salaries & Benefits	\$ 1,077	\$ 1,077	\$ 1,089	\$ 1,073	\$ 26,328	\$ 57,916
Services & Supplies	\$ 1,540,672	\$ 1,488,080	\$ 1,548,483	\$ 1,843,286	\$ 1,399,789	\$ 2,428,018
Fixed Assets	\$ 33,292	\$ -	\$ 81,553	\$ -	\$ 14,600	\$ 259,587
Other Charges	\$ 2,843	\$ 2,611	\$ 2,036	\$ 2,476	\$ 2,537	\$ 2,549
Total Expenditure	\$ 1,577,884	\$ 1,491,768	\$ 1,633,161	\$ 1,846,835	\$ 1,443,254	\$ 2,748,070
Other Financing Sources (Uses)						
Sale of Fixed Assets	\$ 6,500	\$ 8,195	\$ -	\$ -	\$ -	\$ -
Total Other Financing Sources	\$ 6,500	\$ 8,195	\$ -	\$ -	\$ -	\$ -
Surplus/(Deficit)	\$ 62,905	\$ 237,778	\$ 178,309	\$ 36,422	\$ 671,494	\$ (617,488)
FUND BALANCE						
Beginning Balance	\$ 900,381	\$ 963,286	\$ 1,201,064	\$ 1,379,373	\$ 1,415,795	\$ 2,087,289
Ending Balance	\$ 963,286	\$ 1,201,064	\$ 1,379,373	\$ 1,415,795	\$ 2,087,289	\$ 1,469,801

Governance

PVFPD is an independent special district governed by a five-member Board of Directors elected at-large by the voters within the District. When candidates run unopposed, or when there is a vacancy, seats are appointed by the County Board of Supervisors in lieu of conducting the election. **Table 91** shows the current board members.

Table 91: Board of Directors

Board Member	Title	Term of Office Expiration	Years in Office
Aerin Broaddus	Board Member	First Appointed: 2020 Next Election: General 2024	1 year
Robert Erbe	Board Member	First Appointed: 2019 Next Election: General 2024	2 years
Dave Martone	Board Member	First Elected: 2008 Next Election: General 2024	13 years
Dean Moules	Board Member	First Appointed: 2018 Next Election: General 2022	3 years
Kendel White	Board Member	First Appointed: 2012 Next Election: General 2022	9 years

Public Meetings

The Board of Directors typically meets every two months, typically on the third Thursday of each month. The meeting dates are posted at the fire station and on the District's Website. Public meetings are typically held at the Pajaro Valley Fire Station (562 Casserly Road in Watsonville) and commences at 5:00pm. Based on LAFCO staff's analysis, PVFPD met seven times in 2020. **Table 92** provides an overview of the publicly-held meetings from 2016 to 2020.

Table 92: Public Meetings

2016 (Calendar Year)	2017 (Calendar Year)	2018 (Calendar Year)	2019 (Calendar Year)	2020 (Calendar Year)
6	6	6	9	7

Opportunities & Challenges

Independent special districts are tasked to operate in an efficient and transparent manner on a regular basis. It is LAFCO staff's position that public agencies should always prepare and consider future opportunities and potential challenges in order to properly provide services to their constituents. The following section explores possible actions that should be considered by the District.

Website Requirements

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. SB 929 states that the Internet Web Site, maintained by the independent special district, shall conform with various laws in Government Code Sections 6270.5, 53893, 53908, 54954.2, and Section 32139 of the Health and Safety Code. In summary, the District's Internet Website is required to have the following:

- Access to past and current, agendas, staff reports, and minutes
- Adopted budgets;
- Contact information and list of current board members;
- Information regarding public meetings (Brown Act);
- Service Reviews adopted by LAFCO;
- Recipients of grant funding or assistance provided by the district, if any;
- Audits (pursuant to GCS 26909) and adopted annual policies; and
- Any other information the board deems relevant

The District currently has an operating website and fulfills most of the requirements listed above. However, there are still opportunities to include more information that would benefit the residents in understanding the governance of PVFPD as a special district. PVFPD should also consider including LAFCO's adopted service and sphere reviews on their website as another valuable resource.

LAFCO Staff Recommendation: *The District should continue updating its website to fulfill the legal requirements under SB 929.*

Governance Structure Options

State law does not require LAFCO to initiate changes of organization based on this report's conclusions or findings; however, LAFCO, local agencies, and the public may subsequently use the determinations and related analysis to consider whether to pursue changes in service delivery, government organization, or spheres of influence. Therefore, LAFCO is encouraging the affected agency to consider the following governance option.

Potential Annexations

Since 1995, PVFPD's sphere of influence has included areas currently served by CSAs 4 and 48, as shown in **Figure 79** on page 191. This sphere designation indicates that the

District is the most logical provider of fire protection to these areas and should be annexed into PVFPD. Additionally, PVFPD should consider annexing the areas substantially surrounded by the District but currently within Aromas Tri-County FPD.

The sphere boundary has remained unchanged for almost 30 years. It may be beneficial for representatives from PVFPD, Aromas Tri-County FPD, CSA 4, CSA 48, and LAFCO to coordinate and determine whether annexation should occur in the foreseeable future. If no annexation is anticipated, then the District and LAFCO should consider reducing the sphere boundary to reflect the District's future service area.

LAFCO Staff Recommendation: *The District should consider coordinating with Aromas Tri-County FPD, CSA 4, CSA 48 and LAFCO to determine PVFPD's future service area. These discussions should occur by August 2022. LAFCO will consider amending the sphere boundaries based on these discussions no later than December 2022.*

District Best Practices

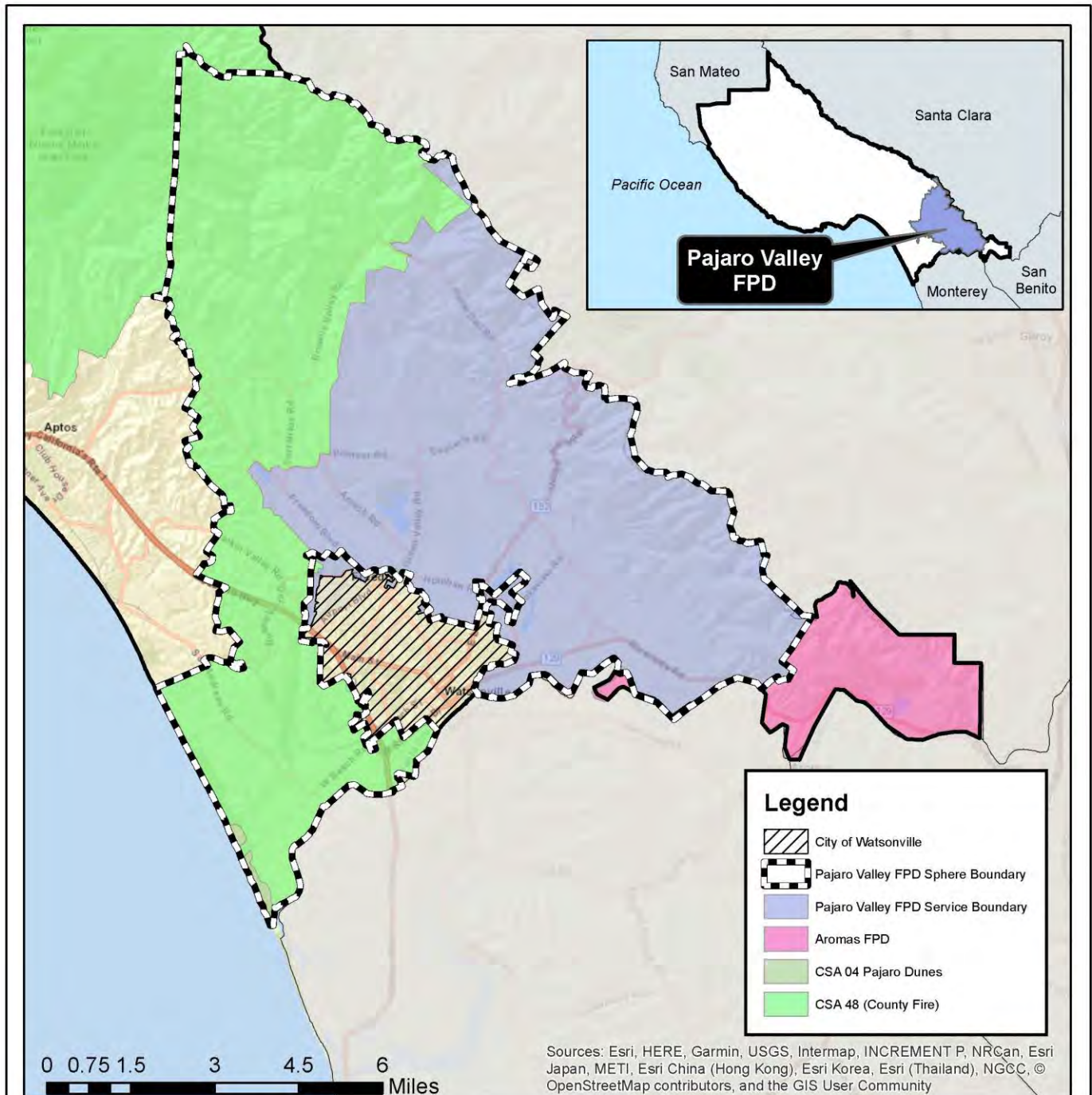
All fire districts are public agencies that must follow statutory requirements – regardless of its size or level of service. Based on LAFCO's analysis, PVFPD is a single-function special district. Nearly 85% of California's special districts perform a single function. In order to comply with statutory requirements, as well as adapt to current and future demands, LAFCO staff strongly recommends that the District conduct periodic updates to ensure its compliance with certain laws including but not limited to audits, public records requests, ethics training, policies and procedures, and meeting protocols. It may be beneficial for the District to also consider joining the California Special Districts Association (CSDA) to help keep track of all current and new laws. LAFCO co-hosted an online webinar with CSDA in August 2021 to discuss all the statutory requirements that must be fulfilled by all special districts. 14 out of the 22 independent special districts in Santa Cruz County attended the webinar. PVFPD was well-represented at the workshop with board members and employees in attendance.

LAFCO Staff Recommendation: *The District should strongly consider developing a strategic plan to ensure all statutory requirements are being fulfilled on a regular basis.*

Sphere of Influence

Santa Cruz LAFCO adopted PVFPD's sphere of influence on June 7, 1995 as a result of the consolidation involving Freedom and Salsipuedes FPDs. Staff is recommending that the current sphere be reaffirmed as part of this report. **Figure 80** on page 192 depicts the proposed sphere boundary.

Figure 79: PVFPD's Potential Annexation Areas



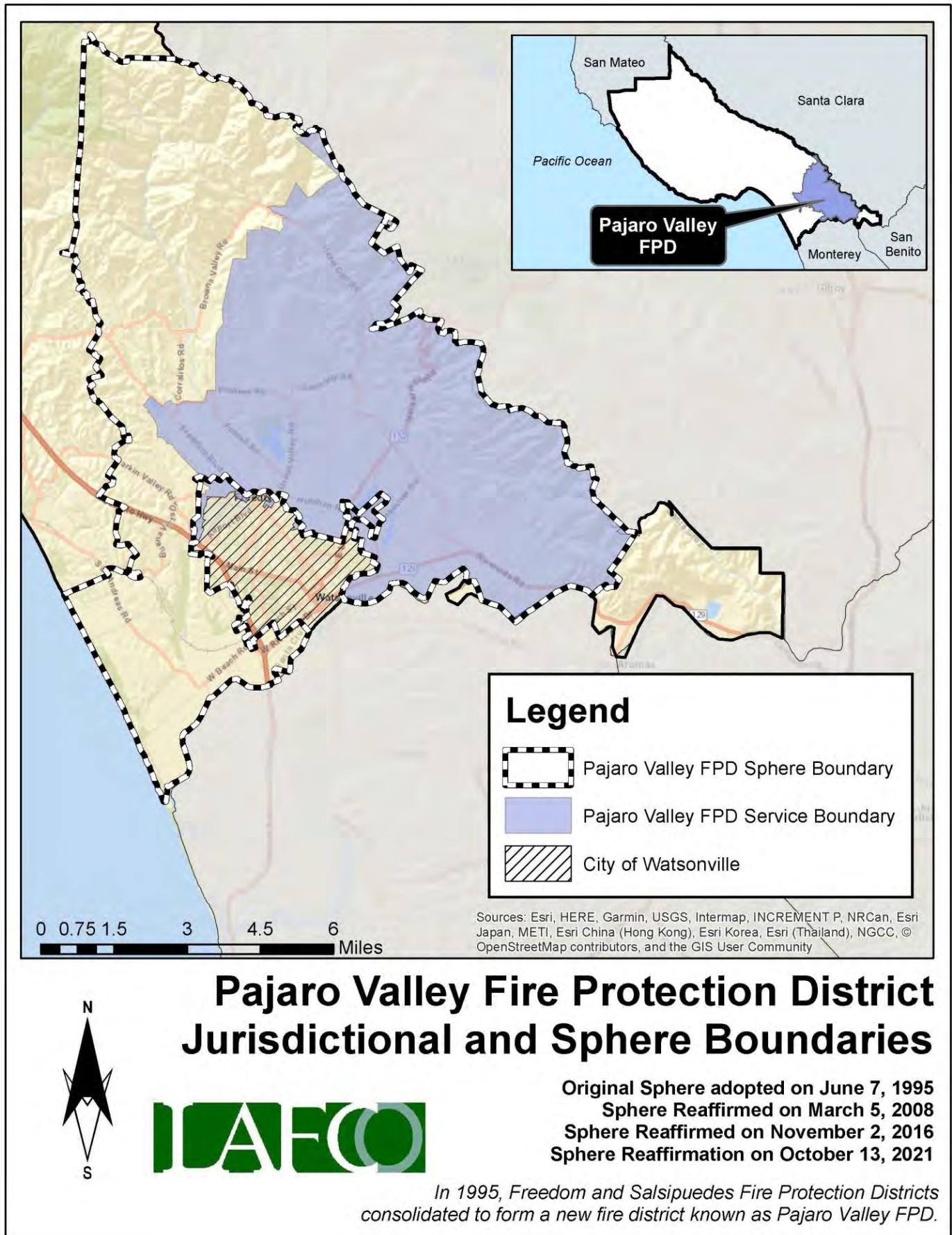
Pajaro Valley Fire Protection District Jurisdictional and Sphere Boundaries



Original Sphere adopted on June 7, 1995
 Sphere Reaffirmed on March 5, 2008
 Sphere Reaffirmed on November 2, 2016
 Sphere Reaffirmation on October 13, 2021

In 1995, Freedom and Salsipuedes Fire Protection Districts consolidated to form a new fire district known as Pajaro Valley FPD.

Figure 80: PVFPD's Proposed Sphere Map



District Summary

Pajaro Valley Fire Protection District	
Formation	Fire Protection District Law of 1987 (Health & Safety Code Section 13800 et seq.)
Board of Directors	5 members, elected at-large to four-year terms
Contact Person	Ian Larkin, Fire Chief
Employees	9 Full-Time Employees (1 part-time employee)
Facilities	1 Fire Station
ISO Rating	3/3x
District Area	30,268 acres (47 square miles)
Sphere of Influence	Current sphere of influence is Larger than the District's Jurisdictional Boundary <i>Proposed Designation: Reaffirm Current Sphere Boundary</i>
FY 2018-19 Audit	Total Revenue = \$2,130,582 Total Expenditure = \$2,748,070 Projected Net Position (Ending Balance) = \$1,469,801
Contact Information	Mailing Address: 562 Casserly Road Watsonville, CA 96076 Phone Number: (831) 722-6188 Email Address: Ian.Larkin@fire.ca.gov Website: https://www.pajarovalleyfire.com/
Public Meetings	Meetings are typically held on the third Thursday of each month. Meeting start time is 5:00pm.
Mission Statement	The Pajaro Valley Fire Protection District Firefighters protect life, property and the environment through their direct involvement in fire prevention, firefighting, emergency medical care, hazardous materials mitigation, disaster response, public education and community service.

Service and Sphere Review Determinations

The following service and sphere review determinations fulfill the requirements outlined in the Cortese-Knox-Hertzberg Act.

Service Provision Determinations

Government Code Section 56430 requires LAFCO to conduct a municipal service review before, or in conjunction with, an action to establish or update a sphere boundary. Written statements of determination must be prepared with respect to each of the following:

1. Growth and population projections for the affected area.

Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. Under this assumption, LAFCO's projections indicate that the entire population of PVFPD will be approximately 19,000 by 2040.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

LAFCO did identify a DUC within the District. It is LAFCO staff's understanding that PVFPD is, and continues to be, the primary service provider to those residents.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

The District was formed in 1995 as a result of a consolidation. The District has been providing fire protection services through a contract with the California Department of Forestry and Fire Protection (CAL FIRE) for the past 24 years.

4. Financial ability of agencies to provide services.

The District has ended with an annual surplus in five of the last six fiscal years. The District's fund balance is approximately \$1.5 million as of June 30, 2020.

5. Status of, and opportunities for, shared facilities.

The District has a strategic partnership with CAL FIRE to provide fire protection services in three different counties. This agreement has been in place for 24 years. The District also provides assistance to surrounding agencies through mutual and automatic aid agreements.

6. Accountability for community service needs, including governmental structure and operational efficiencies.

LAFCO staff has identified various recommendations including but not limited to the potential annexation of areas located within the District's sphere of influence.

7. Any other matter related to effective or efficient service delivery, as required by commission policy.

No additional local LAFCO policies are specifically relevant to this service and sphere review.

Sphere of Influence Determinations

Government Code Section 56425 requires LAFCO to periodically review and update spheres of influence in concert with conducting municipal service reviews. Spheres are used as regional planning tools to discourage urban sprawl and encourage orderly growth. Written statements of determination must be prepared with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.

The District is located in unincorporated county territory. The County's General Plan designates the area as Agriculture.

2. The present and probable need for public facilities and services in the area.

The District has an ISO Public Protection Classification of 3 within five road miles of a fire station where there is a credible water source for fighting fires. The District provides fire protection, technical rescue, and basic life support (EMT) services.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The District currently operates one fire station. The station, which was built in 2005, is located in the Watsonville area. The station is staffed with a daily minimum of a 3-person company consisting of 1 battalion chief, 1 fire captain, and 1 apparatus engineer (24 hours a day).

4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

LAFCO staff is aware of various organizations that are relevant to this agency, including but not limited to the following: County of Santa Cruz (Office of Emergency Services), Fire Department Advisory Commission of Santa Cruz County, UC Santa Cruz (Office of Emergency Services), and the Fire Safe Councils of Bonny Doon, Santa Cruz County, and South Skyline.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

LAFCO did identify a DUC within the District. It is LAFCO staff's understanding that PVFPD is, and continues to be, the primary service provider to those residents.

SANTA CRUZ CITY FIRE DEPARTMENT

District Overview

The City of Santa Cruz was incorporated in 1866 and now operates as a charter city. Santa Cruz provides a variety of municipal services, including fire protection under the City's Fire Department (SCCFD). SCCFD encompasses nearly 12 square miles of territory located in the coastal portion of Santa Cruz County. **Figure 81**, on page 197, is a vicinity map depicting SCCFD's current jurisdictional and sphere boundaries. A land use map was not produced for this report since the City already has a map available on its website: <https://www.cityofsantacruz.com/Home/ShowDocument?id=33418>.

Services & Operations

SCCFD currently provides fire protection services to the Santa Cruz community and its surrounding areas as part of mutual and automatic aid agreements. It currently operates with 61 employees with 60 seasonal employees (lifeguards), 2 temporary employees and no volunteer firefighters. The following sections provide a detailed overview of the SCCFD's services and operations.

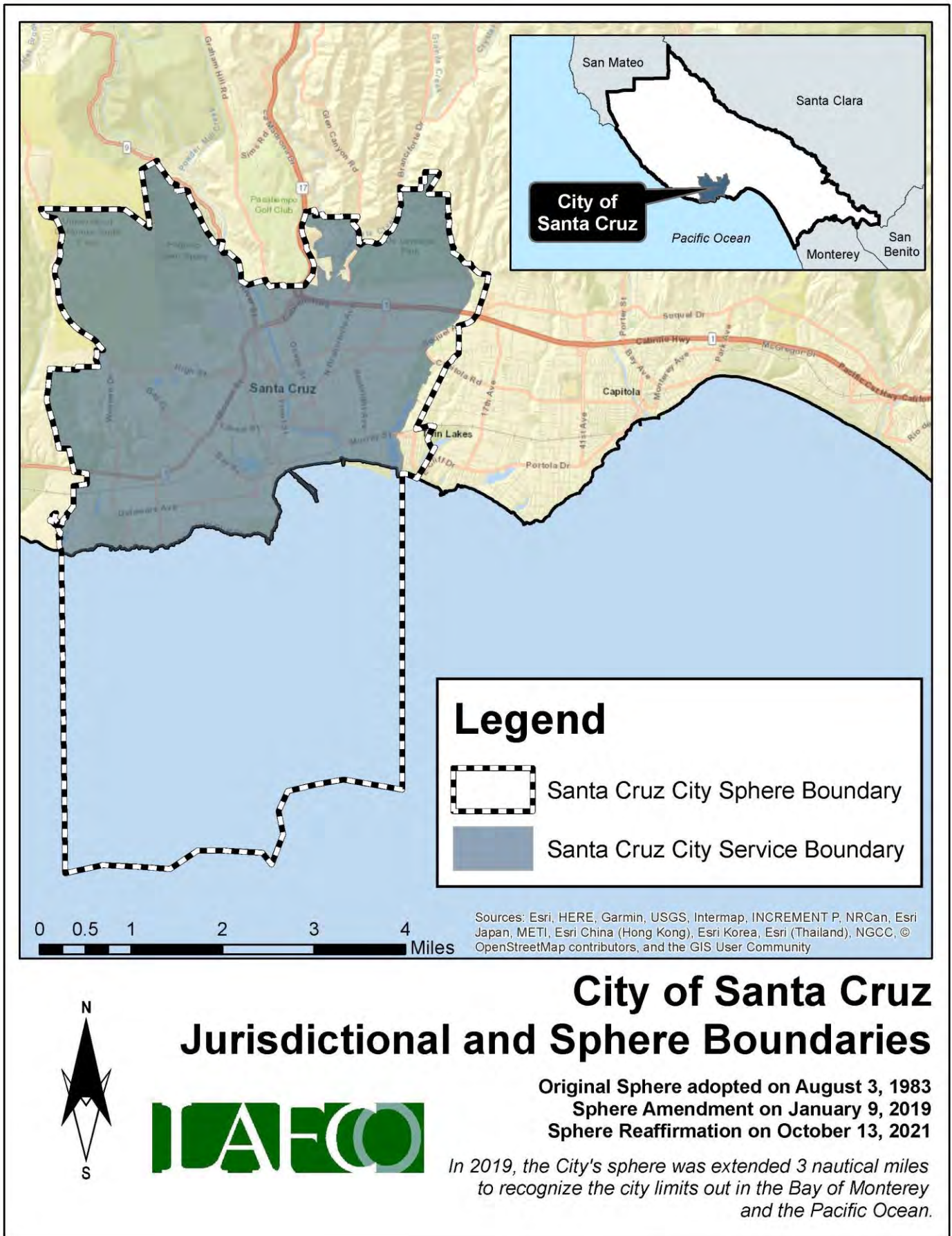
Types of Services

Fire protection covers a variety of services from basic life support to vegetation management. LAFCO staff has identified 18 different types of services provided by fire agencies. At present, SCCFD offers 78% of those services (14 out of 18). **Table 93** illustrates those services. SCCFD is in the high-tier when compared to the other 13 fire agencies that provide similar services. The lowest is BFPD with 9 services and the highest is Ben Lomond FPD with 17 different services. It is important to note that SCCFD is one of only five agencies that provide advance life support services.

Table 93: SCCFD's Type of Services

Advance Life Support	Ambulance Transportation	Ambulance Transportation (Non-Emergency)	Basic Life Support	Basic Rescue	Community Education
Yes	-	-	Yes	Yes	Yes
Construction Plan Check	Fire Code Enforcement	Fire Code Permitting	Fire Investigation	Fire Suppression	Haz Mat Administration
Yes	Yes	Yes	Yes	Yes	-
Haz Mat Response	Public Awareness	Technical Rescue	Vegetation Management	Water Rescue	Other Service
Yes	Yes	Yes	Yes	Yes	-

Figure 81: City's Vicinity Map



Types of Training

Similar to services, fire protection covers a variety of training requirements from auto extrication to swift water rescue. LAFCO staff has identified 17 different types of training offered by fire agencies. At present, SCCFD offers 82% of those training courses (14 out of 17). **Table 94** illustrates those training opportunities.

Table 94: SCCFD's Type of Training

Administration	Advance Life Support	Auto Extrication	Basic Life Support	Confined Space Awareness	Fire Prevention & Inspection
Yes	Yes	Yes	Yes	Yes	Yes
Hazardous Materials	Ocean Rescue	Physical Fitness	Rapid Intervention	Rescue Systems	Surf Rescue
Yes	Yes	Yes	Yes	Yes	Yes
Swift Water Rescue	Technical Rescue	Transport	Truck Company Operations	Other Training	Total
-	Yes	-	Yes	-	14

Fire Stations

The City currently operates four fire stations and are all within the city limits. Station 1 was built in 1940 and is located at 711 Center Street. Station 2 was built in 1947 and is located at 1103 Soquel Avenue. Station 3 was built in 1954 and is located at 335 Younglove. Station 4 was built in 1975 and is located at 701 Chinquapin Road. The stations are staffed with a minimum of 3-person company. **Figure 82** on page 199 shows the location of the fire stations.

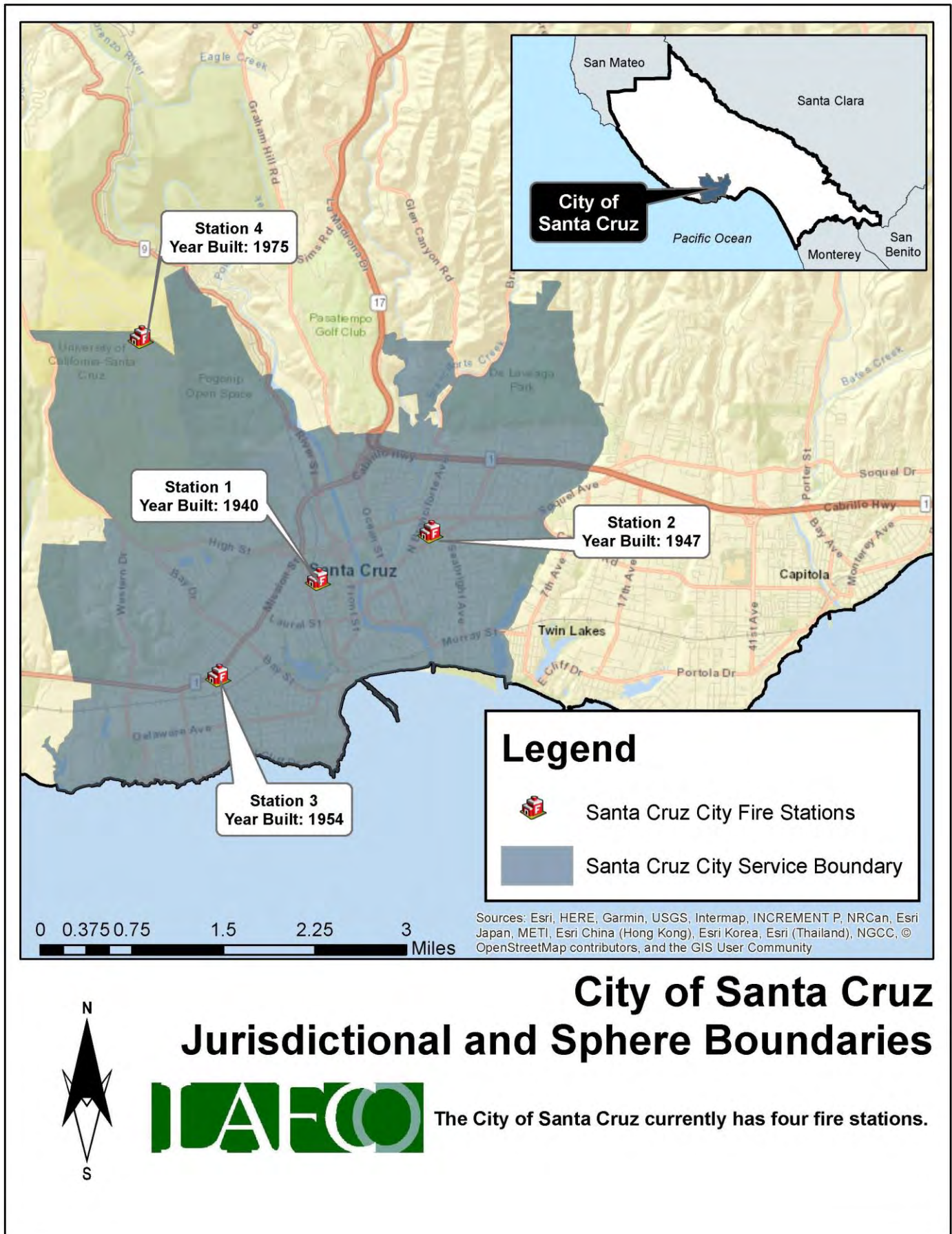
Apparatus & Inventory

In order to provide the necessary fire protection to its constituents, fire agencies are equipped with various apparatuses and vehicles. LAFCO staff has identified 20 different types of apparatuses carried by fire agencies. At present, SCCFD operates using 22 apparatuses. **Table 95** provides an overview of the District's inventory. SCCFD has the second highest amount of apparatuses compared to other fire agencies. CSA 4 has the lowest with 3 vehicles and CSA 48 has the highest with 29 vehicles. In addition to the standard apparatuses, the City also has an off-road vehicle in their inventory.

Table 95: SCCFD's Inventory

Aircraft Rescue	Ambulance	Admin/Battalion SUV	Chief Officer SUV	Command Vehicle
-	-	-	-	1
Fire Engine (Type 1)	Fire Engine (Type 2)	Fire Engine (Type 3)	Fire Engine (Type 6)	Haz Mat
6	-	1	-	-
Truck (4x4)	Truck (Ladder)	Truck (Pick-Up)	Truck (Medic)	Truck (Rescue)
1	3	3	-	-
Utility Vehicle	Urban Search & Rescue	Water Craft	Water Tender	Other Vehicle
3	-	3	-	1

Figure 82: SCCFD's Fire Station



Insurance Services Office (ISO) Rating

An ISO rating is based on a fire station's five road mile proximity to a credible water source for fighting fires. SCCFD has an ISO Public Protection Classification of 2. SCCFD provides fire protection, technical rescue, and advance/basic life support services. **Figure 83** on page 201 shows the distance the fire station crew can reach within 5 and 10 minutes. Based on staff's analysis, SCCFD can cover the majority of the City and areas outside its jurisdiction within the drive time scenario.

Call Data

Based on staff's analysis, fire service providers attend to several types of emergency calls, beyond fire-related situations such as medical calls, mutual aid, and vehicle accidents. LAFCO staff has identified 14 different types of calls responded by fire agencies. **Table 96** indicates that SCCFD responded to approximately 51,000 calls over the last six years. The annual call average is estimated to be 8,536 calls/year. The District's average response time was approximately 6 minutes.

Table 96: SCCFD's Call Data (2020)

Auto Aid	EMS (Medical Call)	False Alarm	Fire	Good Intent Call
-	4,107	434	206	-
Haz Mat	Mutual Aid	Overpressure/ Explosion/Overheat	Rescue Call	Service Call
201	80	-	-	-
Severe Weather & Natural Disaster	Special Incident	Vehicle Accident	Other	Total
-	-	-	2,720	7,748

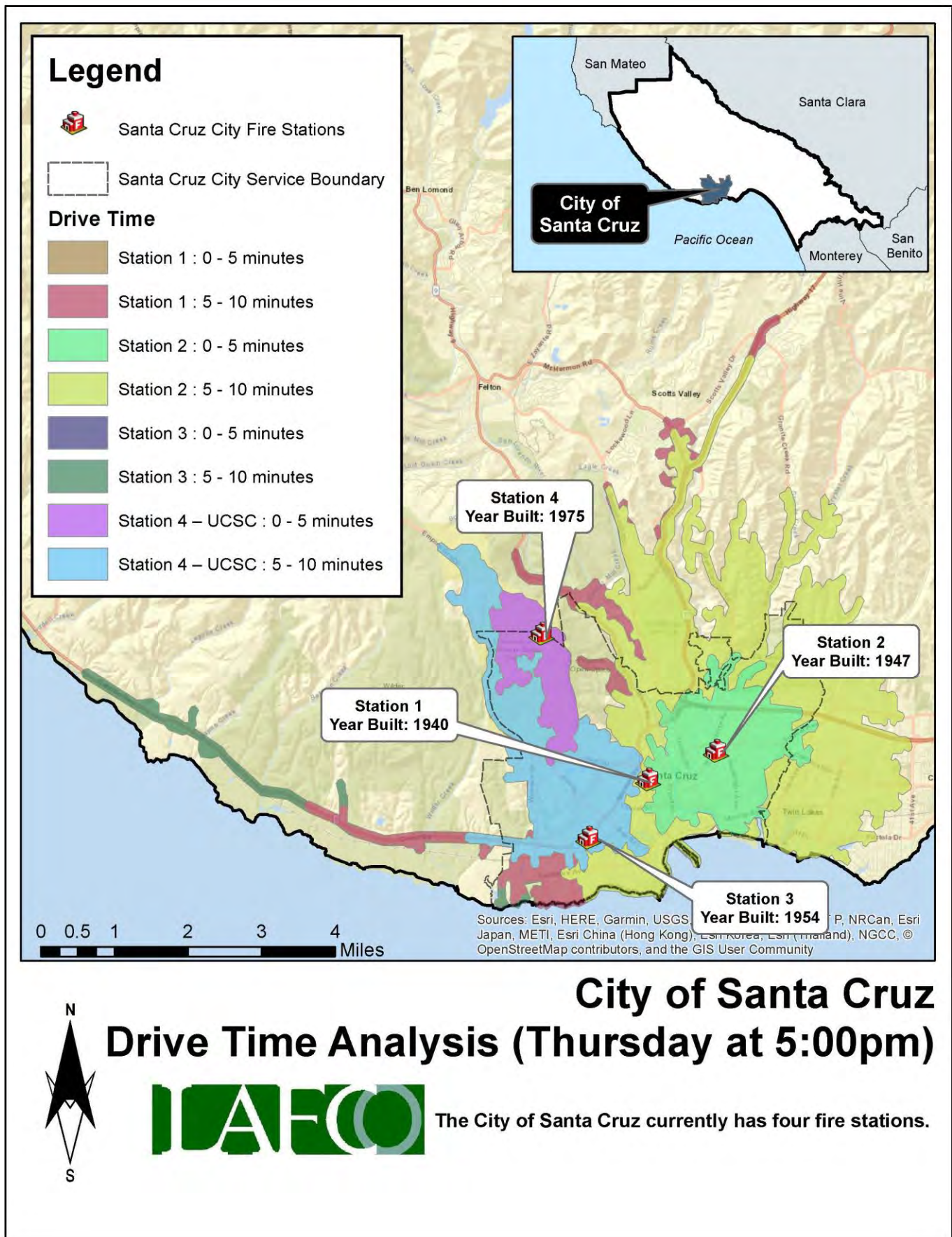
Population & Growth

Based on staff's analysis, the population of SCCFD in 2020 was approximately 68,000. The Association of Bay Area Governments (ABAG) and the Association of Monterey Bay Area Governments (AMBAG) provide population projections for cities and counties in the Coastal Region. The City's population is expected to increase by 4.73%. **Table 97** shows the anticipated population within SCCFD. Under this assumption, our projections indicate that the entire population of SCCFD will be approximately 82,000 by 2040.

Table 97: Projected Population

	2020	2025	2030	2035	2040	Average Rate of Change
Santa Cruz County (unincorporated area)	136,891	137,896	139,105	140,356	141,645	0.86%
City of Santa Cruz	68,381	72,091	75,571	79,027	82,266	4.73%

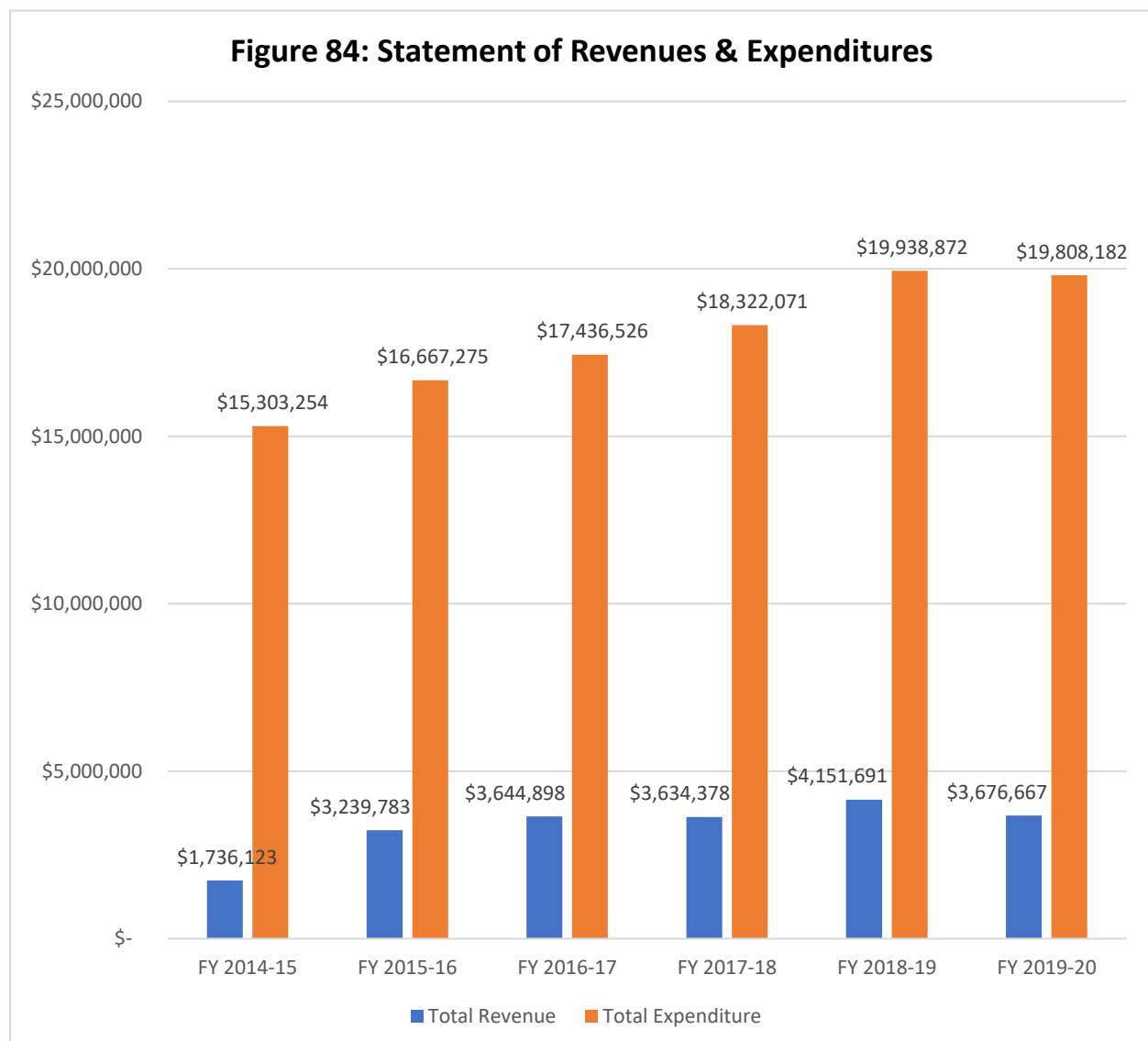
Figure 83: SCCFD's Fire Station (5 and 10 Mile Drive Time)



Finances

State law requires special districts to conduct an annual audit. The law also requires special districts to file a report of the completed audit to the State Controller's Office and LAFCO (Government Code Section 56036). For purposes of this report, the City provide financial documents covering the last six years. In addition, all recent audits were available on the City's website as statutorily required (Government Code Sections 6270.6 and 53087.8). This section will highlight the SCCFD's financial performance during the most recent fiscal years based on information retrieved. Specifically, LAFCO evaluated SCCFD's financial health from FY 2014-15 to FY 2019-20.

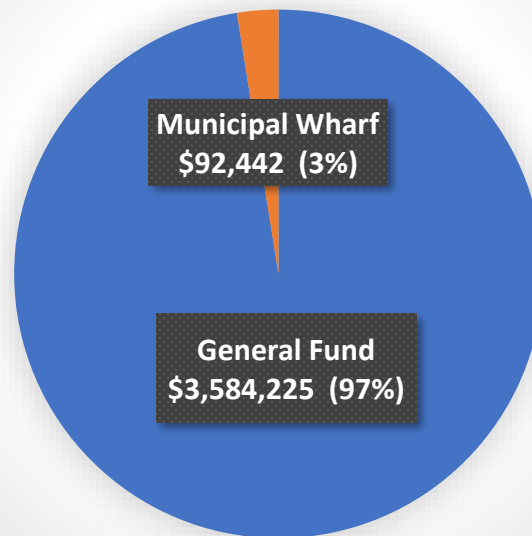
At the end of FY 2019-20, total revenue collected was approximately \$3.7 million, representing a 11% decrease from the previous year (\$4 million in FY 2018-19). Total expense for FY 2019-20 was approximately \$19.8 million, which decreased from the previous year by 1% (\$19.9 million in FY 2018-19). SCCFD has ended with an annual deficit during the last six years, as shown in **Figure 84**. LAFCO believes that this negative trend will continue unless total revenue is increased in order to cover annual costs.



Fire Department's Revenues

SCCFD's revenue stream can be categorized into two groups: General Fund and Municipal Wharf. SCCFD's primary source of revenue is from the City's General Fund. **Figure 85** highlights the revenue received during FY 2019-20.

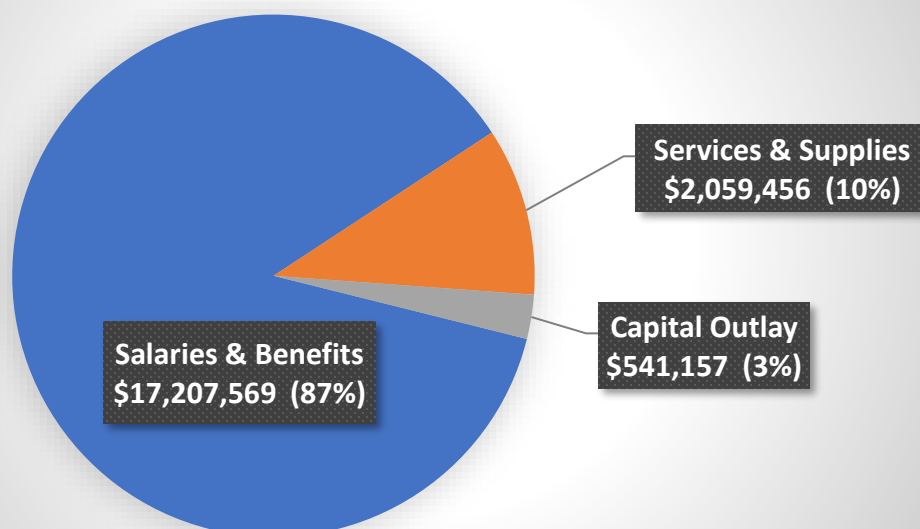
Figure 85: Revenue Breakdown (FY 19-20)



Fire Department's Expenditures

SCCFD's total expenditures can be categorized into three groups: Salaries & Benefits, Services & Supplies, and Capital Outlay. **Figure 86** below distinguishes the cost and percentage per category. As shown below, Salaries & Benefits are the highest expenditure during FY 2019-20, which represents 87% of the agency's total expense.

Figure 86: Expense Breakdown (FY 19-20)



Fund Balance/Net Position

As of June 30, 2020, the City's total fund balance is approximately \$54 million. The fund balance has been fluctuating since 2017, as shown in **Table 98**. The current balance represents 273% of SCCFD's total expenditure from FY 2019-20. This amount would be more than sufficient to cover any unanticipated costs. The overall financial performance of SCCFD during the last six years can be found in **Table 99** below.

Table 98: Fund Balance/Net Position

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Net Position (Ending Balance)	-	-	\$55,563,626	\$54,801,961	\$60,638,391	\$54,092,444
Change in (\$) from previous year				\$(761,665)	\$5,836,430	\$(6,545,947)
Change in (%) from previous year				-1%	11%	-11%

Table 99: Total Revenues & Expenditures

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
REVENUE						
General Fund	\$ 1,682,254	\$ 3,155,301	\$ 3,569,110	\$ 3,603,205	\$ 4,023,691	\$ 3,584,225
Municipal Wharf	\$ 53,869	\$ 84,482	\$ 75,788	\$ 31,173	\$ 128,000	\$ 92,442
Total Revenue	\$ 1,736,123	\$ 3,239,783	\$ 3,644,898	\$ 3,634,378	\$ 4,151,691	\$ 3,676,667
EXPENDITURE						
Salaries & Benefits	\$ 13,271,914	\$ 14,888,498	\$ 15,403,875	\$ 16,096,392	\$ 17,577,334	\$ 17,207,569
Services & Supplies	\$ 1,941,658	\$ 1,753,675	\$ 2,007,651	\$ 2,198,844	\$ 2,356,138	\$ 2,059,456
Capital Outlay	\$ 89,682	\$ 25,102	\$ 25,000	\$ 26,835	\$ 5,400	\$ 541,157
Total Expenditure	\$ 15,303,254	\$ 16,667,275	\$ 17,436,526	\$ 18,322,071	\$ 19,938,872	\$ 19,808,182
Surplus/(Deficit)	\$(13,567,131)	\$(13,427,492)	\$(13,791,628)	\$(14,687,693)	\$(15,787,181)	\$(16,131,515)
FUND BALANCE						
Beginning Balance	-	-	\$ 65,697,843	\$ 55,563,626	\$ 54,801,961	\$ 60,638,391
Ending Balance	-	-	\$ 55,563,626	\$ 54,801,961	\$ 60,638,391	\$ 54,092,444

Governance

The City of Santa Cruz is governed by a seven-member city council elected by zone-based. **Table 100** shows the current board members.

Table 100: City Council Members

Council Members	Title	Term of Office Expiration	Years in Office
Sonja Brunner	Vice Mayor	First Elected: 2020 Next Election: General 2024 Termed Out: 2028	1 year
Sandy Brown	Council Member	First Elected: 2016 Next Election: N/A Termed Out: 2026	5 years
Justin Cummings	Council Member	First Elected: 2018 Next Election: General 2022 Termed Out: 2026	3 years
Renee Goulder	Council Member	First Elected: 2020 Next Election: General 2022 Termed Out: 2030	1 year
Shebreh Kalaantari- Johnson	Council Member	First Elected: 2020 Next Election: General 2024 Termed Out: 2028	1 year
Donna Meyers	Mayor	First Elected: 2018 Next Election: General 2022 Termed Out: 2026	3 years
Martine Watkins	Mayor Pro Tempore	First Elected: 2016 Next Election: N/A Termed Out: 2024	5 years

Public Meetings

The City Council typically meets on the second and fourth Tuesday of each month. The meeting dates are posted at city hall and on the City's Website. Public meetings are typically held in the morning (8:30am to 10:30am). Based on LAFCO staff's analysis, the City met 21 times in 2020. **Table 101** provides an overview of the publicly-held meetings from 2016 to 2020.

Table 101: Public Meetings

2016 (Calendar Year)	2017 (Calendar Year)	2018 (Calendar Year)	2019 (Calendar Year)	2020 (Calendar Year)
19	21	20	21	21

Opportunities & Challenges

Independent special districts are tasked to operate in an efficient and transparent manner on a regular basis. It is LAFCO staff's position that public agencies should always prepare and consider future opportunities and potential challenges in order to properly provide services to their constituents. The following section explores possible actions that should be considered by the City.

Website Requirements

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. SB 929 states that the Internet Web Site, maintained by the independent special district, shall conform with various laws in Government Code Sections 6270.5, 53893, 53908, 54954.2, and Section 32139 of the Health and Safety Code. In summary, the District's Internet Website is required to have the following:

- Access to past and current, agendas, staff reports, and minutes
- Adopted budgets;
- Contact information and list of current board members;
- Information regarding public meetings (Brown Act);
- Service Reviews adopted by LAFCO;
- Recipients of grant funding or assistance provided by the district, if any;
- Audits (pursuant to GCS 26909) and adopted annual policies; and
- Any other information the board deems relevant

While this new law does not apply to cities, the City of Santa Cruz should consider following the requirements outlined in the new law. The City should consider extracting financial data for SCCFD and placing it within the fire department's webpage. The webpage should also include LAFCO's adopted service and sphere reviews as another valuable resource.

LAFCO Staff Recommendation: *The City should include copies or links to LAFCO's adopted service and sphere reviews regarding the City and SCCFD.*

Governance Structure Options

State law does not require LAFCO to initiate changes of organization based on this report's conclusions or findings; however, LAFCO, local agencies, and the public may subsequently use the determinations and related analysis to consider whether to pursue changes in service delivery, government organization, or spheres of influence. Therefore, LAFCO is encouraging the affected agency to consider the following governance option.

Potential Boundary Changes

SCCFD currently provides fire protection services to the residents within the City of Santa Cruz. The fire department is also substantially surrounded by other fire districts. Due to the financial constraints identified in LAFCO's analysis, it may be beneficial for the City to consider transferring fire service responsibilities to a neighboring fire district.

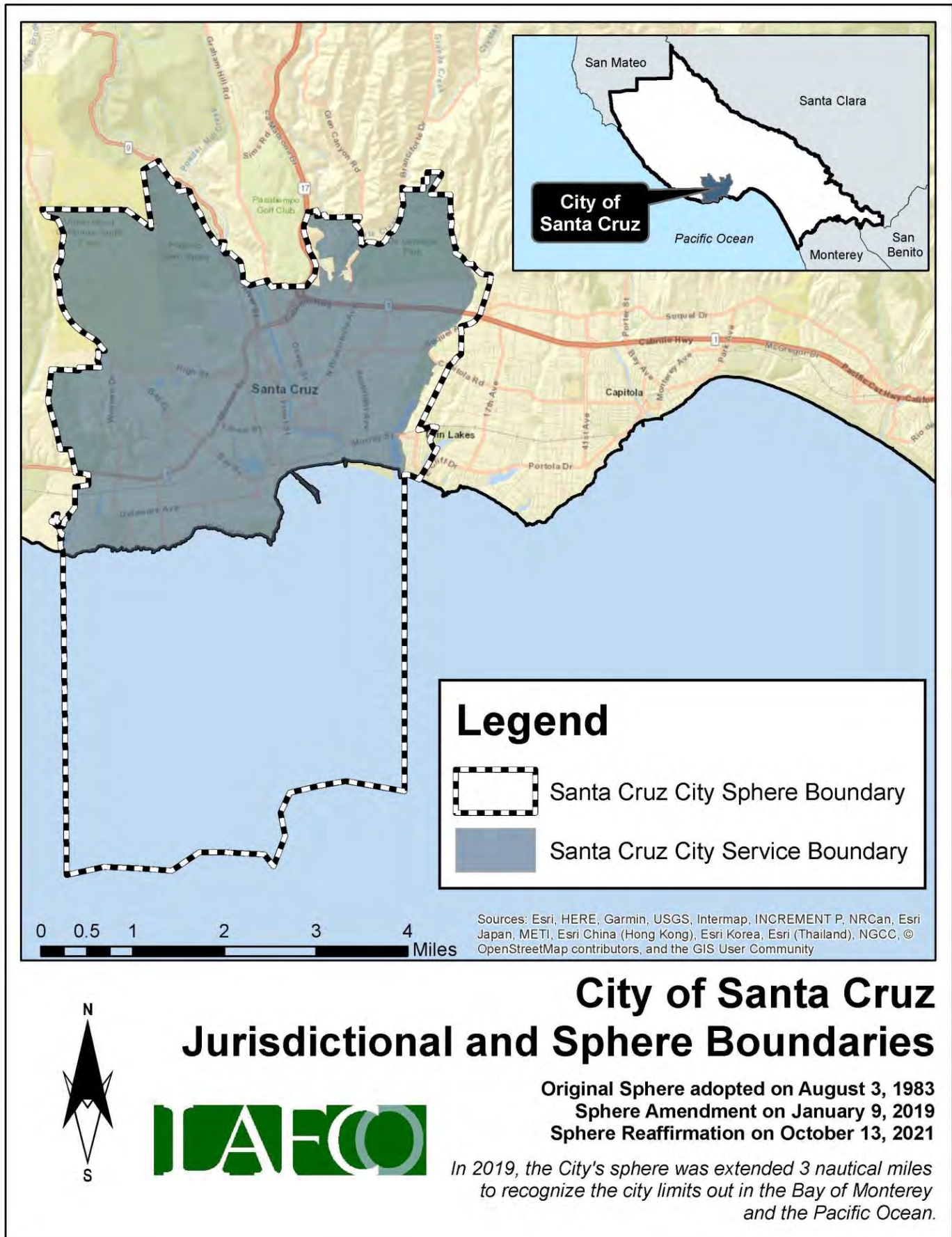
LAFCO Staff Recommendation: *The City should coordinate with the LAFCO to determine the most logical service provider for Santa Cruz residents.*

Sphere of Influence

Santa Cruz LAFCO adopted the City's original sphere of influence on August 3, 1983. In January 2019, the Commission amended the City's sphere to include 3 nautical miles offshore to reflect the city's legal limits. Staff is recommending that the current sphere be reaffirmed as part of this report. **Figure 87** on page 208 depicts the proposed sphere boundary.



Figure 87: City's Proposed Sphere Map



Agency Summary

Santa Cruz City Fire Department	
Formation	California Charter City Law (Article XI, section 3(a) of the California Constitution)
City Council	7 members, elected by zone-based to four-year terms
Contact Person	Rob Oatey, Interim Fire Chief
Employees	61 Full-Time Employees (60 seasonal lifeguards and 2 temporary employees)
Facilities	4 Fire Stations
ISO Rating	2/2x
District Area	7,974 acres (12 square miles)
Sphere of Influence	Current sphere of influence is Larger than the City's Jurisdictional Boundary <i>Proposed Designation: Reaffirm Current Sphere Boundary</i>
FY 2019-20 Audit	Total Revenue = \$3,676,667 Total Expenditure = \$19,808,182 Projected Net Position (Ending Balance) = \$54,092,444
Contact Information	Mailing Address: 230 Walnut Avenue Santa Cruz, CA 95060 Phone Number: (831) 420-5280 Email Address: jhajduk@cityofsantacruz.com Website: https://www.cityofsantacruz.com/government/city-departments/fire-department
Public Meetings	Meetings are typically held on the second and fourth Tuesday of each month.
Mission Statement	Serve our community with compassion, innovation, and responsiveness. Provide safety that improves the quality of life and wellness for all. Exude professionalism through knowledge, respect, and loyalty.

Service and Sphere Review Determinations

The following service and sphere review determinations fulfill the requirements outlined in the Cortese-Knox-Hertzberg Act.

Service Provision Determinations

Government Code Section 56430 requires LAFCO to conduct a municipal service review before, or in conjunction with, an action to establish or update a sphere boundary. Written statements of determination must be prepared with respect to each of the following:

1. Growth and population projections for the affected area.

Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. Under this assumption, LAFCO's projections indicate that the entire population of SCCFD will be approximately 82,000 by 2040.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

The City was formed in 1866. The City continues to provide fire protection services to the Santa Cruz community and the surrounding unincorporated areas.

4. Financial ability of agencies to provide services.

The City has ended with an annual deficit during the last six fiscal years. The City's fund balance is approximately \$54 million as of June 30, 2020.

5. Status of, and opportunities for, shared facilities.

The City provides assistance to surrounding agencies through mutual and automatic aid agreements.

6. Accountability for community service needs, including governmental structure and operational efficiencies.

LAFCO staff is recommending that the City consider annexing areas within its sphere boundary.

7. Any other matter related to effective or efficient service delivery, as required by commission policy.

No additional local LAFCO policies are specifically relevant to this service and sphere review.

Sphere of Influence Determinations

Government Code Section 56425 requires LAFCO to periodically review and update spheres of influence in concert with conducting municipal service reviews. Spheres are used as regional planning tools to discourage urban sprawl and encourage orderly growth. Written statements of determination must be prepared with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.

SCCFD is located within the Santa Cruz city limits. The City's General Plan has a variety of land use designations ranging from open space to urban residential.

2. The present and probable need for public facilities and services in the area.

SCCFD has an ISO Public Protection Classification of 2 within five road miles of a fire station where there is a credible water source for fighting fires. SCCFD provides fire protection, technical rescue, and basic life support services.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

SCCFD currently has four fire stations.

4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

LAFCO staff is aware of various organizations that are relevant to this agency, including but not limited to the following: County of Santa Cruz (Office of Emergency Services), Fire Department Advisory Commission of Santa Cruz County, UC Santa Cruz (Office of Emergency Services), and the Fire Safe Councils of Bonny Doon, Santa Cruz County, and South Skyline.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

SCOTTS VALLEY FIRE PROTECTION DISTRICT

District Overview

Scotts Valley Fire Protection District (SVFPD) was formed on January 7, 1958 and operates under the Fire Protection District Law of 1987. SVFPD encompasses nearly 21 square miles of territory located in the center of Santa Cruz County and includes the City of Scotts Valley. **Figure 88**, on page 213, is a vicinity map depicting SVFPD's current jurisdictional and sphere boundaries. **Figure 89**, on page 214, also shows the current land use designation under the County's General Plan. At present, the lands within the District vary from agriculture to urban residential. The vast majority of the District, outside the City limits, is designated as Mountain Residential and Rural Residential.

Services & Operations

SVFPD currently provides fire protection services to the City of Scotts Valley and its surrounding areas including the Branciforte community. It currently operates with 22 full-time firefighters, 3 full-time Battalion Chiefs, 1 full-time Fire Chief, 2 full-time and 1-part time administrative personnel, with 15 volunteer firefighters. In addition to their internal operations, Scotts Valley FPD has been providing administrative and command services to BFPD under an existing contract since 2015. Under this agreement, SVFPD's Fire Chief functions as the Fire Chief for BFPD. The contract, shown in **Appendix B**, is scheduled to sunset on September 30, 2021. The following sections provide a detailed overview of SVFPD's services and operations.

Types of Services

Fire protection covers a variety of services from basic life support to vegetation management. LAFCO staff has identified 18 different types of services provided by fire agencies. At present, SVFPD offers 78% of those services (14 out of 18). **Table 102** illustrates those services. SVFPD is in the mid-tier when compared to the other 13 fire agencies that provide similar services. The lowest is BFPD with 9 services and the highest is Ben Lomond FPD with 17 different services. It is important to note that SVFPD is one of only five agencies that provide advance life support services.

Table 102: SVFPD's Type of Services

Advance Life Support	Ambulance Transportation	Ambulance Transportation (Non-Emergency)	Basic Life Support	Basic Rescue	Community Education
Yes	-	-	Yes	Yes	Yes
Construction Plan Check	Fire Code Enforcement	Fire Code Permitting	Fire Investigation	Fire Suppression	Haz Mat Administration
Yes	Yes	Yes	Yes	Yes	Yes
Haz Mat Response	Public Awareness	Technical Rescue	Vegetation Management	Water Rescue	Other Service
Yes	Yes	Yes	Yes	-	-

Figure 88: SVFPD's Vicinity Map

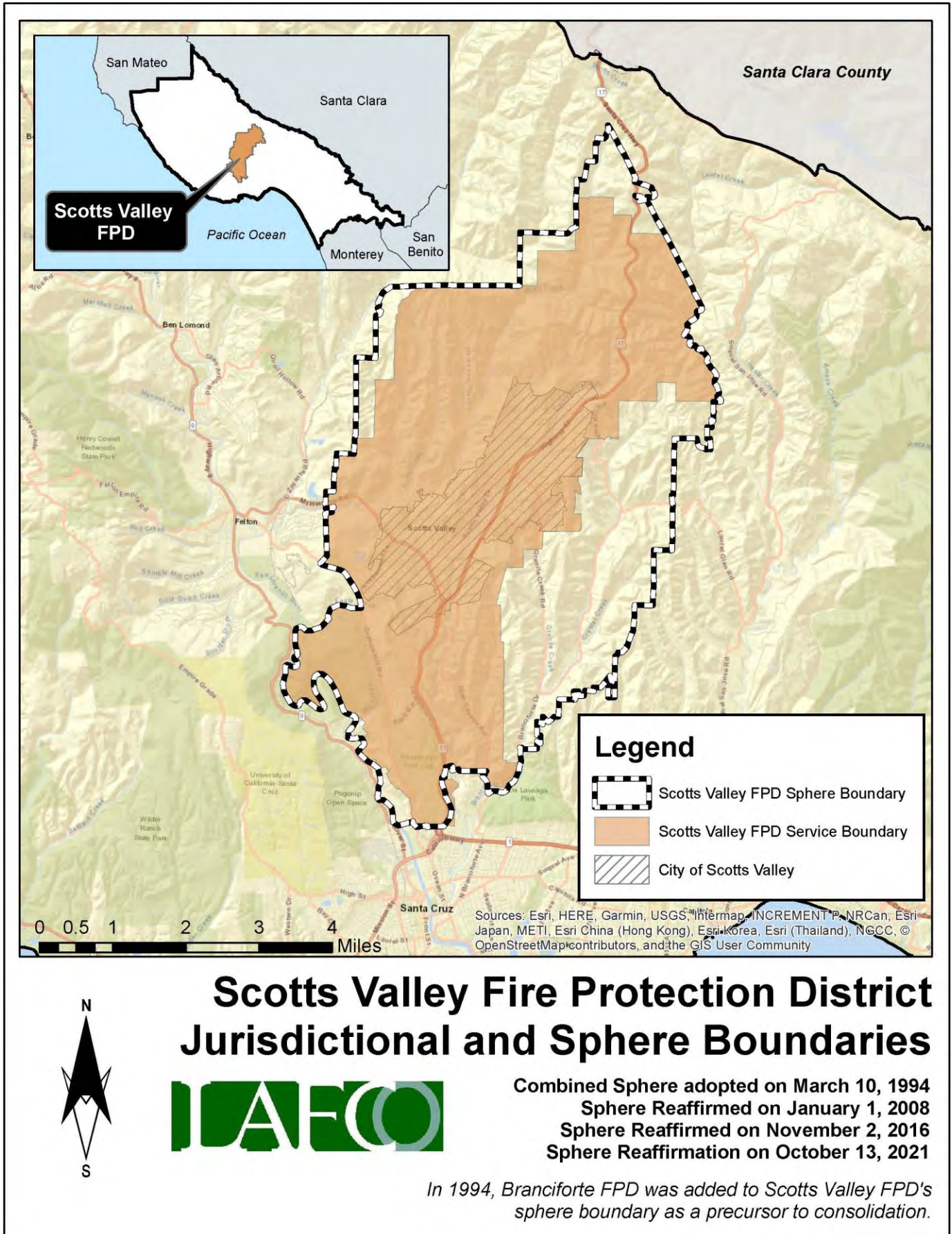
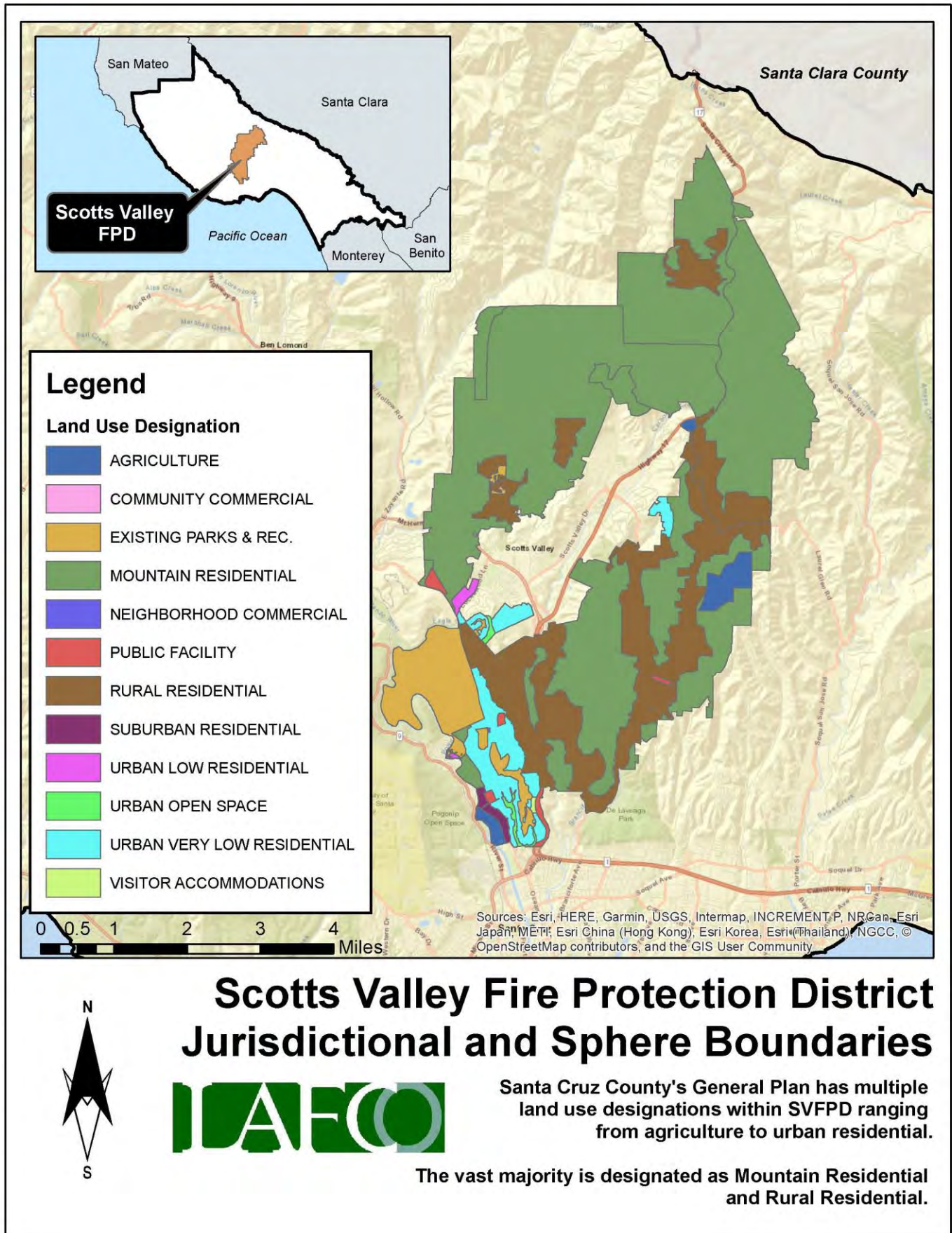


Figure 89: SVFPD's Land Use Map



Types of Training

Similar to services, fire protection covers a variety of training requirements from auto extrication to swift water rescue. LAFCO staff has identified 17 different types of training offered by fire agencies. At present, SVFPD offers 71% of those training courses (12 out of 17). **Table 103** illustrates those training opportunities.

Table 103: SVFPD's Type of Training

Administration	Advance Life Support	Auto Extrication	Basic Life Support	Confined Space Awareness	Fire Prevention & Inspection
Yes	Yes	Yes	Yes	Yes	Yes
Hazardous Materials	Ocean Rescue	Physical Fitness	Rapid Intervention	Rescue Systems	Surf Rescue
Yes	-	Yes	Yes	Yes	-
Swift Water Rescue	Technical Rescue	Transport	Truck Company Operations	Other Training	Total
-	Yes	-	Yes	-	12

Fire Stations

The District currently operates two fire stations. Station 1 was built in 1964, remodeled in 1985, and is located at 7 Erba Lane Scotts Valley, CA. Station 2 was built in 2001 and is located at 251 Glenwood Drive Scotts Valley, CA. The District has indicated that Station 1 needs extensive seismic upgrading and remodeling. Station 1 is staffed with 4.5 administrative personnel during regular business hours and 5 firefighters 24 hours a day. Station 2 is staffed with 3 full-time firefighters. At present, SVFPD has 28 full-time employees, 1 part-time employee, and 15 volunteer firefighters. **Figure 90** on page 216 shows the location of the fire stations.

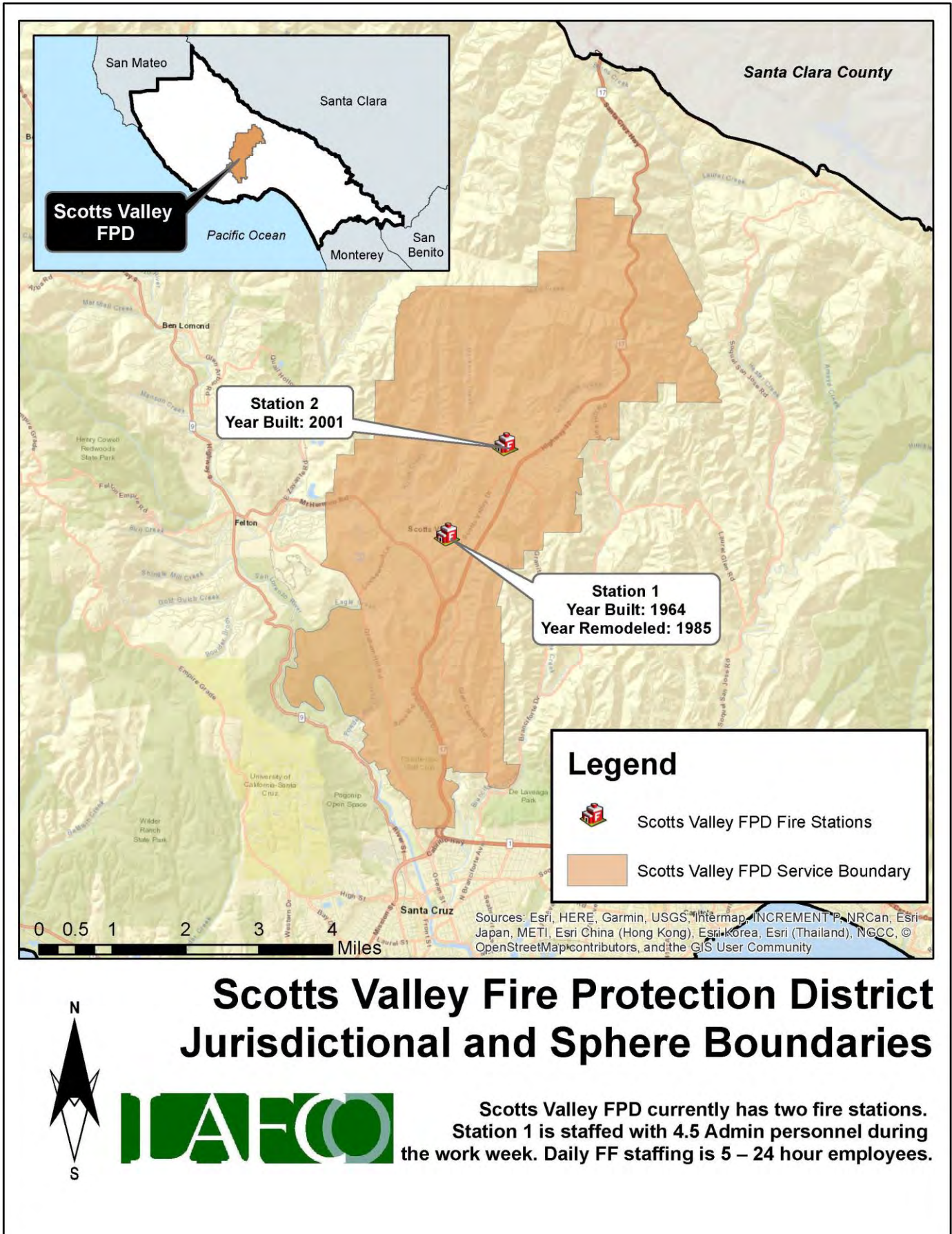
Apparatus & Inventory

In order to provide the necessary fire protection to its constituents, fire agencies are equipped with various apparatuses and vehicles. LAFCO staff has identified 20 different types of apparatuses carried by fire agencies. At present, SVFPD operates using 14 apparatuses. **Table 104** provides an overview of the District's inventory. SVFPD is in the middle-range when compared to the other fire agencies. CSA 4 has the lowest with 5 vehicles and CSA 48 has the highest with 29 vehicles.

Table 104: SVFPD's Inventory

Aircraft Rescue	Ambulance	Admin/Battalion SUV	Chief Officer SUV	Command Vehicle
-	-	1	1	3
Fire Engine (Type 1)	Fire Engine (Type 2)	Fire Engine (Type 3)	Fire Engine (Type 6)	Haz Mat
3	-	2	-	1
Truck (4x4)	Truck (Ladder)	Truck (Pick-Up)	Truck (Medic)	Truck (Rescue)
-	-	-	-	-
Utility Vehicle	Urban Search & Rescue	Water Craft	Water Tender	Other Vehicle
2	-	-	1	-

Figure 90: SVFPD's Fire Station



Insurance Services Office (ISO) Rating

An ISO rating is based on a fire station's five road mile proximity to a credible water source for fighting fires. The District has an ISO Public Protection Classification of 2. The District provides fire protection, technical rescue, and advance/basic life support services. **Figure 91** on page 218 shows the distance the fire station crew can reach within 5 and 10 minutes. Based on staff's analysis, it may require the District more than 10 minutes to arrive to certain areas.

Call Data

Based on staff's analysis, fire service providers attend to several types of emergency calls, beyond fire-related situations such as medical calls, mutual aid, and vehicle accidents. LAFCO staff has identified 14 different types of calls responded by fire agencies. **Table 105** indicates that SVFPD responded to approximately 13,000 calls over the last six years. The annual call average is estimated to be 2,122 calls/year. The District's average response time was approximately 5 minutes.

Table 105: SVFPD's Call Data (2015 to 2020)

Auto Aid	EMS (Medical Call)	False Alarm	Fire	Good Intent Call
-	7,529	728	363	2,506
Haz Mat	Mutual Aid	Overpressure/ Explosion/Overheat	Rescue Call	Service Call
505	-	6	-	1,078
Severe Weather & Natural Disaster	Special Incident	Vehicle Accident	Other	Total
10	6	-	-	12,731

Population & Growth

Based on staff's analysis, the population of SVFPD in 2020 was approximately 20,200. The Association of Bay Area Governments (ABAG) and the Association of Monterey Bay Area Governments (AMBAG) provide population projections for cities and counties in the Coastal Region. Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. **Table 106** shows the anticipated population.

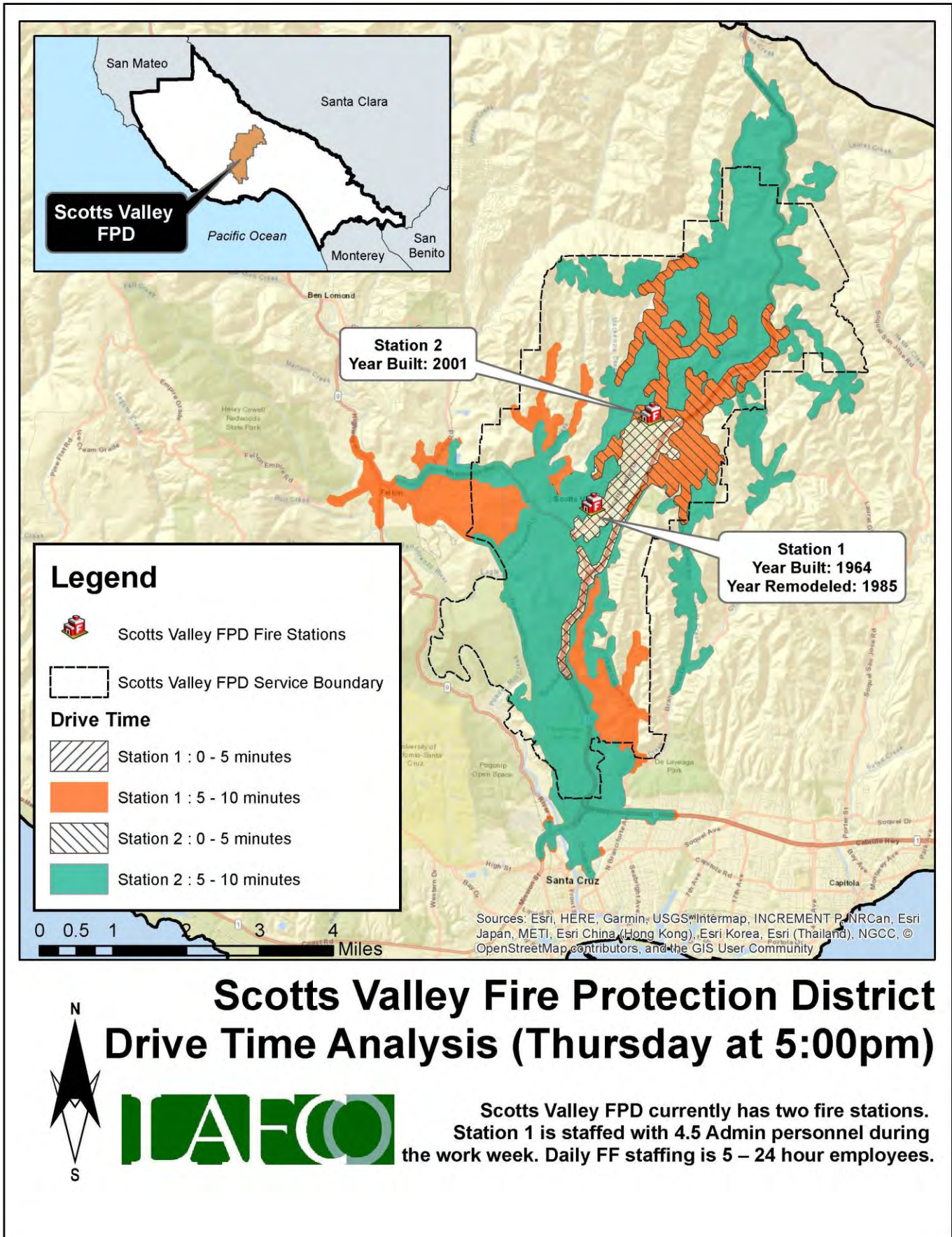
Population Projection

Based on the projections for Santa Cruz County, LAFCO was able to develop a population forecast for SVFPD. LAFCO staff increased the District's 2020 population amount by 0.86% each year. Under this assumption, our projections indicate that the entire population of SVFPD will be approximately 21,000 by 2040.

Table 106: Projected Population

	2020	2025	2030	2035	2040	Average Rate of Change
Santa Cruz County (unincorporated area)	136,891	137,896	139,105	140,356	141,645	0.86%
Scotts Valley Fire Protection District	20,171	20,344	20,519	20,695	20,872	0.86%

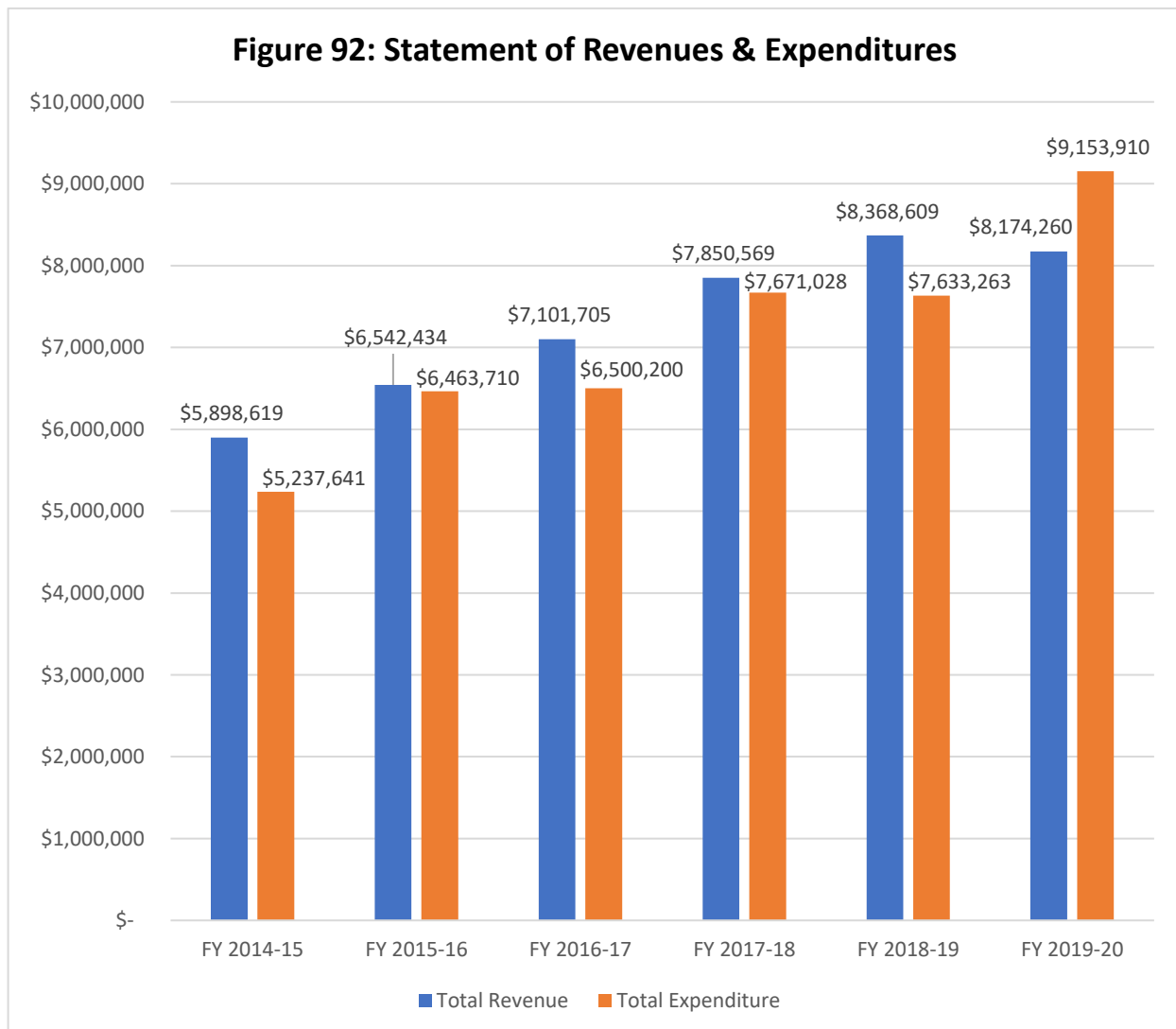
Figure 91: SVFPD's Fire Station (5 and 10 Mile Drive Time)



Finances

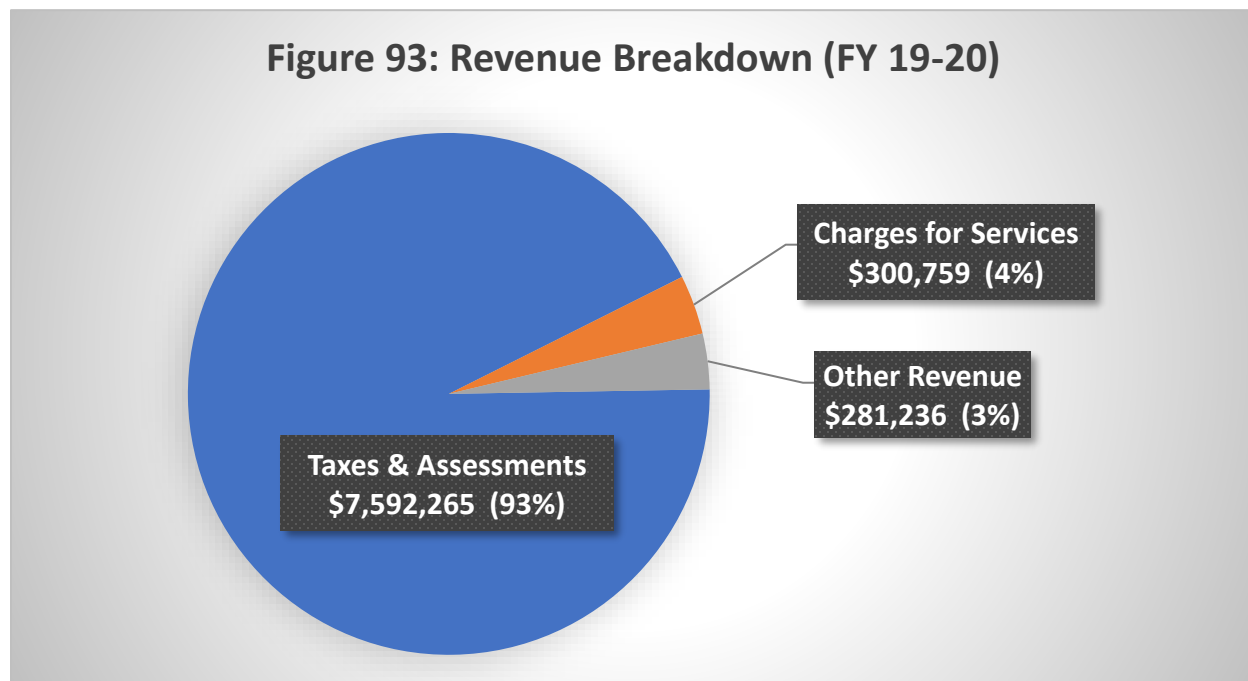
State law requires special districts to conduct an annual audit. The law also requires special districts to file a report of the completed audit to the State Controller's Office and LAFCO (Government Code Section 56036). For purposes of this report, the District provided financial documents covering the last six years. In addition, all recent audits were available on the District's website as statutorily required (Government Code Sections 6270.6 and 53087.8). This section will highlight the District's financial performance during the most recent fiscal years based on information retrieved. Specifically, LAFCO evaluated SVFPD's financial health from FY 2014-15 to FY 2019-20.

At the end of FY 2019-20, total revenue collected was approximately \$8.2 million, representing a 2% decrease from the previous year (\$8.4 million in FY 2018-19). Total expense for FY 2019-20 was approximately \$9.1 million, which increased from the previous year by 20% (\$7.6 million in FY 2018-19). The District has ended with an annual surplus in five of the last six years, as shown in **Figure 92**. The deficit experience in FY 2019-20 can be attributed to the District's paying off a long-term debt in its entirety. LAFCO believes that this positive trend may continue going forward under the current management practices.



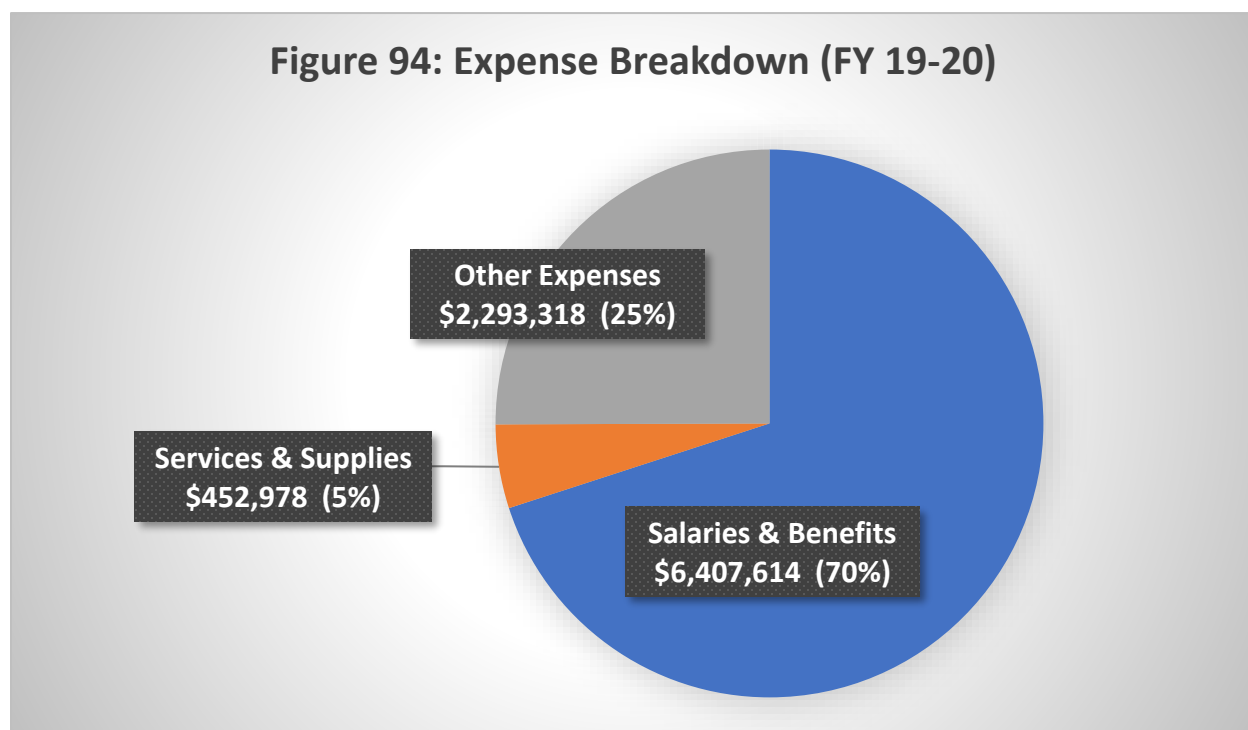
District Revenues

SVFPD's revenue stream can be categorized into three groups: Taxes & Assessments, Charges for Services, and Other Revenue. SVFPD's primary source of revenue is from Taxes & Assessments, specifically Property Taxes. **Figure 93** highlights the revenue received during FY 2019-20.



District Expenditures

SVFPD's total expenditures can be categorized into three groups: Salaries & Benefits, Services & Supplies, and Other Expenses. **Figure 94** below distinguishes the cost and percentage per category. As shown below, Salaries & Benefits are the highest expenditure during FY 2019-20, which represents 70% of the agency's total expense.



Fund Balance/Net Position

As of June 30, 2020, the total fund balance is approximately \$3 million. The fund balance has fluctuated over the years since 2014, as shown in **Table 107**. The current balance represents 33% of the District's total expenditure from FY 2019-20. This amount would be sufficient to cover any unanticipated costs. The overall financial performance of SVFPD during the last six years can be found in **Table 108** below.

Table 107: Fund Balance/Net Position

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Net Position (Ending Balance)	\$2,492,307	\$2,246,795	\$2,848,401	\$3,231,362	\$3,966,708	\$2,987,058
Change in (\$) from previous year		\$(245,512)	\$601,606	\$382,961	\$735,346	\$(979,650)
Change in (%) from previous year		-10%	27%	13%	23%	-25%

Table 108: Total Revenues & Expenditures

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
REVENUE						
Tax Revenue	\$ 5,678,176	\$ 6,121,752	\$ 6,491,468	\$ 6,947,008	\$ 7,299,629	\$ 7,592,265
Charges for Service	\$ 54,571	\$ 35,835	\$ 500,689	\$ 601,257	\$ 814,643	\$ 300,759
Interest & Investment Earnings	\$ 6,402	\$ 9,426	\$ 12,917	\$ 25,185	\$ 47,791	\$ 40,008
License & Permits	\$ -	\$ -	\$ 81,507	\$ 54,679	\$ 44,347	\$ 18,170
Grants & Contributions	\$ 159,470	\$ 369,064	\$ -	\$ 144,138	\$ 149,651	\$ 182,412
Miscellaneous	\$ -	\$ 6,357	\$ 15,124	\$ 78,302	\$ 12,548	\$ 40,646
Total Revenue	\$5,898,619	\$6,542,434	\$7,101,705	\$7,850,569	\$8,368,609	\$ 8,174,260
EXPENDITURE						
Salaries & Benefits	\$ 4,783,751	\$ 5,142,071	\$ 5,559,176	\$ 6,068,988	\$ 6,314,347	\$ 6,407,614
Services & Supplies	\$ 255,401	\$ 242,589	\$ 305,694	\$ 401,449	\$ 497,016	\$ 452,978
Professional Fees	\$ 74,824	\$ 82,124	\$ 108,650	\$ 176,157	\$ 182,740	\$ 146,647
Repairs & Maintenance	\$ 100,685	\$ 106,270	\$ 120,724	\$ 144,033	\$ 166,056	\$ 152,743
Insurance	\$ -	\$ -	\$ 25,968	\$ 29,365	\$ 30,660	\$ 34,980
Other Charges	\$ -	\$ 324,236	\$ -	\$ -	\$ -	\$ -
Capital Assets	\$ 22,980	\$ 566,420	\$ 55,752	\$ 526,800	\$ 118,209	\$ 173,200
Debt Service						
Principle	\$ -	\$ -	\$ 193,492	\$ 204,529	\$ 216,195	\$ 1,705,748
Interest	\$ -	\$ -	\$ 130,744	\$ 119,707	\$ 108,040	\$ 80,000
Total Expenditure	\$5,237,641	\$6,463,710	\$6,500,200	\$7,671,028	\$7,633,263	\$ 9,153,910
Surplus/(Deficit)	\$ 660,978	\$ 78,724	\$ 601,505	\$ 179,541	\$ 735,346	\$ (979,650)
FUND BALANCE						
Beginning Balance	\$ 1,831,329	\$ 2,168,071	\$ 2,246,896	\$ 3,051,821	\$ 3,231,362	\$ 3,966,708
Ending Balance	\$2,492,307	\$2,246,795	\$2,848,401	\$3,231,362	\$3,966,708	\$ 2,987,058

Governance

SVFPD is an independent special district governed by a five-member Board of Directors elected at-large by the voters within the District. When candidates run unopposed, or when there is a vacancy, seats are appointed by the County Board of Supervisors in lieu of conducting the election. **Table 109** shows the current board members.

Table 109: Board of Directors

Board Member	Title	Term of Office Expiration	Years in Office
Robert Campbell	Board Member	First Elected: 2014 Next Election: General 2022	7 years
Edward Harmon	Vice-President	First Elected: 2018 Next Election: General 2022	3 years
Joseph Parker	President	First Appointed: 2019 Next Election: General 2024	2 years
Russ Patterson	Board Member	First Elected: 2016 Next Election: General 2024	5 years
Daron Pisciotta	Board Member	First Elected: 2014 Next Election: General 2024	7 years

Public Meetings

The Board of Directors typically meets on the second Wednesday of each month. The meeting dates are posted at the fire station and on the District's Website. Public meetings are typically held at 6:00pm. Based on LAFCO staff's analysis, SVFPD met 15 times in 2020. **Table 110** provides an overview of the publicly-held meetings from 2016 to 2020.

Table 110: Public Meetings

2016 (Calendar Year)	2017 (Calendar Year)	2018 (Calendar Year)	2019 (Calendar Year)	2020 (Calendar Year)
12	17	10	13	15

Opportunities & Challenges

Independent special districts are tasked to operate in an efficient and transparent manner on a regular basis. It is LAFCO staff's position that public agencies should always prepare and consider future opportunities and potential challenges in order to properly provide services to their constituents. The following section explores possible actions that should be considered by the District.

Website Requirements

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. SB 929 states that the Internet Web Site, maintained by the independent special district, shall conform with various laws in Government Code Sections 6270.5, 53893, 53908, 54954.2, and Section

32139 of the Health and Safety Code. In summary, the District's Internet Website is required to have the following:

- Access to past and current, agendas, staff reports, and minutes
- Adopted budgets;
- Contact information and list of current board members;
- Information regarding public meetings (Brown Act);
- Service Reviews adopted by LAFCO;
- Recipients of grant funding or assistance provided by the district, if any;
- Audits (pursuant to GCS 26909) and adopted annual policies; and
- Any other information the board deems relevant

The District currently has an operating website and fulfills most of the requirements listed above. However, there are still opportunities to include more information that would benefit the residents in understanding the governance of SVFPD as a special district, specifically the availability of financial documentations such as budgets and audits. SVFPD should also consider including LAFCO's adopted service and sphere reviews on their website as another valuable resource.

LAFCO Staff Recommendation: *The District should continue updating its website to fulfill the legal requirements under SB 929.*

Governance Structure Options

State law does not require LAFCO to initiate changes of organization based on this report's conclusions or findings; however, LAFCO, local agencies, and the public may subsequently use the determinations and related analysis to consider whether to pursue changes in service delivery, government organization, or spheres of influence. Therefore, LAFCO is encouraging the affected agency to consider the following governance options.

Option 1: Reorganization with Branciforte Fire Protection District

The current contract has been in place since 2015 and reflects the combined sphere boundary between BFPD and Scotts Valley FPD, which was adopted back in 1994. A combined sphere boundary indicates that the two districts should be merged in the foreseeable future. It is LAFCO's perspective that both districts have been unofficially merged for the past six years – internally maximizing their staff and resources as one entity. Our analysis shows that the internal improvements, including but not limited to the financial health of BFPD, is a direct result of this multi-year collaboration. Unfortunately, LAFCO believes that the public has not been fully aware of this contractual agreement and its sunset date.

LAFCO is also deeply concerned about BFPD's future and level of service due to the lack of preparation by the District regarding this transition, even though Scotts Valley FPD informed BFPD about the sunset date as early as March 2021. Once the contract expires, all internal responsibilities revert back to BFPD. At the time of this report's distribution, BFPD does not have a Fire Chief or any other administrative staff in place to operate the agency in accordance with state law requirements. Despite the current circumstances,

LAFCO staff has identified a two-part approach to ensure that the Branciforte residents continue to receive adequate level of service now and in perpetuity.

- **Part 1 (Extraterritorial Service Agreement):** For immediate assistance, LAFCO staff is recommending that BFPD, Scotts Valley FPD, or the residents submit an application for an extraterritorial service agreement. This approach would allow Scotts Valley FPD to provide services outside its jurisdiction in accordance with Government Code Section 56133. State law streamlines the LAFCO process under this approach due to the impending health and safety issue. It is staff's position that this agreement can be completed within 30-60 days. If approved, the extraterritorial service agreement would have a condition that the Branciforte community be annexed into Scotts Valley FPD within a reasonable timeframe.
- **Part 2 (Reorganization):** The 2015 contract between BFPD and Scotts Valley FPD resulted in an unofficial merger of the two districts. A reorganization would make this strategic partnership official. LAFCO staff is proposing three primary actions under this reorganization: (1) dissolve Branciforte FPD, (2) annex the dissolved area into Scotts Valley FPD, and (3) create the "Branciforte Fire Zone." Unlike the extraterritorial service agreement process, this reorganization will require a multi-year effort. That is why LAFCO is recommending that community workshops be held to address any issues or concerns.

LAFCO Staff Recommendation: *The District should consider participating in community workshops with Branciforte FPD to evaluate this option.*

Option 2: Change of Reorganization (Multiple Agencies)

Fire agencies surrounding SVFPD rely heavily on volunteers to protect their residents. This is not the case for SVFPD. It may be beneficial for the District to champion a more effective, united fire agency by maximizing their existing personnel and resources through a reorganization involving the districts listed below (see **Table 111**). Such reorganization would require additional analysis to determine whether it is feasible and advantageous to all affected districts. It is LAFCO staff's position that a joint special study would determine whether the residents would receive a better level of service, potential cost-savings, and an increase in transparency through this proposed reorganization or a similar reorganization. It is also important to note that this analysis would be a multi-year effort.

Table 111: Potential Reorganization (Multiple Agencies)

Fire Districts	Full-Time Employees	Part-Time Employees	Volunteers	Fire Stations	FY 19-20 Revenue
Ben Lomond	1	1	1	1	\$1,025,804
Branciforte	3	0	13	2	\$1,035,012
Scotts Valley	28	1	15	2	\$8,174,260
Zayante	3	2	22	3	\$636,400
"Reorganized District"	35	4	51	8	\$10,871,476

Footnote: Proposed "Reorganized District" figures are for discussion purposes only; additional analysis is needed to determine specifics.

LAFCO Staff Recommendation: *The District should consider coordinating with the affected agencies and LAFCO to consider and evaluate this option.*

District Best Practices

All fire districts are public agencies that must follow statutory requirements – regardless of its size or level of service. Based on LAFCO's analysis, SVFPD is a single-function special district. Nearly 85% of California's special districts perform a single function. In order to comply with statutory requirements, as well as adapt to current and future demands, LAFCO staff strongly recommends that the District conduct periodic updates to ensure its compliance with certain laws including but not limited to audits, public records requests, ethics training, policies and procedures, and meeting protocols. It may be beneficial for the District to also consider joining the California Special Districts Association (CSDA) to help keep track of all current and new laws. LAFCO co-hosted an online webinar with CSDA in August 2021 to discuss all the statutory requirements that must be fulfilled by all special districts. 14 out of the 22 independent special districts in Santa Cruz County attended the webinar. SVFPD was well-represented at the workshop with board members and employees in attendance.

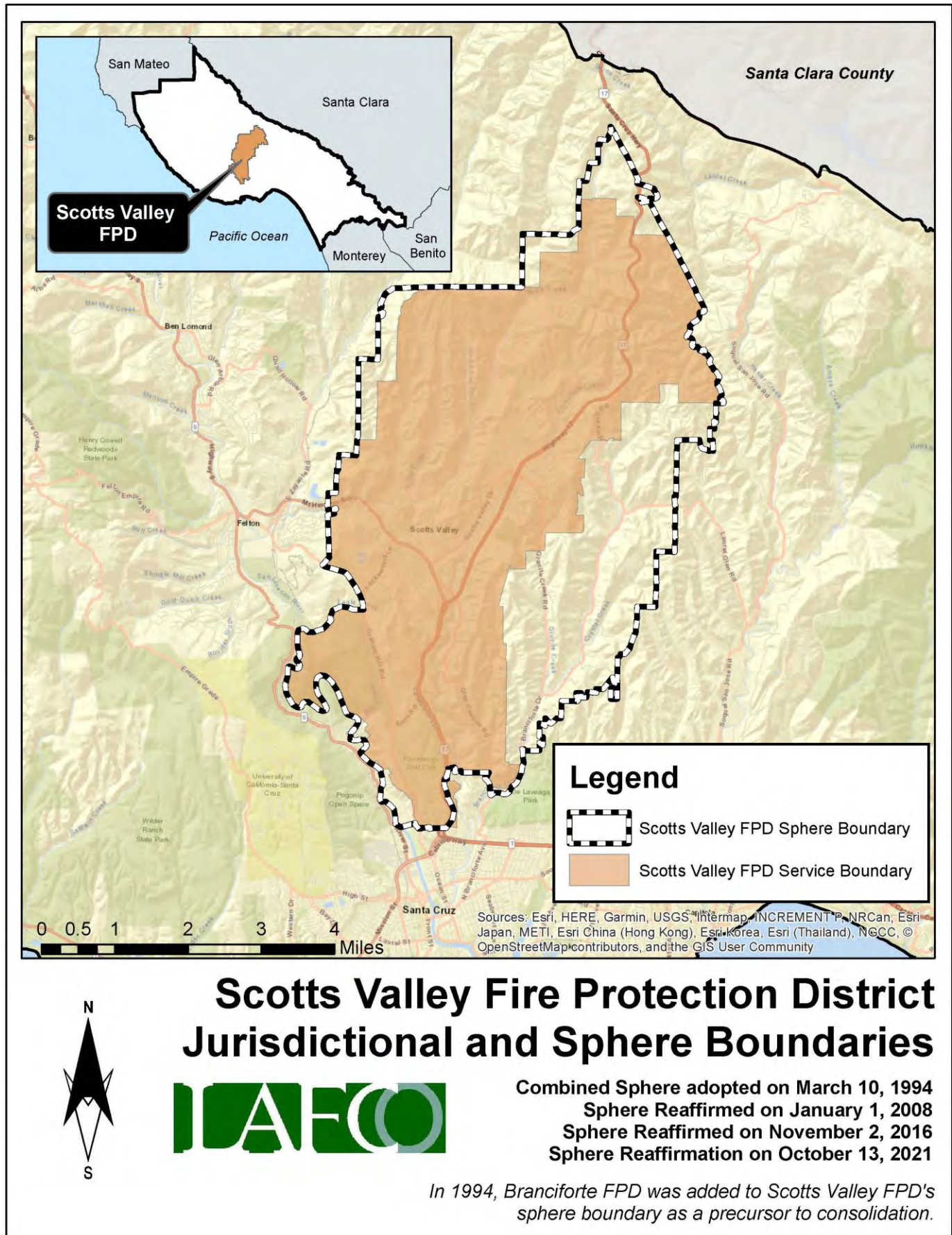
LAFCO Staff Recommendation: *The District should strongly consider developing a strategic plan to ensure all statutory requirements are being fulfilled on a regular basis.*

Sphere of Influence

Santa Cruz LAFCO adopted SVFPD's combined sphere of influence on March 10, 1994, which included areas beyond the District's jurisdictional boundary. This sphere determination indicated that BFPD and Scotts Valley FPD should be merged or consolidated in the foreseeable future. LAFCO staff believes that the merger concept should be considered by SVFPD. Therefore, staff is recommending that the current sphere be reaffirmed as part of this report. **Figure 95** on page 226 depicts the proposed sphere boundary.



Figure 95: SVFPD's Proposed Sphere Map



District Summary

Scotts Valley Fire Protection District	
Formation	Fire Protection District Law of 1987 (Health & Safety Code Section 13800 et seq.)
Board of Directors	5 members, elected at-large to four-year terms
Contact Person	Ron Whittle, Fire Chief
Employees	28 Full-Time Employees (1 part-time and 15 volunteers)
Facilities	2 Fire Stations
ISO Rating	2/2x
District Area	13,465 acres (21 square miles)
Sphere of Influence	<p>Current sphere of influence is Larger than the District's Jurisdictional Boundary (Combined Sphere with Branciforte FPD as a precursor to a merger or consolidation)</p> <p><i>Proposed Designation: Reaffirm Current Sphere Boundary</i></p>
FY 2019-20 Audit	<p>Total Revenue = \$8,174,260</p> <p>Total Expenditure = \$9,153,910</p> <p>Projected Net Position (Ending Balance) = \$2,987,058</p>
Contact Information	<p>Mailing Address: 7 Erba Lane Scotts Valley, CA 95066</p> <p>Phone Number: (831) 438-0211</p> <p>Email Address: rwhittle@scottsvalleyfire.com</p> <p>Website: https://www.scottsvalleyfire.com/</p>
Public Meetings	Meetings are typically held on the second Wednesday of each month.
Mission Statement	To Protect Lives, the Environment, and Property.

Service and Sphere Review Determinations

The following service and sphere review determinations fulfill the requirements outlined in the Cortese-Knox-Hertzberg Act.

Service Provision Determinations

Government Code Section 56430 requires LAFCO to conduct a municipal service review before, or in conjunction with, an action to establish or update a sphere boundary. Written statements of determination must be prepared with respect to each of the following:

1. Growth and population projections for the affected area.

Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. Under this assumption, LAFCO's projections indicate that the entire population of SVFPD will be approximately 21,000 by 2040.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

The District was formed in 1958. The District continues to provide fire protection services to the City of Scotts Valley and the surrounding unincorporated areas.

4. Financial ability of agencies to provide services.

The District has ended with an annual surplus in five of the last six fiscal years. The District's fund balance is approximately \$3 million as of June 30, 2020.

5. Status of, and opportunities for, shared facilities.

The 2015 contract between BFPD and SVFPD resulted in an unofficial merger of the two districts. The contract also reflect the combined sphere boundary adopted in 1994 as a precursor to a merger or consolidation. The District also provides assistance to surrounding agencies through mutual and automatic aid agreements.

6. Accountability for community service needs, including governmental structure and operational efficiencies.

LAFCO staff is recommending that the District consider the two governance options identified in the report including but not limited to a reorganization with BFPD.

7. Any other matter related to effective or efficient service delivery, as required by commission policy.

No additional local LAFCO policies are specifically relevant to this service and sphere review.

Sphere of Influence Determinations

Government Code Section 56425 requires LAFCO to periodically review and update spheres of influence in concert with conducting municipal service reviews. Spheres are used as regional planning tools to discourage urban sprawl and encourage orderly growth. Written statements of determination must be prepared with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.

The District is located in unincorporated county territory. The County's General Plan designates the vast majority of the District as Mountain Residential and Rural Residential.

2. The present and probable need for public facilities and services in the area.

The District has an ISO Public Protection Classification of 2 within five road miles of a fire station where there is a credible water source for fighting fires. The District provides fire protection, technical rescue, and advance/basic life support services.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The District currently has two fire stations. The main station, which was built in 1964, is located at 7 Erba Lane in Scotts Valley. The station is staffed with 4.5 administrative personnel during regular business hours and 5 firefighters 24 hours a day.

4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

LAFCO staff is aware of various organizations that are relevant to this agency, including but not limited to the following: County of Santa Cruz (Office of Emergency Services), Fire Department Advisory Commission of Santa Cruz County, UC Santa Cruz (Office of Emergency Services), and the Fire Safe Councils of Bonny Doon, Santa Cruz County, and South Skyline.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

WATSONVILLE CITY FIRE DEPARTMENT

District Overview

The City of Watsonville was incorporated in 1868 and now operates as a charter city. Watsonville provides a variety of municipal services, including fire protection under the City's Fire Department (WCFD). WCFD encompasses nearly 6 square miles of territory located in the southern portion of Santa Cruz County. **Figure 96**, on page 231, is a vicinity map depicting WCFD's current jurisdictional and sphere boundaries. A land use map was not produced for this report since the City of Watsonville already has a map available on its website: <https://www.cityofwatsonville.org/DocumentCenter/View/106/2005-General-Plan-Land-Use-Diagram->.

Services & Operations

WCFD currently provides fire protection services to the Watsonville community and its surrounding areas as part of mutual and automatic aid agreements. It currently operates with 38 employees with no volunteer firefighters. The following sections provide a detailed overview of the WCFD's services and operations.

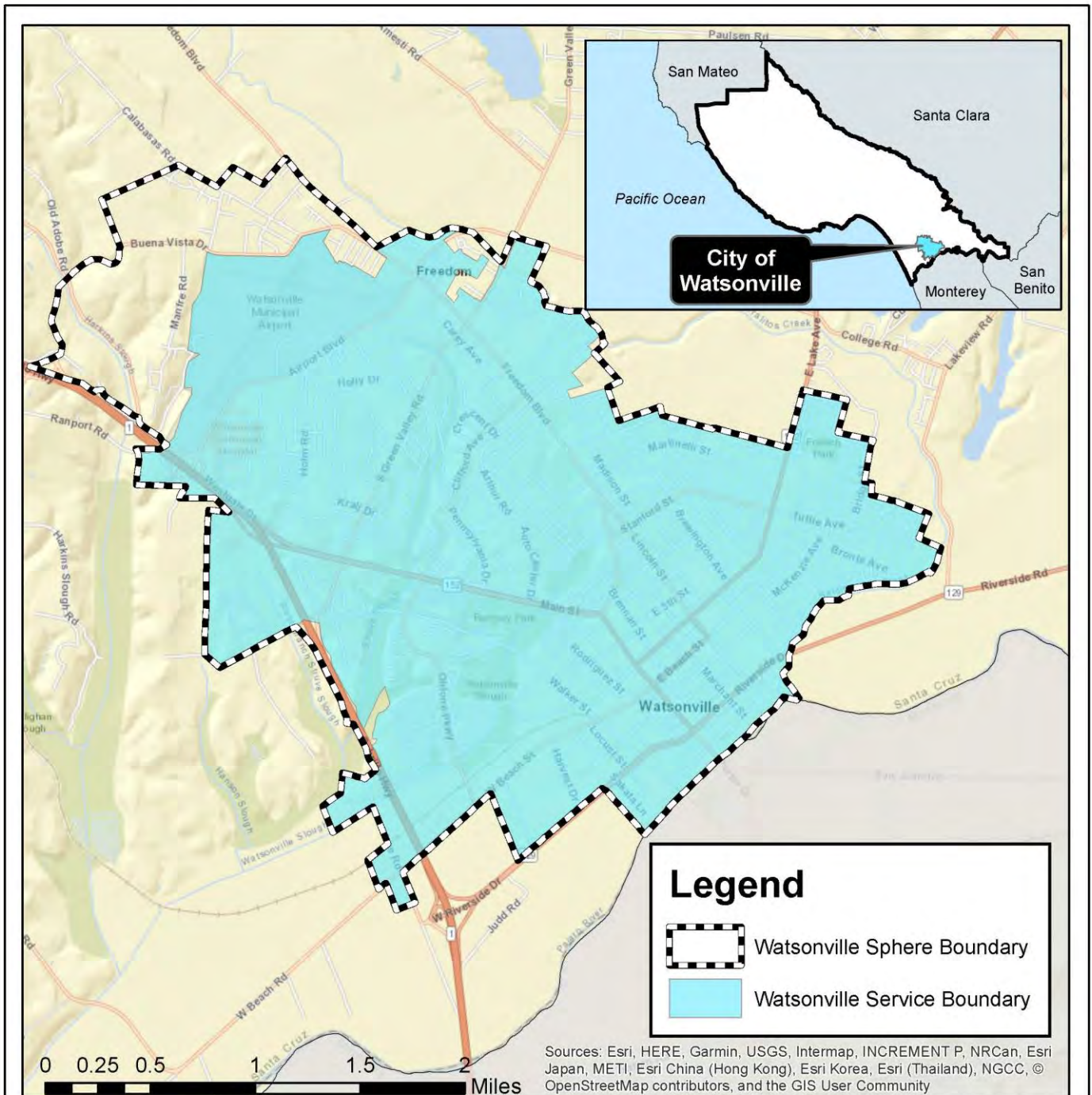
Types of Services

Fire protection covers a variety of services from basic life support to vegetation management. LAFCO staff has identified 18 different types of services provided by fire agencies. At present, WCFD offers 83% of those services (15 out of 18). **Table 112** illustrates those services. WCFD is in the high-tier when compared to the other 13 fire agencies that provide similar services. The lowest is BFPD with 9 services and the highest is Ben Lomond FPD with 17 different services. It is important to note that WCFD provides ambulance services through a contract with the American Medical Response (AMR).

Table 112: WCFD's Type of Services

Advance Life Support	Ambulance Transportation	Ambulance Transportation (Non-Emergency)	Basic Life Support	Basic Rescue	Community Education
Yes	Yes	Yes	Yes	Yes	Yes
Construction Plan Check	Fire Code Enforcement	Fire Code Permitting	Fire Investigation	Fire Suppression	Haz Mat Administration
Yes	Yes	Yes	Yes	Yes	Yes
Haz Mat Response	Public Awareness	Technical Rescue	Vegetation Management	Water Rescue	Other Service
Yes	Yes	Yes	-	-	-

Figure 96: City's Vicinity Map



City of Watsonville Jurisdictional and Sphere Boundaries

Original Sphere adopted on January 12, 1983
 Sphere Reaffirmed on February 2, 2008
 Sphere Reaffirmed on August 1, 2018
 Sphere Reaffirmation on October 13, 2021

Types of Training

Similar to services, fire protection covers a variety of training requirements from auto extrication to swift water rescue. LAFCO staff has identified 17 different types of training offered by fire agencies. At present, WCFD offers 76% of those training courses (13 out of 17), including other training, such as wildland. **Table 113** illustrates those training opportunities.

Table 113: WCFD's Type of Training

Administration	Advance Life Support	Auto Extrication	Basic Life Support	Confined Space Awareness	Fire Prevention & Inspection
Yes	Yes	Yes	Yes	Yes	Yes
Hazardous Materials	Ocean Rescue	Physical Fitness	Rapid Intervention	Rescue Systems	Surf Rescue
Yes	-	Yes	Yes	Yes	-
Swift Water Rescue	Technical Rescue	Transport	Truck Company Operations	Other Training	Total
-	Yes	-	Yes	Yes	13

Fire Stations

The City currently operates two fire stations. Station 1 was built 1981 and is located at 115 Second Street in Watsonville. Station 2 was built in 1978 and is located at 370 Airport Boulevard in Freedom. Station 1 is staffed by a minimum of 6 fire suppression personnel and one battalion chief. Station 2 is staffed by a minimum of 3 fire suppression personnel. Both stations are staffed 24 hours a day, 7 days a week. **Figure 97** on page 233 shows the location of the fire stations.

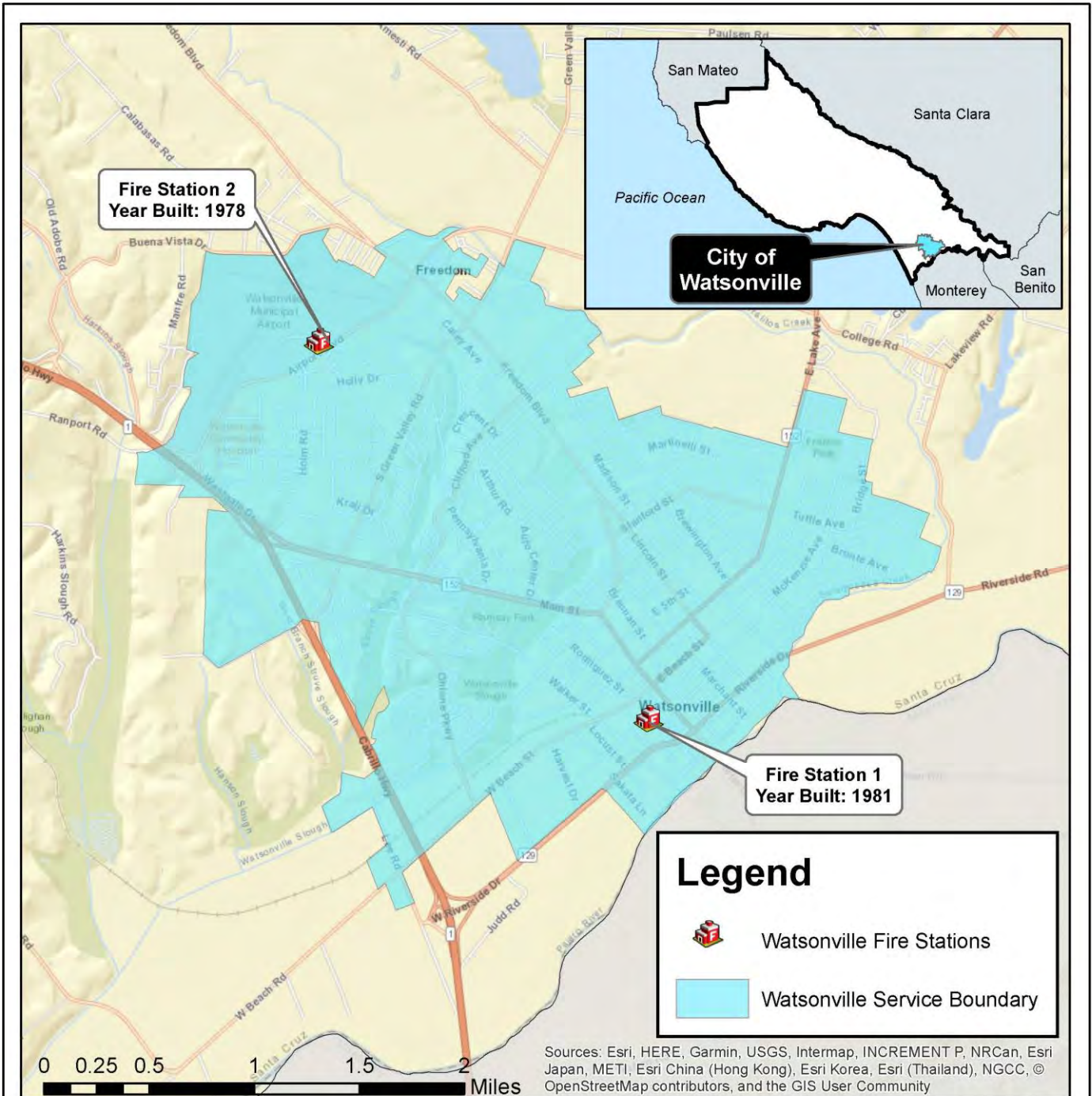
Apparatus & Inventory

In order to provide the necessary fire protection to its constituents, fire agencies are equipped with various apparatuses and vehicles. LAFCO staff has identified 20 different types of apparatuses carried by fire agencies. At present, WCFD operates using 15 apparatuses and support vehicles. Specifically, the City has 8 apparatuses and 7 support vehicles in their inventory. **Table 114** provides an overview of the District's inventory. WCFD is in the middle-range when compared to the other fire agencies. CSA 4 has the lowest with 5 vehicles and CSA 48 has the highest with 29 vehicles.

Table 114: WCFD's Inventory

Aircraft Rescue	Ambulance	Admin/Battalion SUV	Chief Officer SUV	Command Vehicle
-	-	1	4	-
Fire Engine (Type 1)	Fire Engine (Type 2)	Fire Engine (Type 3)	Fire Engine (Type 6)	Haz Mat
5	-	1	-	-
Truck (4x4)	Truck (Ladder)	Truck (Pick-Up)	Truck (Medic)	Truck (Rescue)
-	2	1	-	-
Utility Vehicle	Urban Search & Rescue	Water Craft	Water Tender	Other Vehicle
1	-	-	-	-

Figure 97: WCFD's Fire Stations



City of Watsonville Jurisdictional and Sphere Boundaries



The City of Watsonville currently has two fire stations. Fire Station 1 is staffed by a minimum of 6 fire suppression personnel and one battalion chief. Fire Station 2 is staffed by a minimum of 3 fire suppression personnel. Both are staffed 24 hours a day/7 days a week.

Insurance Services Office (ISO) Rating

An ISO rating is based on a fire station's five road mile proximity to a credible water source for fighting fires. WFD has an ISO Public Protection Classification of 2. WCFD provides fire protection, technical rescue, and advance/basic life support services. **Figure 98** on page 235 shows the distance the fire station crew can reach within 5 and 10 minutes. Based on staff's analysis, WCFD covers the City's entire jurisdictional boundary and areas outside the city limits.

Call Data

Based on staff's analysis, fire service providers attend to several types of emergency calls, beyond fire-related situations such as medical calls, mutual aid, and vehicle accidents. LAFCO staff has identified 14 different types of calls responded by fire agencies. **Table 115** indicates that WCFD responded to approximately 35,612 calls over the last six years. The annual call average is estimated to be 5,935 calls/year. The City's average response time was approximately 4 minutes.

Table 115: WCFD's Call Data (2015 to 2020)

Auto Aid	EMS (Medical Call)	False Alarm	Fire	Good Intent Call
532	24,766	2,812	900	-
Haz Mat	Mutual Aid	Overpressure/ Explosion/Overheat	Rescue Call	Service Call
441	229	-	196	2,697
Severe Weather & Natural Disaster	Special Incident	Vehicle Accident	Other	Total
-	-	2,172	867	35,612

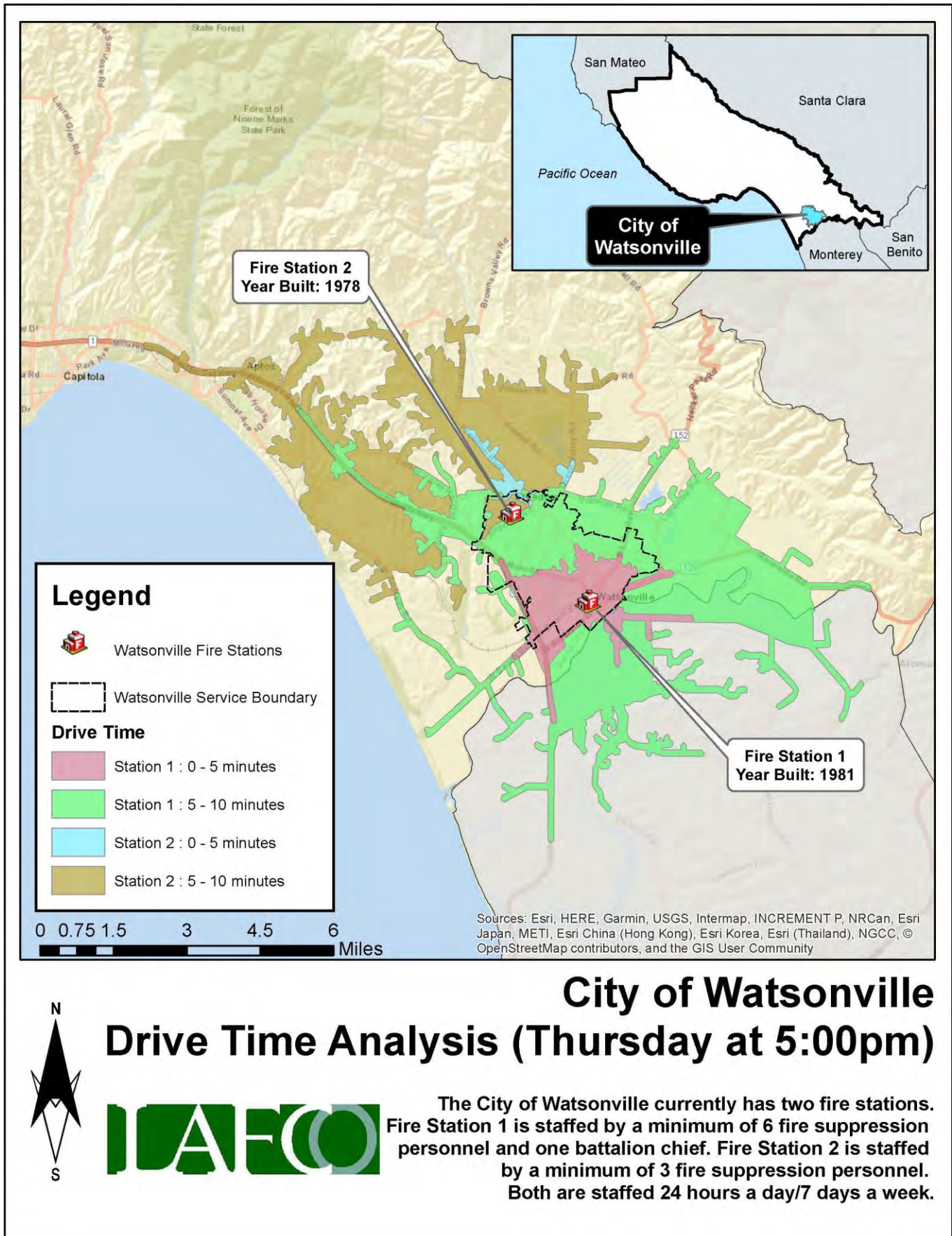
Population & Growth

Based on staff's analysis, the population of WCFD in 2020 was approximately 54,000. The Association of Bay Area Governments (ABAG) and the Association of Monterey Bay Area Governments (AMBAG) provide population projections for cities and counties in the Coastal Region. The City's population is expected to increase by 2.78%. **Table 116** shows the anticipated population within WCFD. Under this assumption, our projections indicate that the entire population of WCFD will be approximately 60,000 by 2040.

Table 116: Projected Population

	2020	2025	2030	2035	2040	Average Rate of Change
Santa Cruz County (unincorporated area)	136,891	137,896	139,105	140,356	141,645	0.86%
City of Watsonville	53,536	55,187	56,829	58,332	59,743	2.78%

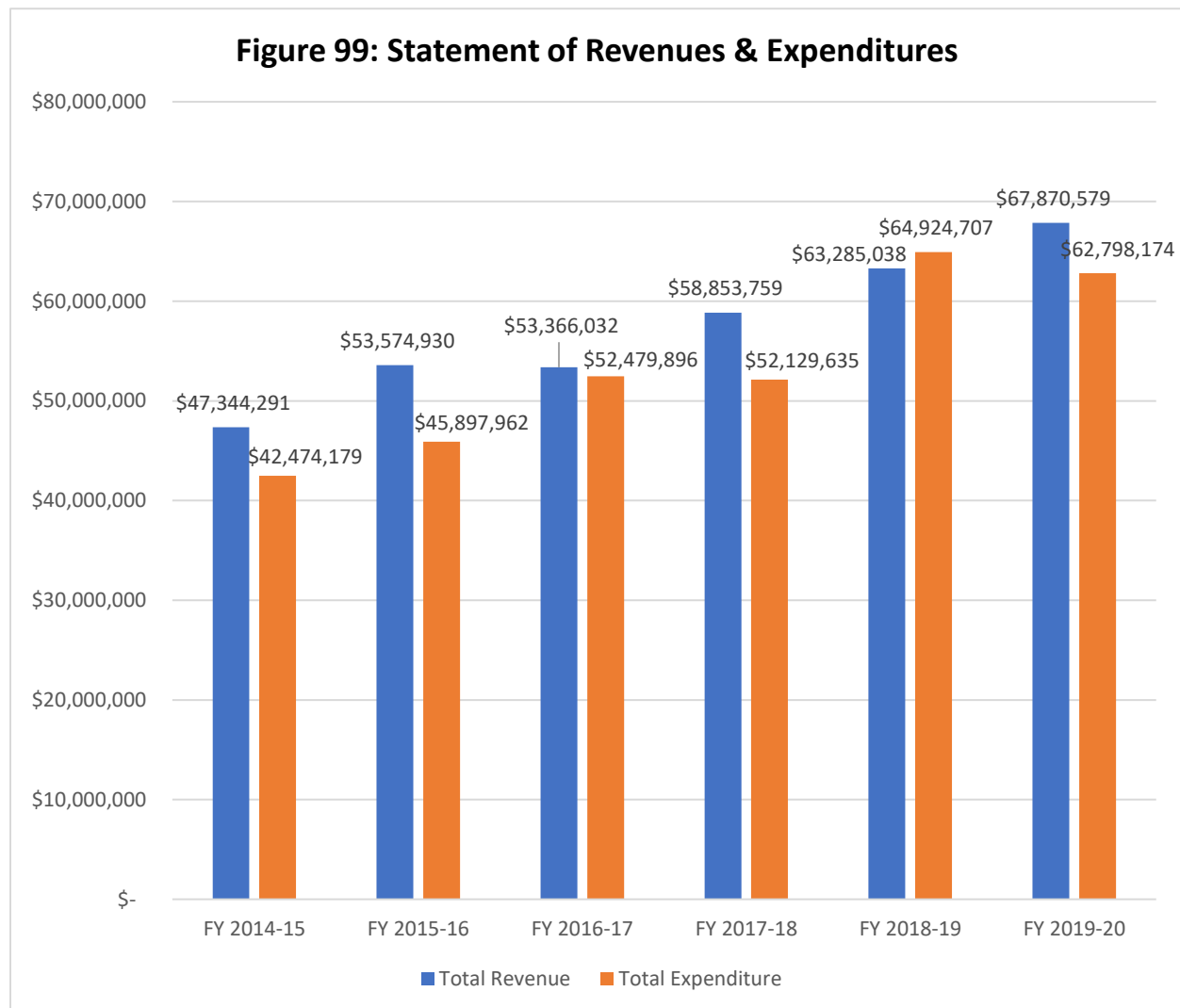
Figure 98: WCFD's Fire Station (5 and 10 Mile Drive Time)



Finances

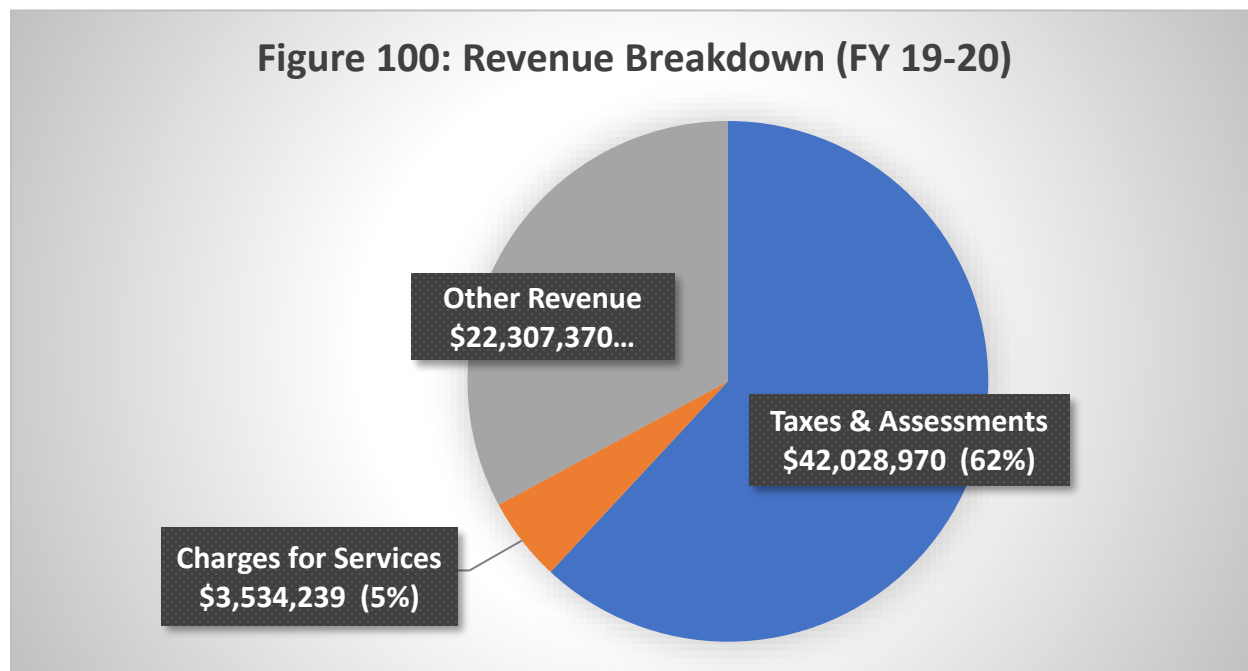
State law requires special districts to conduct an annual audit. The law also requires special districts to file a report of the completed audit to the State Controller's Office and LAFCO (Government Code Section 56036). For purposes of this report, the City provide financial documents covering the last six years. In addition, all recent audits were available on the City's website as statutorily required (Government Code Sections 6270.6 and 53087.8). This section will highlight the City's financial performance during the most recent fiscal years based on information retrieved. Specifically, LAFCO evaluated City's financial health from FY 2014-15 to FY 2019-20 since there are no audited financial statements specifically for the fire department.

At the end of FY 2019-20, total revenue collected was approximately \$68 million, representing a 7% increase from the previous year (\$63 million in FY 2018-19). Total expense for FY 2019-20 was approximately \$63 million, which decreased from the previous year by 3% (\$65 million in FY 2018-19). The City has ended with an annual surplus in five of the last six years, as shown in **Figure 99**. LAFCO believes that this positive trend may continue going forward under the current management practices.



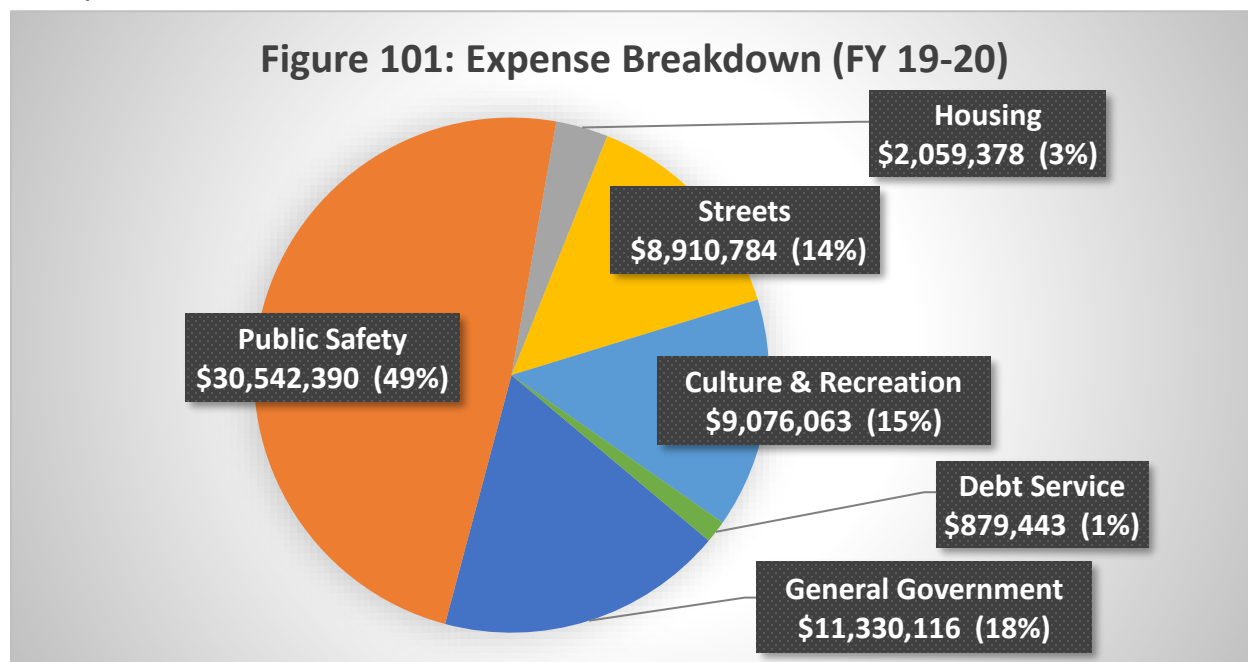
City Revenues

The City's revenue stream can be categorized into three groups: Taxes & Assessments, Charges for Services, and Other Revenue. WCFD's primary source of revenue is from Taxes & Assessments, specifically Property Taxes. **Figure 100** highlights the revenue received during FY 2019-20.



City Expenditures

The City's total expenditures can be categorized into six groups: General Government, Public Safety, Housing, Streets, Culture & Recreation, and Debt Service. **Figure 101** below distinguishes the cost and percentage per category. As shown below, Public Safety are the highest expenditure during FY 2019-20, which represents 49% of the agency's total expense. It is also important to note that the Public Safety Expenditures are about 60% police and 40% fire.



Fund Balance/Net Position

As of June 30, 2020, the total fund balance is approximately \$39 million. The fund balance has been steadily increasing since 2014, as shown in **Table 117**. The current balance represents 62% of the City's total expenditure from FY 2019-20. This amount would be more than sufficient to cover any unanticipated costs. The overall financial performance of the City during the last six years can be found in **Table 118** below.

Table 117: Fund Balance/Net Position

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Net Position (Ending Balance)	\$18,198,654	\$25,164,305	\$26,293,045	\$33,251,326	\$33,387,975	\$38,819,862
Change in (\$) from previous year		\$6,965,651	\$1,128,740	\$6,958,281	\$136,649	\$5,431,887
Change in (%) from previous year		38.28%	4.49%	26.46%	0.41%	16.27%

Table 118: Total Revenues & Expenditures

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
REVENUE						
Taxes	\$ 32,466,105	\$ 35,754,368	\$ 36,198,283	\$ 39,392,242	\$ 43,654,625	\$ 42,028,970
Licenses & Permits	\$ 5,248,078	\$ 5,794,572	\$ 5,884,884	\$ 6,642,191	\$ 5,971,342	\$ 5,315,258
Intergovernmental	\$ 2,457,701	\$ 3,335,735	\$ 3,410,260	\$ 3,454,841	\$ 3,417,561	\$ 9,167,514
Charges for Services	\$ 2,458,395	\$ 2,945,028	\$ 2,770,016	\$ 3,223,487	\$ 3,072,309	\$ 3,534,239
Fines & Forfeitures	\$ 552,094	\$ 690,068	\$ 736,828	\$ 723,257	\$ 707,697	\$ 671,565
Use of Money & Property (Interest)	\$ 2,075,496	\$ 2,168,000	\$ 2,434,754	\$ 2,868,875	\$ 3,404,693	\$ 3,279,811
Special Assessment	\$ 91,085	\$ 77,489	\$ 60,030	\$ 58,096	\$ 49,863	\$ 46,961
Other Revenues	\$ 1,995,337	\$ 2,809,670	\$ 1,870,977	\$ 2,490,770	\$ 3,006,948	\$ 3,826,261
Total Revenue	\$ 47,344,291	\$ 53,574,930	\$ 53,366,032	\$ 58,853,759	\$ 63,285,038	\$ 67,870,579
EXPENDITURE						
General Government	\$ 6,210,267	\$ 7,024,436	\$ 8,412,635	\$ 8,402,767	\$ 13,061,880	\$ 11,330,116
Public Safety	\$ 22,887,713	\$ 25,173,523	\$ 26,886,071	\$ 28,045,243	\$ 30,458,924	\$ 30,542,390
Housing	\$ 1,297,838	\$ 1,388,605	\$ 2,317,620	\$ 1,158,246	\$ 2,289,191	\$ 2,059,378
Streets	\$ 4,252,739	\$ 3,654,953	\$ 6,368,760	\$ 5,682,050	\$ 8,758,684	\$ 8,910,784
Culture & Recreation	\$ 7,172,183	\$ 8,044,632	\$ 7,843,520	\$ 8,217,217	\$ 9,405,943	\$ 9,076,063
Debt Service						
Principal	\$ 495,145	\$ 497,982	\$ 477,854	\$ 462,663	\$ 729,629	\$ 797,318
Interest & Fiscal Charges	\$ 158,294	\$ 113,831	\$ 173,436	\$ 161,449	\$ 220,456	\$ 82,125
Total Expenditure	\$ 42,474,179	\$ 45,897,962	\$ 52,479,896	\$ 52,129,635	\$ 64,924,707	\$ 62,798,174
OTHER FINANCING SOURCES (USES)						
Issurance of Debt	\$ -	\$ -	\$ -	\$ -	\$ 1,540,720	\$ 144,201
Transfers In	\$ 3,340,343	\$ 3,692,127	\$ 3,562,121	\$ 4,463,704	\$ 5,457,263	\$ 4,750,407
Transfers Out	\$ (3,150,176)	\$ (3,496,273)	\$ (3,289,949)	\$ (4,229,547)	\$ (5,221,665)	\$ (4,535,126)
Total Other Financing Sources (Uses)	\$ 190,167	\$ 195,854	\$ 272,172	\$ 234,157	\$ 1,776,318	\$ 359,482
Surplus/(Deficit)	\$ 5,060,279	\$ 7,872,822	\$ 1,158,308	\$ 6,958,281	\$ 136,649	\$ 5,431,887
FUND BALANCE						
Beginning Balance	\$ 13,138,375	\$ 17,291,483	\$ 25,134,737	\$ 26,293,045	\$ 33,251,326	\$ 33,387,975
Ending Balance	\$ 18,198,654	\$ 25,164,305	\$ 26,293,045	\$ 33,251,326	\$ 33,387,975	\$ 38,819,862

Governance

The City of Watsonville is governed by a seven-member city council elected by zone-based. **Table 119** shows the current board members.

Table 119: City Council Members

Council Members	Title	Term of Office Expiration	Years in Office
Jimmy Dutra	Mayor	First Elected: 2020 Next Election: General 2024 Termed Out: 2028	1 year
Francisco Estrada	Council Member	First Elected: 2018 Next Election: General 2022 Termed Out: 2026	3 years
Rebecca Garcia	Council Member	First Elected: 2014 Next Election: General 2022 Termed Out: 2022	7 years
Aurelio Gonzalez	Council Member	First Elected: 2018 Next Election: General 2024 Termed Out: 2028	3 years
Lowell Hurst	Council Member	First Elected: 2011 Next Election: General 2022 Termed Out: 2022	10 years
Eduardo Montesino	Council Member	First Elected: 2020 Next Election: General 2024 Termed Out: 2028	1 year
Ari Parker	Mayor Pro Tempore	First Elected: 2018 Next Election: General 2022 Termed Out: 2026	3 years

Public Meetings

The City Council typically meets on the second and fourth Tuesday of each month. The meeting dates are posted at city hall and on the City's Website. Public meetings are typically held at 4:00pm. Based on LAFCO staff's analysis, the City met 24 times in 2020. **Table 120** provides an overview of the publicly-held meetings from 2016 to 2020.

Table 120: Public Meetings

2016 (Calendar Year)	2017 (Calendar Year)	2018 (Calendar Year)	2019 (Calendar Year)	2020 (Calendar Year)
21	23	24	22	24

Opportunities & Challenges

Independent special districts are tasked to operate in an efficient and transparent manner on a regular basis. It is LAFCO staff's position that public agencies should always prepare and consider future opportunities and potential challenges in order to properly provide services to their constituents. The following section explores possible actions that should be considered by the City.

Website Requirements

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. SB 929 states that the Internet Web Site, maintained by the independent special district, shall conform with various laws in Government Code Sections 6270.5, 53893, 53908, 54954.2, and Section 32139 of the Health and Safety Code. In summary, the District's Internet Website is required to have the following:

- Access to past and current, agendas, staff reports, and minutes
- Adopted budgets;
- Contact information and list of current board members;
- Information regarding public meetings (Brown Act);
- Service Reviews adopted by LAFCO;
- Recipients of grant funding or assistance provided by the district, if any;
- Audits (pursuant to GCS 26909) and adopted annual policies; and
- Any other information the board deems relevant

While this new law does not apply to cities, the City of Watsonville should consider following the requirements outlined in the new law. The City should consider extracting financial data for WCFD and placing it within the fire department's webpage. The webpage should also include LAFCO's adopted service and sphere reviews as another valuable resource.

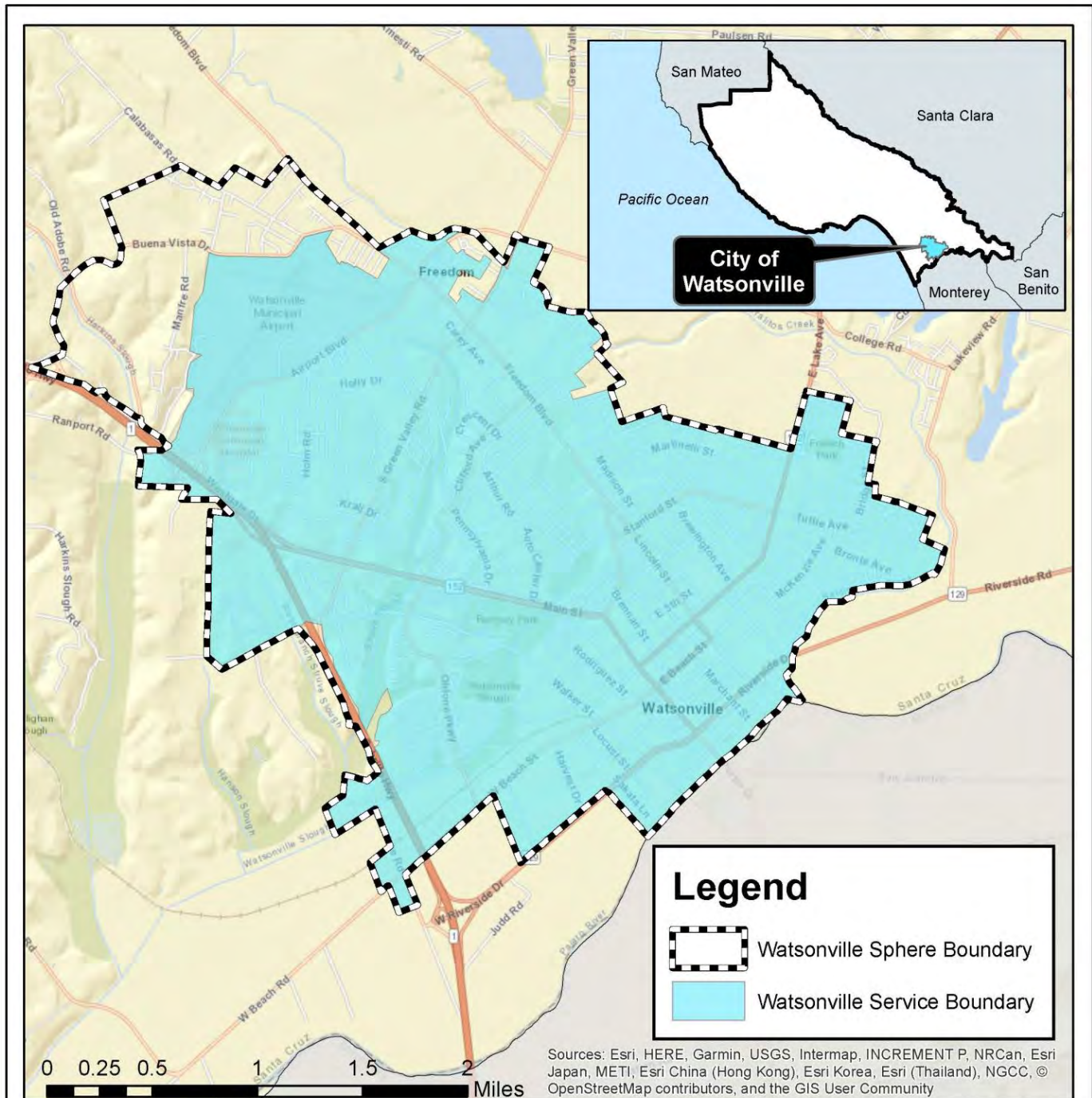
LAFCO Staff Recommendation: *The City should include copies or links to LAFCO's adopted service and sphere reviews regarding the City and WCFD.*

Sphere of Influence

Santa Cruz LAFCO adopted the City's original sphere of influence on January 12, 1983. The sphere has been amended to reflect the approved annexations that have occurred throughout the years. Staff is recommending that the current sphere be reaffirmed as part of this report. **Figure 102** on page 242 depicts the proposed sphere boundary.



Figure 102: City's Proposed Sphere Map



City of Watsonville Jurisdictional and Sphere Boundaries

Original Sphere adopted on January 12, 1983
 Sphere Reaffirmed on February 2, 2008
 Sphere Reaffirmed on August 1, 2018
 Sphere Reaffirmation on October 13, 2021

Agency Summary

Watsonville City Fire Department	
Formation	California Charter City Law (Article XI, section 3(a) of the California Constitution)
City Council	7 members, elected by zone-based to four-year terms
Contact Person	Rudy Lopez, Fire Chief
Employees	38 Full-Time Employees
Facilities	2 Fire Stations
ISO Rating	2/2x
District Area	4,024 acres (6 square miles)
Sphere of Influence	Current sphere of influence is Larger than the City's Jurisdictional Boundary <i>Proposed Designation: Reaffirm Current Sphere Boundary</i>
FY 2019-20 Audit (data refers to entire city)	Total Revenue = \$67,870,579 Total Expenditure = \$62,798,174 Projected Net Position (Ending Balance) = \$38,819,862
Contact Information	Mailing Address: 250 Main Street Watsonville, CA 95076 Phone Number: (831) 768-3201 Email Address: rudy.lopez.sr@cityofwatsonville.org Website: https://www.cityofwatsonville.org/430/Fire
Public Meetings	Meetings are typically held on the second and fourth Tuesday of each month.
Mission Statement	The Watsonville Fire Department serves and safeguards our community through the protection of life and property.

Service and Sphere Review Determinations

The following service and sphere review determinations fulfill the requirements outlined in the Cortese-Knox-Hertzberg Act.

Service Provision Determinations

Government Code Section 56430 requires LAFCO to conduct a municipal service review before, or in conjunction with, an action to establish or update a sphere boundary. Written statements of determination must be prepared with respect to each of the following:

1. Growth and population projections for the affected area.

Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. Under this assumption, LAFCO's projections indicate that the entire population of WCFLD will be approximately 60,000 by 2040.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

LAFCO did identify a DUC adjacent to the City of Watsonville. Based on staff's analysis, the DUC continues to receive adequate fire protection from the Pajaro Valley Fire Protection District.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

The City was formed in 1868. The City continues to provide fire protection services to the Watsonville community and the surrounding unincorporated areas.

4. Financial ability of agencies to provide services.

The City has ended with an annual surplus in five of the last six fiscal years. The City's fund balance is approximately \$39 million as of June 30, 2020.

5. Status of, and opportunities for, shared facilities.

The City provides assistance to surrounding agencies through mutual and automatic aid agreements.

6. Accountability for community service needs, including governmental structure and operational efficiencies.

LAFCO staff is recommending that the City consider annexing areas within its sphere boundary.

7. Any other matter related to effective or efficient service delivery, as required by commission policy.

No additional local LAFCO policies are specifically relevant to this service and sphere review.

Sphere of Influence Determinations

Government Code Section 56425 requires LAFCO to periodically review and update spheres of influence in concert with conducting municipal service reviews. Spheres are used as regional planning tools to discourage urban sprawl and encourage orderly growth. Written statements of determination must be prepared with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.

WCFD is located within the Watsonville city limits. The City's General Plan has a variety of land use designations ranging from agriculture to urban residential.

2. The present and probable need for public facilities and services in the area.

WCFD has an ISO Public Protection Classification of 2 within five road miles of a fire station where there is a credible water source for fighting fires. WCFD provides fire protection, technical rescue, and advanced/basic life support services.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

WCFD currently has two fire stations. Station 1 is staffed by a minimum of 6 fire suppression personnel and one battalion chief. Station 2 is staffed by a minimum of 3 fire suppression personnel. Both stations are staffed 24 hours a day, 7 days a week.

4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

LAFCO staff is aware of various organizations that are relevant to this agency, including but not limited to the following: County of Santa Cruz (Office of Emergency Services), Fire Department Advisory Commission of Santa Cruz County, UC Santa Cruz (Office of Emergency Services), and the Fire Safe Councils of Bonny Doon, Santa Cruz County, and South Skyline.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

LAFCO did identify a DUC adjacent to the City of Watsonville. Based on staff's analysis, the DUC continues to receive adequate fire protection from the Pajaro Valley Fire Protection District.

ZAYANTE FIRE PROTECTION DISTRICT

District Overview

Zayante Fire Protection District (ZFPD) was formed on January 22, 1957 and operates under the Fire Protection District Law of 1987. ZFPD encompasses nearly 18 square miles of territory located in the San Lorenzo Valley. **Figure 103**, on page 247, is a vicinity map depicting ZFPD's current jurisdictional and sphere boundaries. **Figure 104**, on page 248, also shows the current land use designation under the County's General Plan. At present, the lands within the District vary from existing parks to suburban residential. The vast majority of the District is designated as Mountain Residential.

Services & Operations

ZFPD currently provides fire protection services to the Zayante community and its surrounding areas. It currently operates with 3 full-time firefighters, 2 part-time employees, and 22 volunteer firefighters. The following sections provide a detailed overview of ZFPD's services and operations.

Types of Services

Fire protection covers a variety of services from basic life support to vegetation management. LAFCO staff has identified 18 different types of services provided by fire agencies. At present, ZFPD offers 67% of those services (12 out of 18). **Table 121** illustrates those services. ZFPD is in the mid-tier when compared to the other 13 fire agencies that provide similar services. The lowest is BFPD with 9 services and the highest is Ben Lomond FPD with 17 different services.

Table 121: ZFPD's Type of Services

Advance Life Support	Ambulance Transportation	Ambulance Transportation (Non-Emergency)	Basic Life Support	Basic Rescue	Community Education
-	-	-	Yes	Yes	Yes
Construction Plan Check	Fire Code Enforcement	Fire Code Permitting	Fire Investigation	Fire Suppression	Haz Mat Administration
Yes	Yes	Yes	Yes	Yes	-
Haz Mat Response	Public Awareness	Technical Rescue	Vegetation Management	Water Rescue	Other Service
Yes	Yes	Yes	Yes	-	-

Figure 103: ZFPD's Vicinity Map

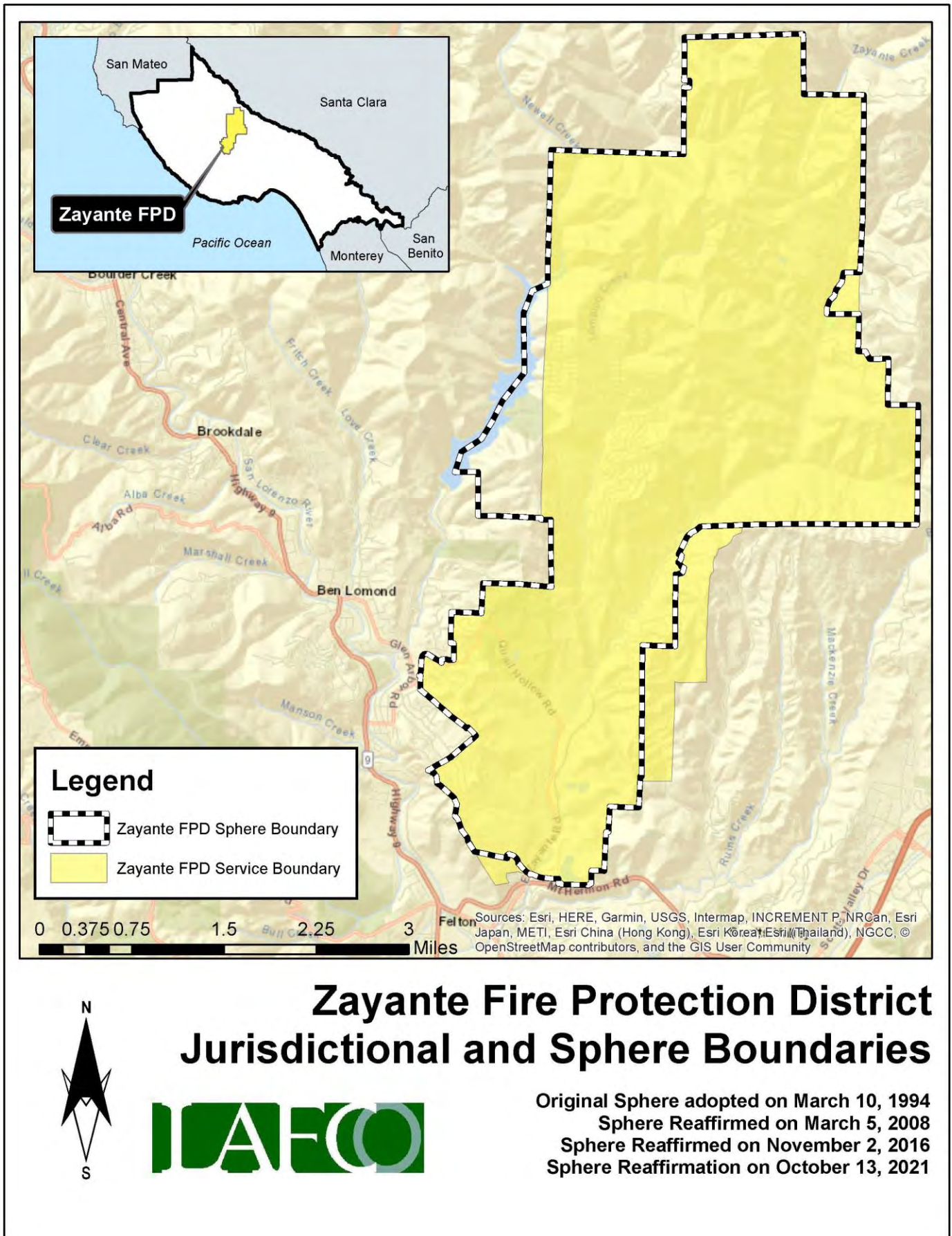
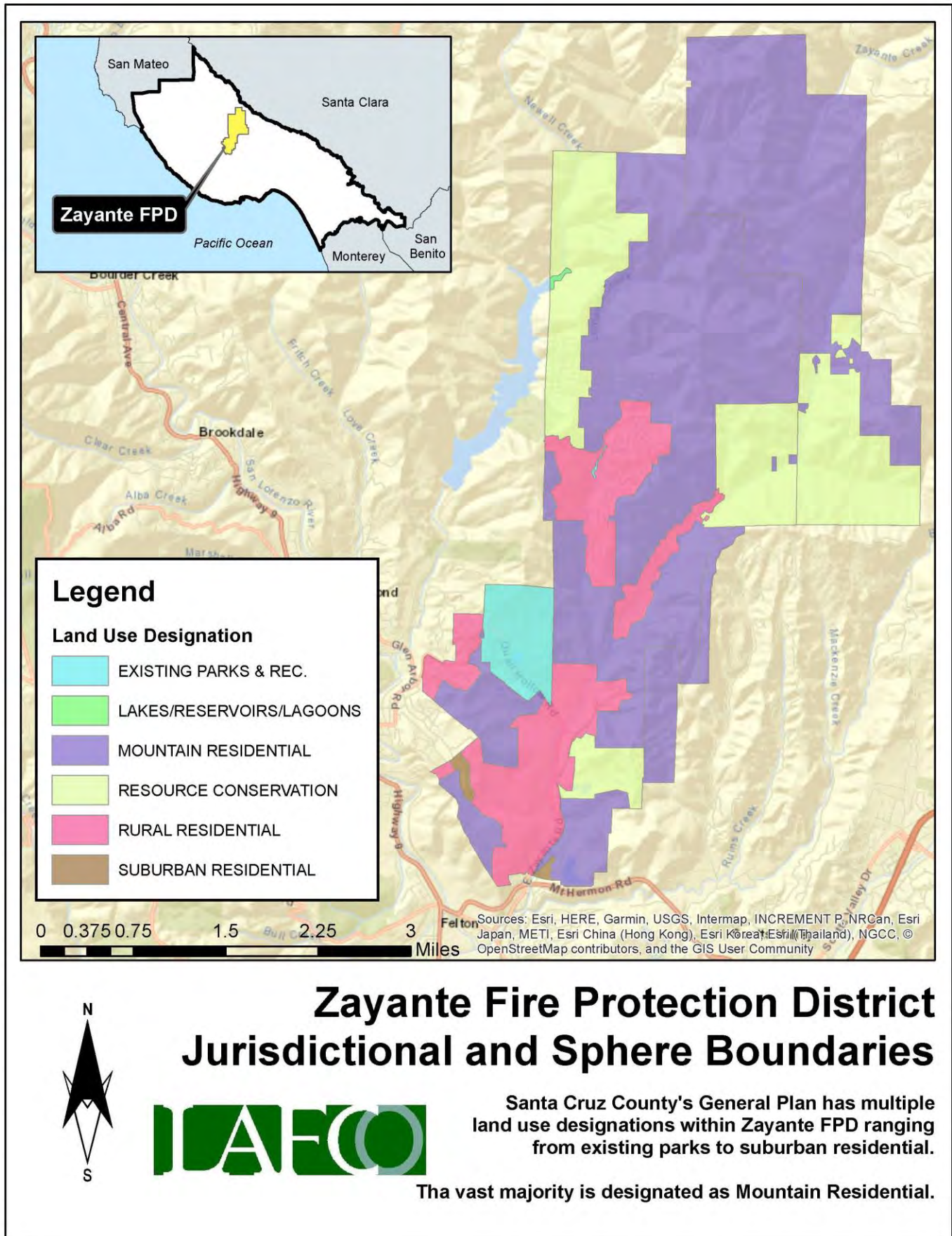


Figure 104: ZFPD's Land Use Map



Types of Training

Similar to services, fire protection covers a variety of training requirements from auto extrication to swift water rescue. LAFCO staff has identified 17 different types of training offered by fire agencies. At present, ZFPD offers 65% of those training courses (11 out of 17). **Table 122** illustrates those training opportunities.

Table 122: ZFPD's Type of Training

Administration	Advance Life Support	Auto Extrication	Basic Life Support	Confined Space Awareness	Fire Prevention & Inspection
Yes	-	Yes	Yes	Yes	Yes
Hazardous Materials	Ocean Rescue	Physical Fitness	Rapid Intervention	Rescue Systems	Surf Rescue
Yes	-	Yes	Yes	Yes	-
Swift Water Rescue	Technical Rescue	Transport	Truck Company Operations	Other Training	Total
-	Yes	Yes	-	-	11

Fire Stations

The District currently operates three fire stations. Station 1 is located at 7700 E. Zayante Road and is also the District's administrative office. Station 2 is located at 10580 Lompico Road and Station 3 is located at 15585 Upper Zayante Road. Station 1 is staffed with a 3-person crew at minimum during regular business hours (Monday to Friday from 8:00am to 5:00pm). At present, ZFPD has 3 full-time employees, 2 part-time employees, and 22 volunteer firefighters. **Figure 105** on page 250 shows the location of the fire stations.

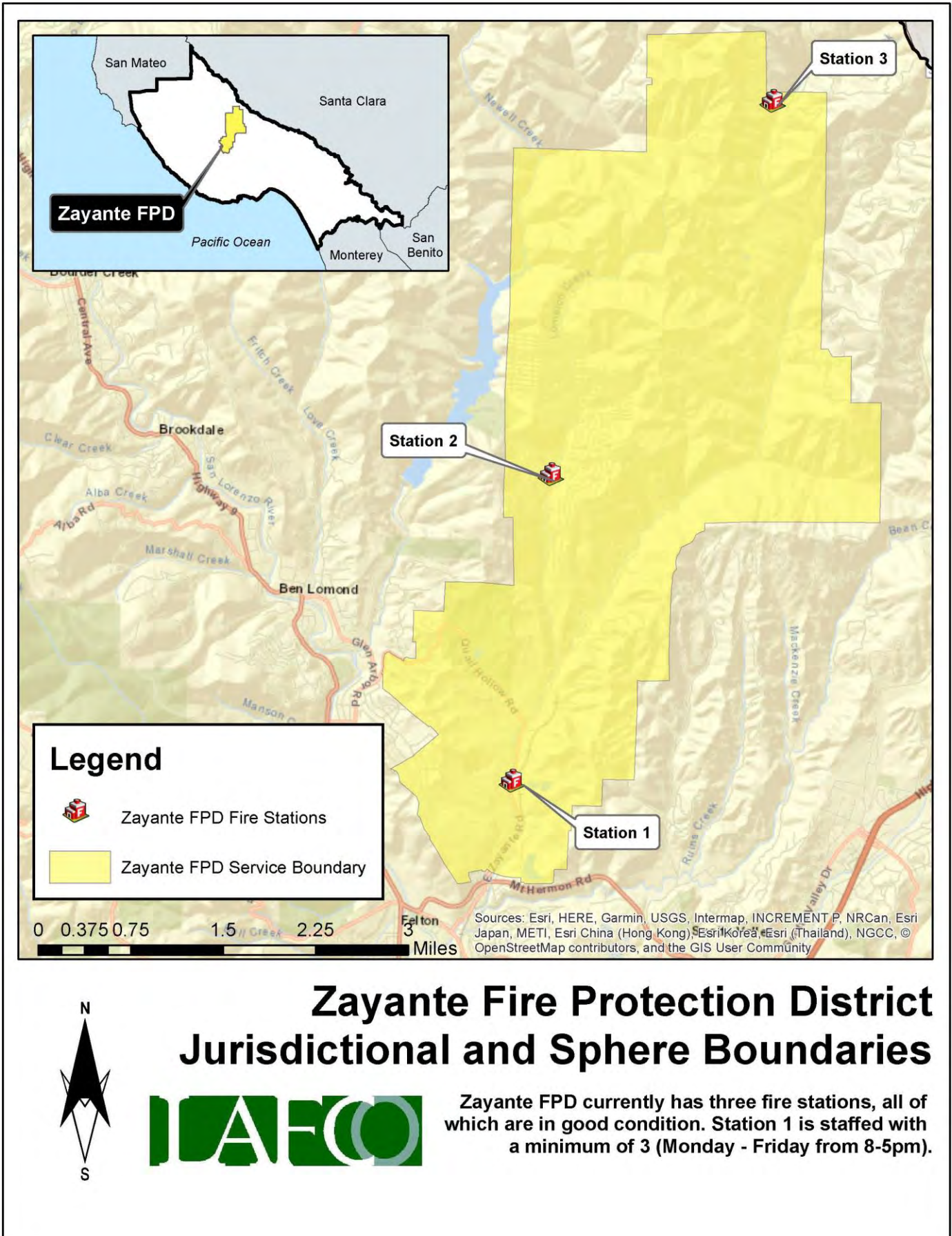
Apparatus & Inventory

In order to provide the necessary fire protection to its constituents, fire agencies are equipped with various apparatuses and vehicles. LAFCO staff has identified 20 different types of apparatuses carried by fire agencies. At present, ZFPD operates using 7 apparatuses. **Table 123** provides an overview of the District's inventory. ZFPD has one of the lowest amounts when compared with the other fire agencies. CSA 4 has the lowest with 5 vehicles and CSA 48 has the highest with 29 vehicles. ZFPD is in the process of purchasing a new Type 3 Engine. This will be replacing a 28 year old Type 1 engine, which will be better suited for the wildland interface environment.

Table 123: ZFPD's Inventory

Aircraft Rescue	Ambulance	Admin/Battalion SUV	Chief Officer SUV	Command Vehicle
-	-	-	-	-
Fire Engine (Type 1)	Fire Engine (Type 2)	Fire Engine (Type 3)	Fire Engine (Type 6)	Haz Mat
4	-	1	-	-
Truck (4x4)	Truck (Ladder)	Truck (Pick-Up)	Truck (Medic)	Truck (Rescue)
-	-	-	-	1
Utility Vehicle	Urban Search & Rescue	Water Craft	Water Tender	Other Vehicle
-	-	-	1	-

Figure 105: ZFPD's Fire Station



Insurance Services Office (ISO) Rating

An ISO rating is based on a fire station's five road mile proximity to a credible water source for fighting fires. The District has an ISO Public Protection Classification of 4. The District provides fire protection and advance/basic life support services. **Figure 106** on page 252 shows the distance the fire station crew can reach within 5 and 10 minutes. Based on our analysis, it may require the District more than 10 minutes to arrive to certain areas.

Call Data

Based on staff's analysis, fire service providers attend to several types of emergency calls, beyond fire-related situations such as medical calls, mutual aid, and vehicle accidents. LAFCO staff has identified 14 different types of calls responded by fire agencies. **Table 124** indicates that ZFPD responded to approximately 861 calls over the last six years. The annual call average is estimated to be 144 calls/year. The District's average response time was approximately 11 minutes. The District is deploying an EMS vehicle to Station 2 in order to help reduce response times to medical calls in the Lompico area. Currently, medical calls are responded by ZFPD's EMS ambulance from Station 1.

Table 124: ZFPD's Call Data (2015 to 2020)

Auto Aid	EMS (Medical Call)	False Alarm	Fire	Good Intent Call
-	100	104	71	327
Haz Mat	Mutual Aid	Overpressure/ Explosion/Overheat	Rescue Call	Service Call
183	-	-	-	61
Severe Weather & Natural Disaster	Special Incident	Vehicle Accident	Other	Total
3	12	-	-	861

Population & Growth

Based on staff's analysis, the population of ZFPD in 2020 was approximately 5,000. The Association of Bay Area Governments (ABAG) and the Association of Monterey Bay Area Governments (AMBAG) provide population projections for cities and counties in the Coastal Region. Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. **Table 125** shows the anticipated population within ZFPD.

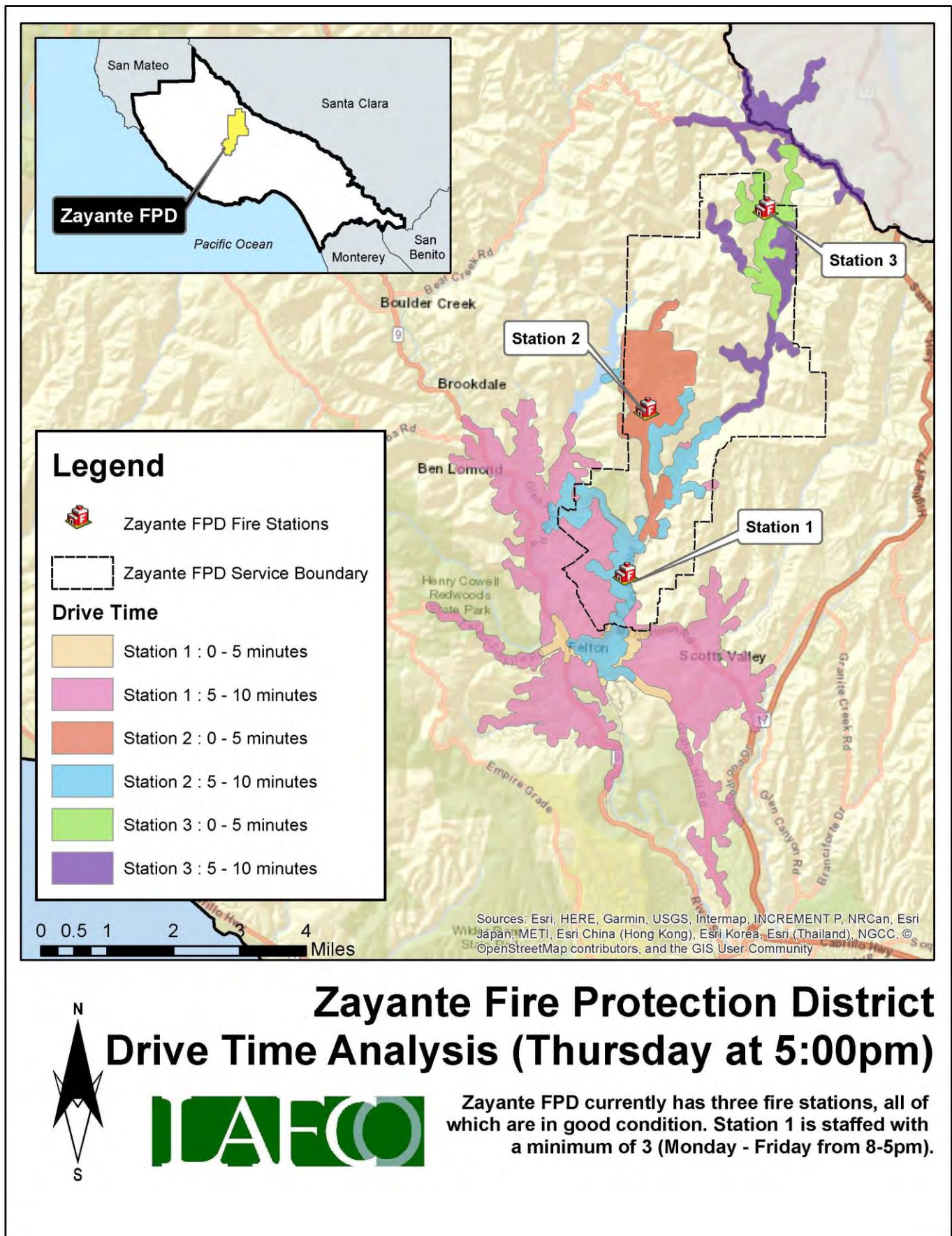
Population Projection

Based on the projections for Santa Cruz County, LAFCO was able to develop a population forecast for ZFPD. LAFCO staff increased the District's 2020 population amount by 0.86% each year. Under this assumption, our projections indicate that the entire population of ZFPD will be approximately 5,200 by 2040.

Table 125: Projected Population

	2020	2025	2030	2035	2040	Average Rate of Change
Santa Cruz County (unincorporated area)	136,891	137,896	139,105	140,356	141,645	0.86%
Zayante Fire Protection District	5,043	5,086	5,130	5,174	5,218	0.86%

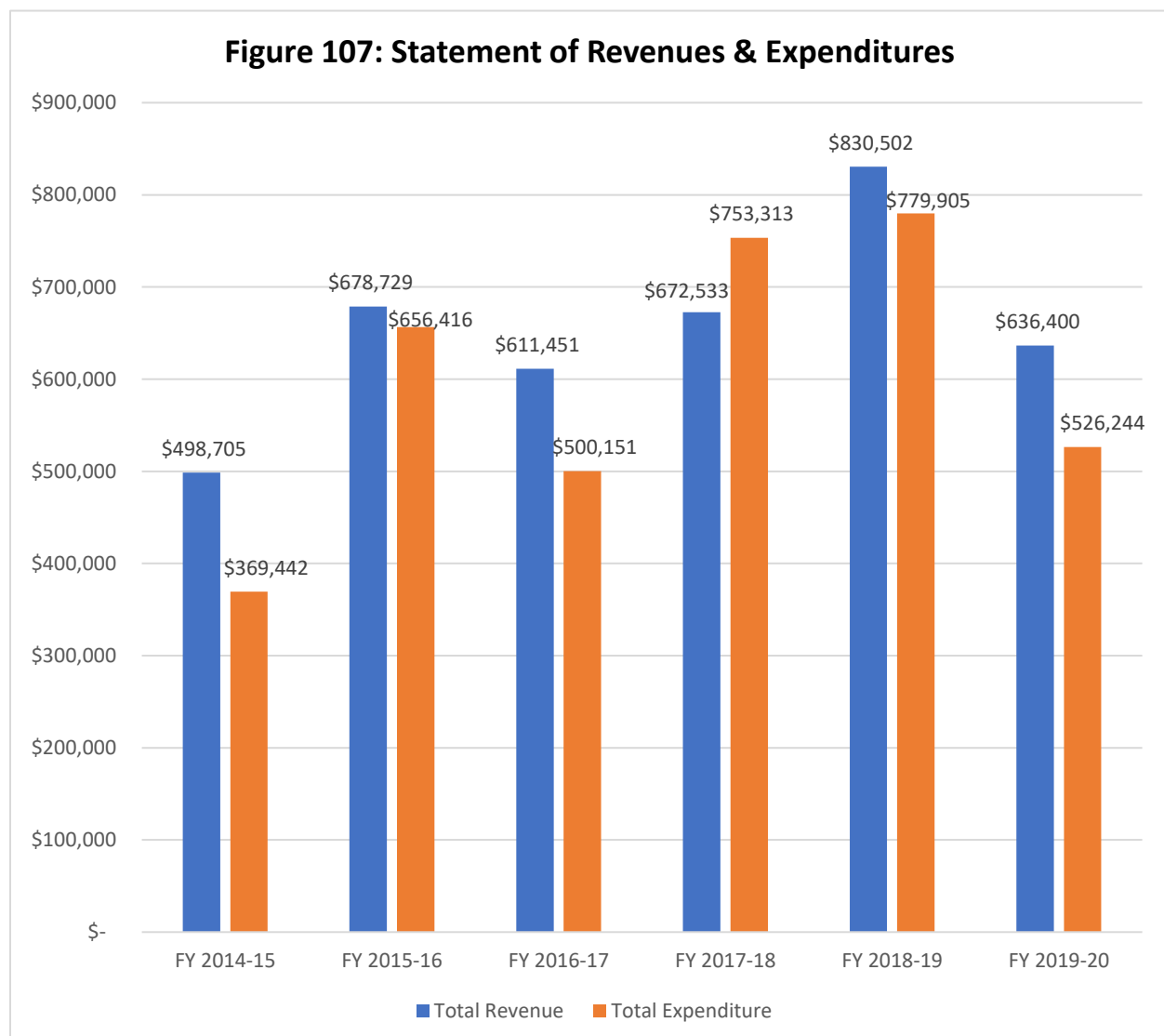
Figure 106: ZFPD's Fire Station (5 and 10 Mile Drive Time)



Finances

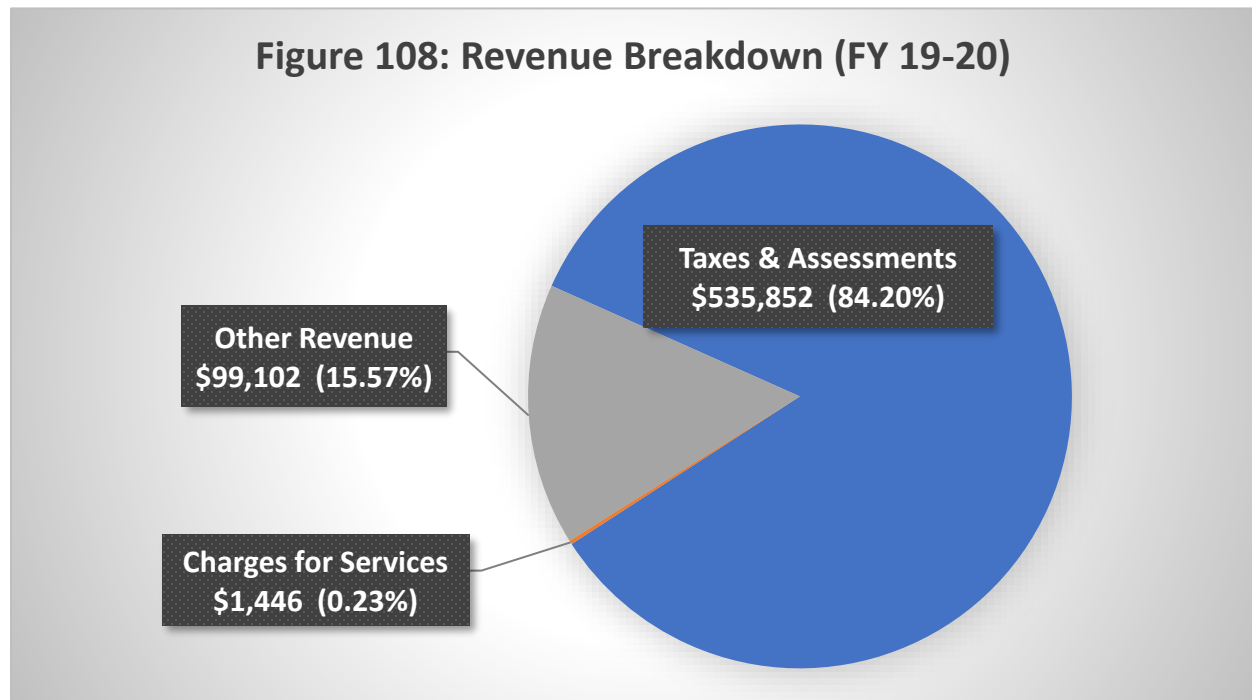
State law requires special districts to conduct an annual audit. The law also requires special districts to file a report of the completed audit to the State Controller's Office and LAFCO (Government Code Section 56036). For purposes of this report, the District provided financial documents covering the last six years. In addition, all recent audits were available on the District's website as statutorily required (Government Code Sections 6270.6 and 53087.8). This section will highlight the District's financial performance during the most recent fiscal years based on information retrieved. Specifically, LAFCO evaluated ZFPD's financial health from FY 2014-15 to FY 2019-20.

At the end of FY 2019-20, total revenue collected was approximately \$636,000, representing a 23% decrease from the previous year (\$831,000 in FY 2018-19). Total expense for FY 2019-20 was approximately \$526,000, which decreased from the previous year by 33% (\$780,000 in FY 2018-19). The District has ended with an annual surplus in five of the last six years, as shown in **Figure 107**. LAFCO believes that this positive trend may continue going forward under the current management practices.



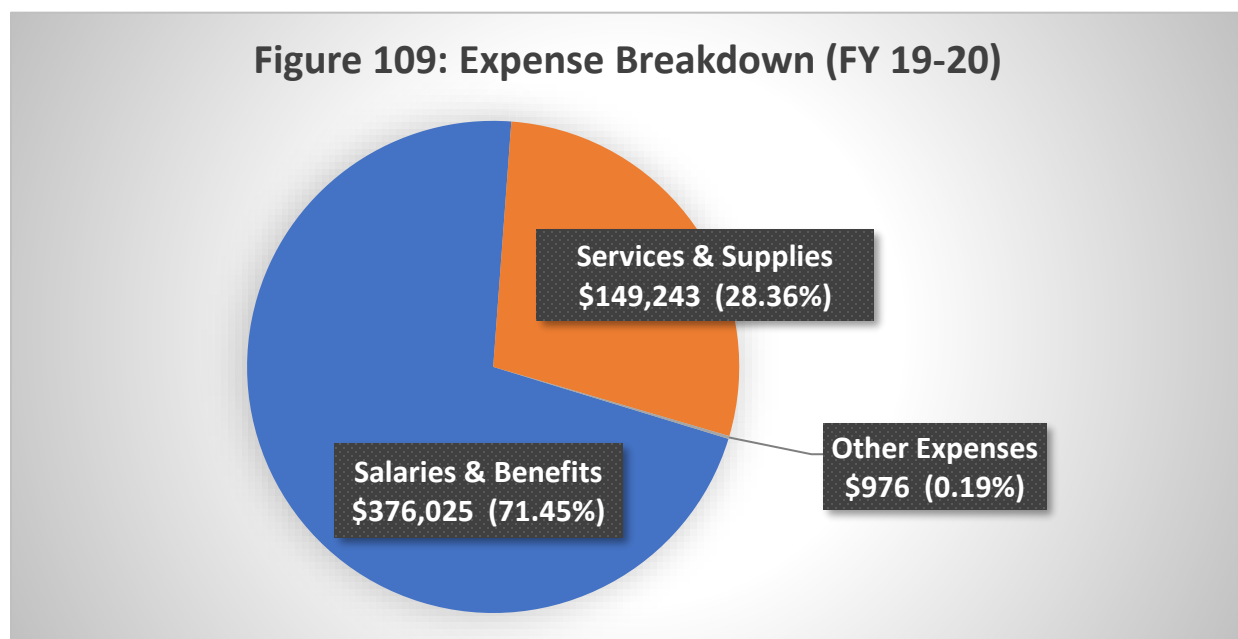
District Revenues

ZFPD's revenue stream can be categorized into three groups: Taxes & Assessments, Charges for Services, and Other Revenue. ZFPD's primary source of revenue is from Taxes & Assessments, specifically Property Taxes. **Figure 108** highlights the revenue received during FY 2019-20.



District Expenditures

ZFPD's total expenditures can be categorized into three groups: Salaries & Benefits, Services & Supplies, and Other Expenses. **Figure 109** below distinguishes the cost and percentage per category. As shown below, Salaries & Benefits are the highest expenditure during FY 2019-20, which represents 71% of the agency's total expense.



Fund Balance/Net Position

As of June 30, 2020, the total fund balance is approximately \$671,000. The fund balance has been steadily increasing since 2014, as shown in **Table 126**. The current balance represents 127% of the District's total expenditure from FY 2019-20. This amount would be more than sufficient to cover any unanticipated costs. The overall financial performance of ZFPD during the last six years can be found in **Table 127** below.

Table 126: Fund Balance/Net Position

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Net Position (Ending Balance)	\$457,438	\$479,751	\$550,907	\$510,271	\$560,868	\$671,024
Change in (\$) from previous year		\$22,313	\$71,156	\$(40,636)	\$50,597	\$110,156
Change in (%) from previous year		5%	15%	-7%	10%	20%

Table 127: Total Revenues & Expenditures

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
REVENUE						
Property Taxes	\$ 347,367	\$ 376,186	\$ 403,467	\$ 383,679	\$ 407,712	\$ 425,558
Other Taxes	\$ 68,092	\$ 66,882	\$ 65,645	\$ 108,514	\$ 108,159	\$ 110,294
Use of Money & Property	\$ 1,981	\$ 2,881	\$ 4,955	\$ 6,819	\$ 11,528	\$ 11,088
Aid from Other Govt Agencies	\$ 77,826	\$ 219,422	\$ 135,438	\$ 148,830	\$ 291,320	\$ 87,308
Other Revenue	\$ 2,194	\$ 12,568	\$ 1,125	\$ 20,526	\$ 10,432	\$ 706
Charges for Services	\$ 1,245	\$ 790	\$ 821	\$ 4,165	\$ 1,351	\$ 1,446
Total Revenue	\$ 498,705	\$ 678,729	\$ 611,451	\$ 672,533	\$ 830,502	\$ 636,400
EXPENDITURE						
Salaries & Benefits	\$ 235,917	\$ 334,044	\$ 307,320	\$ 421,964	\$ 533,944	\$ 376,025
Services & Supplies	\$ 88,047	\$ 112,383	\$ 150,915	\$ 175,631	\$ 195,557	\$ 149,243
Other Charges	\$ 45,478	\$ 43,961	\$ 2,776	\$ 2,057	\$ 2,098	\$ 976
Debt Service						
Principal	\$ -	\$ -	\$ 35,000	\$ 40,000	\$ -	\$ -
Interest	\$ -	\$ -	\$ 4,140	\$ 1,440	\$ -	\$ -
Fixed Assets	\$ -	\$ 166,028	\$ -	\$ 112,221	\$ 48,306	\$ -
Total Expenditure	\$ 369,442	\$ 656,416	\$ 500,151	\$ 753,313	\$ 779,905	\$ 526,244
Surplus/(Deficit)	\$ 129,263	\$ 22,313	\$ 111,300	\$ (80,780)	\$ 50,597	\$ 110,156
FUND BALANCE						
Beginning Balance	\$ 328,175	\$ 457,438	\$ 439,607	\$ 591,051	\$ 510,271	\$ 560,868
Ending Balance	\$ 457,438	\$ 479,751	\$ 550,907	\$ 510,271	\$ 560,868	\$ 671,024

Governance

ZFPD is an independent special district governed by a five-member Board of Directors elected at-large by the voters within the District. When candidates run unopposed, or when there is a vacancy, seats are appointed by the County Board of Supervisors in lieu of conducting the election. **Table 128** shows the current board members.

Table 128: Board of Directors

Board Member	Title	Term of Office Expiration	Years in Office
Mary Clark	Board Member	First Appointed: 2016 Next Election: General 2022	5 years
Garry Herceg	Board Member	First Appointed: 2002 Next Election: General 2024	19 years
Lyle Fleming	Chair	First Elected: 1996 Next Election: General 2024	25 years
Jeff Maxwell	Board Member	First Appointed: 2019 Next Election: General 2024	2 years
Priva Tarbet	Board Member	First Appointed: 2000 Next Election: General 2022	21 years

Public Meetings

The Board of Directors typically meets on the third Tuesday of each month. The meeting dates are posted at the fire station and on the District's Website. Public meetings are typically held at 7:00pm. Based on LAFCO staff's analysis, ZFPD met 12 times in 2020. **Table 129** provides an overview of the publicly-held meetings from 2016 to 2020.

Table 129: Public Meetings

2016 (Calendar Year)	2017 (Calendar Year)	2018 (Calendar Year)	2019 (Calendar Year)	2020 (Calendar Year)
13	12	6	12	12

Opportunities & Challenges

Independent special districts are tasked to operate in an efficient and transparent manner on a regular basis. It is LAFCO staff's position that public agencies should always prepare and consider future opportunities and potential challenges in order to properly provide services to their constituents. For example, ZFPD is working with the San Lorenzo Valley Water District to secure additional station/vehicle facilities next to the Lompico Station 2 in order to house an EMS vehicle to help reduce response times. The following section explores other possible actions that should be considered by the District to help improve internal and external efficiencies.

Website Requirements

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. SB 929 states that the Internet Web Site, maintained by the independent special district, shall conform with various laws in Government Code Sections 6270.5, 53893, 53908, 54954.2, and Section 32139 of the Health and Safety Code. In summary, the District's Internet Website is required to have the following:

- Access to past and current, agendas, staff reports, and minutes
- Adopted budgets;
- Contact information and list of current board members;
- Information regarding public meetings (Brown Act);
- Service Reviews adopted by LAFCO;
- Recipients of grant funding or assistance provided by the district, if any;
- Audits (pursuant to GCS 26909) and adopted annual policies; and
- Any other information the board deems relevant

The District currently has an operating website and fulfills most of the requirements listed above. However, there are still opportunities to include more information that would benefit the residents in understanding the governance of ZFPD as a special district, specifically the availability of financial documentations such as budgets and audits. ZFPD should also consider including LAFCO's adopted service and sphere reviews on their website as another valuable resource.

LAFCO Staff Recommendation: *The District should continue updating its website to fulfill the legal requirements under SB 929.*

Governance Structure Options

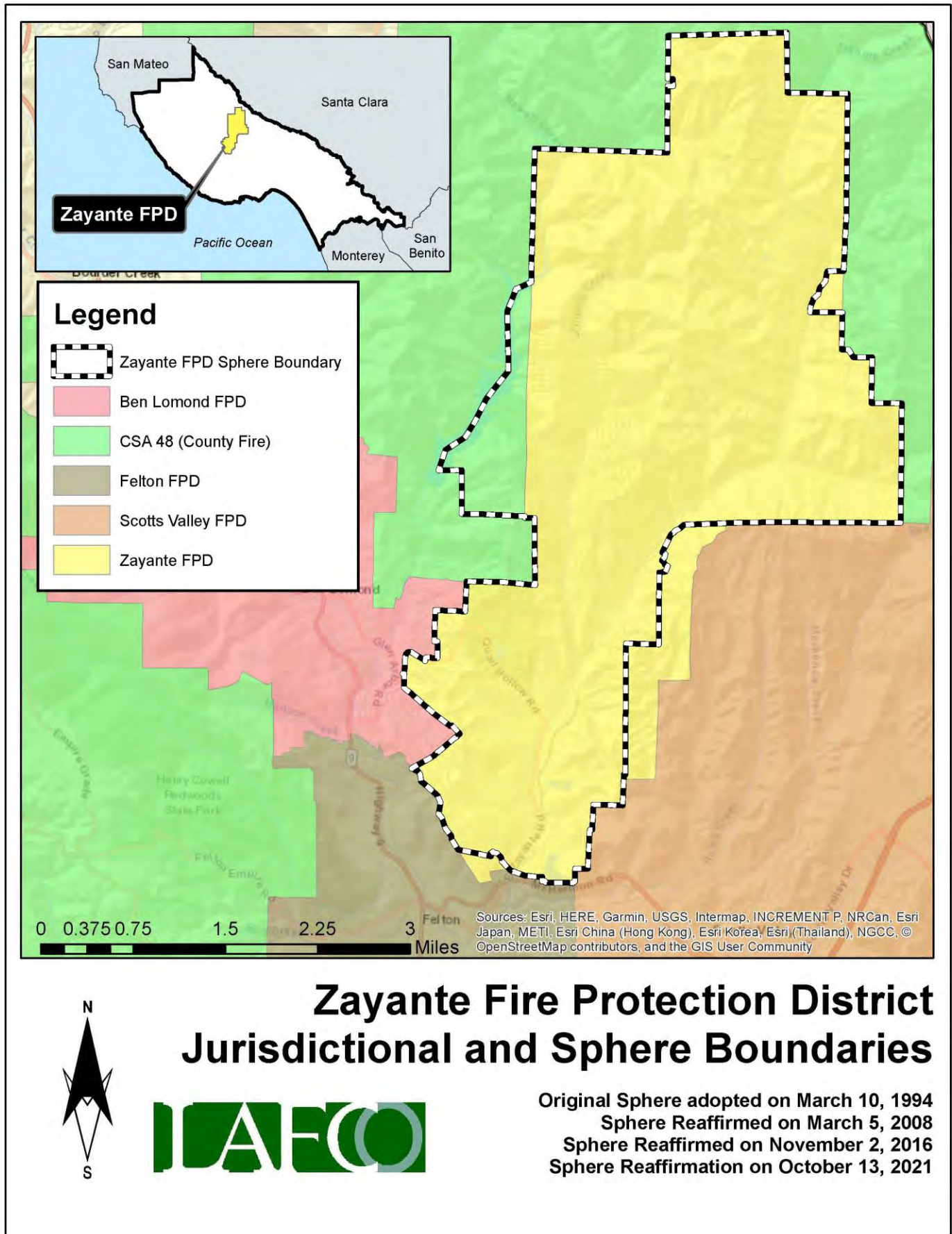
State law does not require LAFCO to initiate changes of organization based on this report's conclusions or findings; however, LAFCO, local agencies, and the public may subsequently use the determinations and related analysis to consider whether to pursue changes in service delivery, government organization, or spheres of influence. Therefore, LAFCO is encouraging the affected agency to consider the following governance options.

Option 1: Change of Reorganization (Based on Existing Sphere Boundary)

The District's sphere of influence has remained unchanged for over 27 years. The current sphere boundary indicates that a portion of CSA 48 should be detached and annexed into ZFPD. Additionally, the sphere indicates that certain portions of ZFPD should be detached and annexed into other districts, including but not limited to Felton and Scotts Valley FPDs. These areas are shown in **Figure 110** on page 258. It would be beneficial for representatives of these agencies to discuss with LAFCO on the future of their boundaries and determine whether there is interest to address these areas.

LAFCO Staff Recommendation: *The District should coordinate with CSA 48, Felton FPD, Scotts Valley FPD, and LAFCO to determine how to address these areas.*

Figure 110: ZFPD's Proposed Reorganization



Option 2: Change of Reorganization (Multiple Agencies)

Fire agencies surrounding ZFPD rely heavily on volunteers to protect their residents. This is not the case for ZFPD. It may be beneficial for the District to champion a more effective, united fire agency by maximizing their existing personnel and resources through a reorganization involving the districts listed below (see **Table 130**). Such reorganization would require additional analysis to determine whether it is feasible and advantageous to all affected districts. It is LAFCO staff's position that a joint special study would determine whether the residents would receive a better level of service, potential cost-savings, and an increase in transparency through this proposed reorganization or a similar reorganization. It is also important to note that this analysis would be a multi-year effort.

Table 130: Potential Reorganization (Multiple Agencies)

Fire Districts	Full-Time Employees	Part-Time Employees	Volunteers	Fire Stations	FY 19-20 Revenue
Ben Lomond	1	1	1	1	\$1,025,804
Branciforte	3	0	13	2	\$1,035,012
Scotts Valley	28	1	15	2	\$8,174,260
Zayante	3	2	22	3	\$636,400
"Reorganized District"	35	4	51	8	\$10,871,476

Footnote: Proposed "Reorganized District" figures are for discussion purposes only; additional analysis is needed to determine specifics.

LAFCO Staff Recommendation: *The District should consider coordinating with the affected agencies and LAFCO to consider and evaluate this option.*

District Best Practices

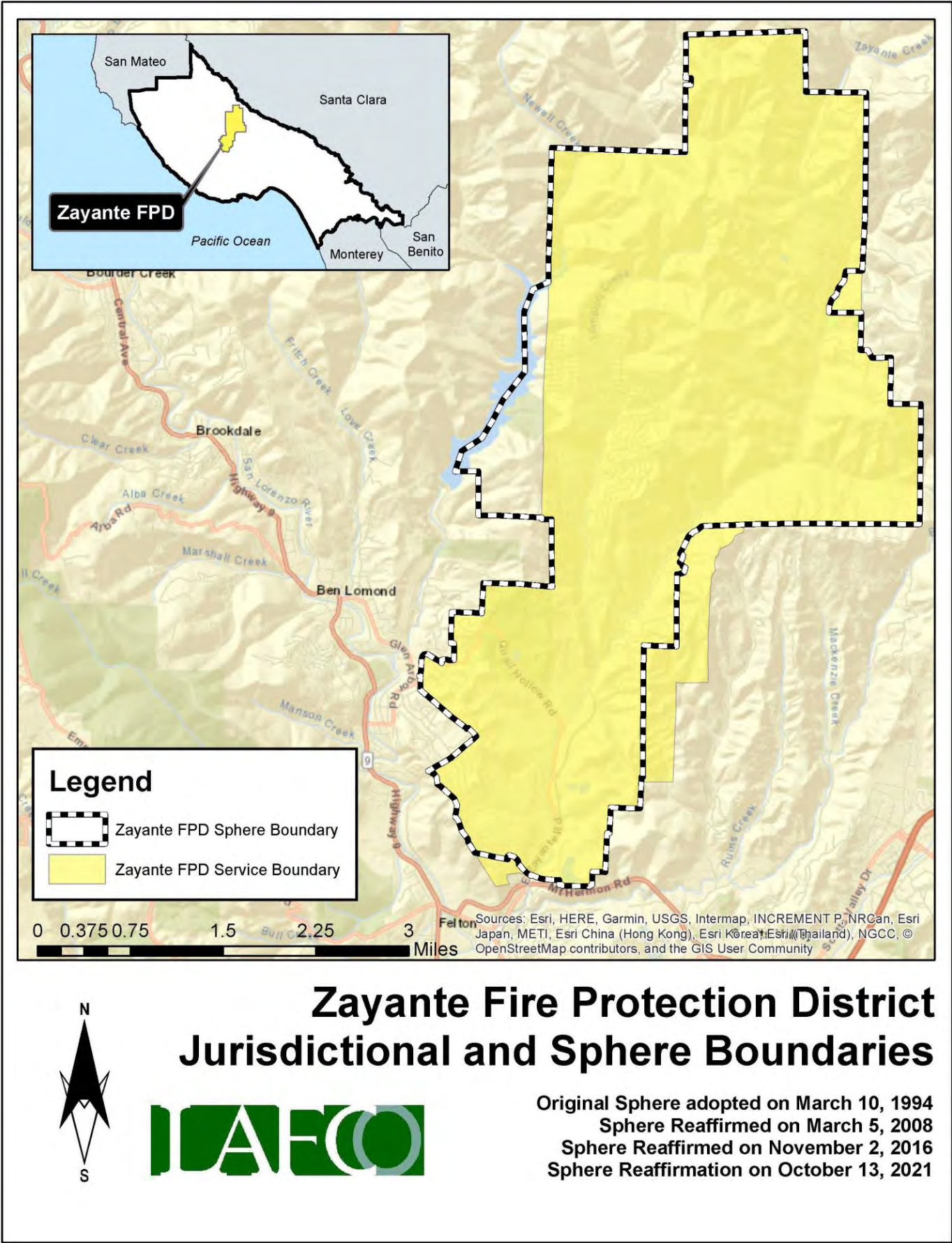
All fire districts are public agencies that must follow statutory requirements – regardless of its size or level of service. Based on LAFCO's analysis, ZFPD is a single-function special district. Nearly 85% of California's special districts perform a single function. In order to comply with statutory requirements, as well as adapt to current and future demands, LAFCO staff strongly recommends that the District conduct periodic updates to ensure its compliance with certain laws including but not limited to audits, public records requests, ethics training, policies and procedures, and meeting protocols. It may be beneficial for the District to also consider joining the California Special Districts Association (CSDA) to help keep track of all current and new laws. LAFCO co-hosted an online webinar with CSDA in August 2021 to discuss all the statutory requirements that must be fulfilled by all special districts. 14 out of the 22 independent special districts in Santa Cruz County attended the webinar. However, ZFPD did not attend.

LAFCO Staff Recommendation: *The District should strongly consider developing a strategic plan to ensure all statutory requirements are being fulfilled on a regular basis.*

Sphere of Influence

Santa Cruz LAFCO adopted ZFPD's original sphere of influence on March 10, 1994, which included areas beyond the District's jurisdictional boundary. The sphere also indicates that certain areas should be detached and annexed into surrounding agencies. It may be beneficial for ZFPD and LAFCO to discuss the current sphere and determine how to address these areas. In the interim, staff is recommending that the current sphere be reaffirmed as part of this report. **Figure 111** on page 260 depicts the proposed sphere boundary.

Figure 111: ZFPD's Proposed Sphere Map



District Summary

Zayante Fire Protection District	
Formation	Fire Protection District Law of 1987 (Health & Safety Code Section 13800 et seq.)
Board of Directors	5 members, elected at-large to four-year terms
Contact Person	Dan Walters, Fire Chief
Employees	3 Full-Time Employees (2 part-time and 28 volunteers)
Facilities	3 Fire Stations
ISO Rating	4/4x
District Area	11,451 acres (18 square miles)
Sphere of Influence	Current sphere of influence is Different than the District's Jurisdictional Boundary (Expanded in some areas and Reduced in other areas) <i>Proposed Designation: Reaffirm Current Sphere Boundary</i>
FY 2019-20 Audit	Total Revenue = \$636,400 Total Expenditure = \$526,244 Projected Net Position (Ending Balance) = \$671,024
Contact Information	Mailing Address: 7700 E. Zayante Road Felton, CA 95018 Phone Number: (831) 335-5100 Email Address: dwalters@zayantefire.com Website: https://zayantefire.com/
Public Meetings	Meetings are typically held on the third Tuesday of each month.
Mission Statement	To protect life, the environment and property from the risks and consequences of fire, medical, rescue, hazardous material and natural disaster incidents.

Service and Sphere Review Determinations

The following service and sphere review determinations fulfill the requirements outlined in the Cortese-Knox-Hertzberg Act.

Service Provision Determinations

Government Code Section 56430 requires LAFCO to conduct a municipal service review before, or in conjunction with, an action to establish or update a sphere boundary. Written statements of determination must be prepared with respect to each of the following:

1. Growth and population projections for the affected area.

Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. Under this assumption, LAFCO's projections indicate that the entire population of ZFPD will be approximately 5,200 by 2040.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

The District was formed in 1957. The District continues to provide fire protection services to Zayante community and the surrounding unincorporated areas.

4. Financial ability of agencies to provide services.

The District has ended with an annual surplus in five of the last six fiscal years. The District's fund balance is approximately \$671,000 as of June 30, 2020.

5. Status of, and opportunities for, shared facilities.

The District provides assistance to surrounding agencies through mutual and automatic aid agreements.

6. Accountability for community service needs, including governmental structure and operational efficiencies.

LAFCO staff is recommending that the District consider the two governance options identified in the report including but not limited to potentially annexing areas within its sphere boundary and/or detaching areas outside its current sphere.

7. Any other matter related to effective or efficient service delivery, as required by commission policy.

No additional local LAFCO policies are specifically relevant to this service and sphere review.

Sphere of Influence Determinations

Government Code Section 56425 requires LAFCO to periodically review and update spheres of influence in concert with conducting municipal service reviews. Spheres are used as regional planning tools to discourage urban sprawl and encourage orderly growth. Written statements of determination must be prepared with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.

The District is located in unincorporated county territory. The County's General Plan designates the vast majority of the District as Mountain Residential.

2. The present and probable need for public facilities and services in the area.

The District has an ISO Public Protection Classification of 4 within five road miles of a fire station where there is a credible water source for fighting fires. The District provides fire protection, technical rescue, and basic life support services.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The District currently has three fire stations. Station 1 is staffed with a minimum of a 3-person crew during regular business hours.

4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

LAFCO staff is aware of various organizations that are relevant to this agency, including but not limited to the following: County of Santa Cruz (Office of Emergency Services), Fire Department Advisory Commission of Santa Cruz County, UC Santa Cruz (Office of Emergency Services), and the Fire Safe Councils of Bonny Doon, Santa Cruz County, and South Skyline.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the District.

APPENDICES

Appendix A: Countywide Map (Fire Station Locations)

Appendix B: Contract between Branciforte and Scotts Valley FPDs

Appendix C: Strategic Plan Example for Branciforte FPD

Appendix D: Example of CFD's Intergovernmental Agreement

Appendix E: Contract between CAL FIRE and County regarding CSAs 4 and 48

Appendix F: Contract between CAL FIRE and Pajaro Valley FPD

