

PROCEEDINGS OF THE
LOCAL AGENCY FORMATION COMMISSION
SANTA CRUZ COUNTY

Wednesday, April 4, 2007
9:30 a.m.

701 Ocean Street, Room 525
Santa Cruz, California

The April 4, 2007 Santa Cruz Local Agency Formation Commission meeting is called to order by declaration of Vice-Chairperson, Jim Rapoza.

ROLL CALL

Present and Voting: Commissioners Rapoza, Pirie, Begun, Jim Anderson, Rios, Bell,
Chairperson Campos
Commissioners Absent: * Anderson
Alternates Present: Barrett
Alternates Absent: * Estrada, * Coonerty
Staff: Patrick M. McCormick, Executive Officer
Chris Cheleden, LAFCO Counsel
Debra Means, Secretary-Clerk

MINUTES
March 7, 2007

MOTION AND ACTION

Motion: Pirie Second: Bell	To approve the minutes for March 7 th . Motion passes with a unanimous voice vote.
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PUBLIC HEARINGS

ARANA GULCH REORGANIZATION TO THE CITY OF SANTA CRUZ – LAFCO NO. 910

Mr. McCormick says this proposal would annex approximately 7 acres of open space lands to the City of Santa Cruz and detach them from a series of special districts. These four parcels are riparian areas that are part of the Arana Gulch Open Space Reserve of the City of Santa Cruz. The City currently owns the parcels. The City has a master plan for Arana Gulch, and no development activity is planned for this riparian area. The houses east of the gulch are in the unincorporated area of the county, and are proposed to stay in the unincorporated area.

* Alternate Estrada arrives.

Staff has provided an Exhibit B revision to the agenda packet, which is a series of environmental findings. An environmental group has sued the City of Santa Cruz over the question of whether a permanently paved path that is planned for the open space would disturb an endangered species habitat. Law directs the Commission to process this application using the existing information in the record. The City is at risk if they lose the lawsuit. There are several remedies available, including the invalidation of the proposed annexation.

* Alternate Coonerty arrives.

None of the habitat areas in the litigation are involved in the annexation. The habitats are all in the portion of Arana Gulch open space that is already in the City's limits.

Staff recommends annexing the parcels into the City as submitted so the City can manage the open space as a single piece of property, and be able to enforce their ordinances. This annexation would also make the processing of coastal permits easier if the entire site is in the same jurisdiction.

Commissioner Pirie inquires about Standard 1.2.1 on page 23 of the agenda packet. Standard 1.2.1 says for proposals concerning cities, need shall be established by:

- (a) an adopted rezoning, consistent with the city general plan, that shows current or future development at a density that will require urban services such as sanitary sewer and water, and
- (b) a city growth rate and pattern that the subject area will be developed within 5 years.

If there is no intent to develop the property, she wonders how to get around that standard or use that standard. She asks if the standard should be changed.

Mr. McCormick answers that the standard anticipates the property will be annexed for the purposes of urban development. This Commission has regularly recognized permanent open space as a development if it is part of a city park. For example, Pogonip got annexed to the City of Santa Cruz so that the City could develop it as a park. Some of the Franich site in Watsonville got annexed because it was going to be a major community park. Park development is analogous to urban development, even if it is at a low level of activity. The County is not ready to partner with the City to manage the open space as a County park.

Commissioner Pirie is bothered that it does not meet this standard. There are other examples that have not met this standard. She wonders if the standard should be changed so that it reflects these issues and gives the possibility of meeting the standard in these situations where no development is planned.

Chairperson Campos says that a clause can be inserted that this property will never be developed.

Commissioner Pirie does not think that will take care of the standard. She thinks the idea is to consider development as whatever will be planned, and in this case, nothing is planned.

Mr. McCormick adds that another way to handle it would be to add a sentence to the standard saying

that permanent park development is excluded from the standard.

Commissioner Pirie thinks this added sentence would be worthwhile since it has come up before, and will probably come up again.

Ken Thomas, who is a planner for the City of Santa Cruz, is available for questions.

Ken Coward, who owns a parcel behind the proposed annexation, would like to have the property stay as open space, and agrees with adding the sentence that the property will not be developed.

Ray Tucker is opposed to the proposed annexation because he thinks this property is in the redevelopment project area. In 1987, the County of Santa Cruz formed a redevelopment project area that went along the City of Santa Cruz' boundary and along the city boundary for Capitola. He wants the property to stay as open space and parkland.

Chairperson Campos is concerned that there is a lawsuit. He knows the City is holding LAFCO harmless, but LAFCO may have to redo the proposal. He would rather wait until the lawsuit is settled.

Commissioner Begun adds that if LAFCO lost or was involved in a lawsuit, the City of Santa Cruz would indemnify LAFCO. He asks if there would still be no costs for legal counsel.

Mr. McCormick answers that is correct.

Commissioner Rios does not think the project should be held up. The indemnification should be enough to protect the Commission. He wants to see the property stay as open space.

Commissioner Pirie asks if the project is in the county redevelopment area; and if so, does it need to be detached from that.

Mr. McCormick says he coordinated with County Redevelopment and the City. The easiest way to handle this is to keep the property in the County's Redevelopment Area, even though it is annexed to the City. The City and the County agree with this and want to leave the seven acres in the County's Redevelopment Project area. The laws are difficult with regard to cutting an area out of a redevelopment project area. There are situations where that could undermine paying off the bonds. There seems to be no problem with the overlap in this case.

Counsel Cheleden adds that there have not been any written or oral comments that would indicate a lawsuit challenging LAFCO's action. He thinks it is probable that there will not be any litigation over LAFCO's action. If the environmental document were to be thrown out, then the environmental group might pursue having LAFCO take some future action consistent with any new environmental review that would happen. The risk of LAFCO being involved in litigation at this point is extremely low.

Chairperson Campos asks if a clause can be put in the motion that the property will not be developed, and that County roads stay within the County.

Counsel Cheleden recommends not putting a clause in about the property not being developed because LAFCO is not supposed to regulate land use directly.

MOTION AND ACTION

Motion: Rapoza Second: Rios	To approve LAFCO No. 910, as recommended by staff, and that County roads should stay within the County. Motion carries with a unanimous voice vote.
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**MAIN STREET REORGANIZATION TO THE SANTA CRUZ COUNTY SANITATION DISTRICT
LAFCO NO. 917**

Mr. McCormick reports that this proposal involves annexing a single parcel to the Santa Cruz County Sanitation District (SCCSD). The purpose of the annexation is to connect an existing house to the sewer. The site is located in Soquel off Main Street near the Bargetto Winery. The house is outside of the sanitation district and the property owner has obtained an easement from the neighbor to connect to the existing sewer main. The sanitation district's sphere of influence includes parcels in the urban to rural transition area. He recommends annexing just the single parcel to the sanitation district, and allowing the other property owners to proceed at their own will. SCCSD has capacity to transport and treat the sewage. The property owner wants to get rid of his septic system and have the convenience of a sanitary sewer.

Chairperson Campos asks about a parcel to the east of the site.

Mr. McCormick answers that the parcel is already in the sanitation district, and it has an existing house.

Chairperson Campos asks if more parcels could hook up to the same sewer line.

Mr. McCormick says they would not be able to hook up to the same line in Buck Court because they probably could not get easements to it. There would have to be a sewer main extended out Main Street and it would be a more extensive project. The property owners would have to finance it. Some septic tank owners are happy with their situation and would not want the expense of a sewer. The issue is at what point are the neighbors ready to finance a sewer main. There would have to be a large percentage of property owners ready to pay for a main extension.

Commissioner Rios supports this annexation. He hopes the rest of the neighbors will hook up to sewer and get rid of their septic tanks. He believes there should be a push toward removing septic tanks, even if they are satisfied with them. It is only a matter of time before they begin leaking. He hopes there can be some incentives in the future so people will be more eager to connect to sewer.

MOTION AND ACTION

Motion: Pirie	To approve LAFCO No. 917, as recommended by staff. Motion
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Second: Bell	carries with a unanimous voice vote.
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FINAL LAFCO BUDGET FOR FISCAL YEAR BEGINNING JULY 1, 2007

State law requires that the Commission take final action by June 15th. At the last meeting, the Commission asked for additional information. The total budget is \$559,600. One question concerned whether the attorney amount of \$35,000 was adequate, and after further research, he thinks the amount is adequate.

There was a question about whether the budget could be restructured to take the contingencies out of each line item and have a single contingency line item as a way to streamline the budget. The Auditor suggests not doing that.

There is some pension debt that the Commission is paying off. The rate on the remaining debt is 7.75% interest, and it is scheduled to go on for more than 25 years. It is possible to begin paying that down. PERS will accept payments to accelerate the payoff.

Staff included in the agenda packet the costs of the computer mapping system, particularly the maintenance cost and the unit cost for a map.

Mr. McCormick is still working with the Auditor on a credit that LAFCO would provide before the end of the year, which would reduce the dues that the County, the four cities, and the 24 districts pay. He recommends that this credit occur before the end of the fiscal year. He will report to the Commission, no later than June 6th, what the actual amount will be.

He recommends that the Commission refer the issue of paying down the pension debt to the Personnel Committee, so they can include it in their report that is due in June.

Commissioner Begun still has a problem with putting contingencies into each line item. The purpose of a budget is to know what the goal is. He does not know what the goal for the budget is. At the end of the year, it will be unknown whether the budget was met or not. If this is done, the word "budget" should be in parentheses because is not a real budget.

Chairperson Campos says that the budget has been done this way for a long time. The budget has always been met. Sometimes, it has even been under budget.

Mary Jo Walker, the County Auditor-Controller, says a line item for contingencies can be done where money can be held in abeyance. LAFCO has not done their budget this way in the past. The significant downside is that it reduces the level of financial flexibility that the Executive Officer has in administering the budget because he would have to go back to the Commission every time he has to take money out of the contingency line item. It would make the budget much tighter and create more administrative paperwork for the board to consider.

Commissioner Begun believes a simple resolution of the board could reduce that problem by allowing the Executive Officer to move money and inform the board what he has done. He does not need a resolution every time he makes a change.

Ms. Walker says that is not how the County has handled these situations in the past. For budgets in the County that she is familiar with, the board has control over the contingency. LAFCO can handle their budget that way if they want to.

Commissioner Rios asks how long the LAFCO budget has been handled this way.

Chairperson Campos answers that it has been for more than eight years.

Commissioner Rapoza asks when the various agencies expect a breakdown on what their contribution might be.

Ms. Walker believes that Mr. McCormick is prepared to do that now for next year, contingent upon the amount of credit that they will receive this year.

Mr. McCormick says that is correct. The \$291,100 is the amount of dues that the Commission would ask the Auditor to collect, and that is apportioned between the County, four cities, and 24 special districts. Because all of the money has not been spent this year, he would like to rebate some of that money back to the districts, the County, and the cities before the end of the year. The bills that would go out would be less than \$291,000. He is guessing that there will be about a 20% rebate. He would like to wait and see how much money is left, and report back to the Commission in June on the actual amount. Then the Auditor will send out a lower set of bills to the agencies.

Ms. Walker says there is a pretty solid figure early in July. LAFCO's Executive Officer can make an estimate earlier than that. The amount that the \$291,000 is reduced by cuts into the amount of money that will be left over at the end of this year. There should be some cushion left over at the end of the year because something unexpected could come up in the last few weeks of the year. There should not be a commitment to spend or rebate all that money. An estimate could be made in June or earlier, but there will not be a solid figure until early July.

Commissioner Begun asks if LAFCO can pay down the unfunded liability with the excess money. LAFCO is paying 7.75% interest to PERS.

Mr. McCormick suggests that the issue of paying down the liability should be delegated to the Personnel Committee and they will provide an annual report in June. If they recommend paying down the liability, then LAFCO can pay it down. Instead of rebating the agencies 20%, LAFCO could rebate them 10% or 15%.

There will be a rebate this year and it will be less than the \$291,000. The agencies will pay less next year than they paid this year. One goal is to try to keep the agencies' payments fairly equal. A few years ago, a large rebate was given. The following year, the fees went back up to where they were a few years previously. He got calls from the agencies asking why the rates were doubled. The rates were doubled

because they were cut in half the previous year and rebated. It would be best to keep the agencies' bills at a flat level and not have them fluctuate.

Ms. Walker adds that is one of the advantages of having a small fund balance so that the fees can be leveled out year to year.

Commissioner Rapoza believes that the money is well used to smooth the payments out, especially for the districts with smaller budgets. The impact of the dues is not as great for the County and the four cities as it is for some of the small special districts.

Commissioner Pirie agrees with smoothing out the payments; but if there is \$117,000 in debt that the Commission is paying 7.75% interest, she supports paying down the debt as soon as possible.

Chairperson Campos says the Supervisors went through a series with AMBAG where they had extra money so they lowered the dues. Then it became difficult for about six cities who could not pay their dues. In order to make it happen, necessary items were cut out of the budget. Some cities agreed to pay the regular fee, but they wanted the regular service. It has taken three years to get back to normal. There were things that could have been done in those three years that were postponed because they could not afford it. He favors leaving the budget alone and having a reserve to use when needed.

Commissioner Rios supports trying to pay down the debt and smoothing the payments out for the agencies. It is better to have a reserve than not to have one for later.

Alternate Estrada states that the reason dues are collected from special districts are for specific purposes. If a sanitation district is collecting sanitation district revenue from their constituency, then LAFCO is turning over those constituency dollars over to LAFCO. The Commission should be cautious about spending collected dollars if it is not used for the intended purpose that they were collected for.

Commissioner Bell says it is important to have the least amount of impact on the agencies that LAFCO is collecting from on a regular basis. She thinks LAFCO should be careful about increasing any dues from the agencies.

MOTION AND ACTION

Motion: Bell Second: Pirie	To adopt the budget resolution as presented, and include the recommendations on page 134 of the agenda packet. Motion carries with Commissioner Begun abstaining.
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STATUS OF PROPOSALS

Mr. McCormick says there will be a hearing in May for the La Casa Court annexation to the Freedom County Sanitation District.

STUDY SESSION

TRENDS IN RURAL FIRE PROTECTION AND EMERGENCY SERVICES

* Chairperson Campos leaves.

Mr. McCormick says that LAFCO will be considering a number of fire reorganization issues over the next year. These issues include the formation of the Bonny Doon Fire District. LAFCO is currently doing a study in the South County about different options for reorganizing fire protection districts and agencies in the South County. Ben Lomond Fire Protection District is preparing an annexation. County Fire is polling and trying to figure out if they can raise their fire assessments.

All fire agencies are dealing with similar issues such as budget, staffing, and training. To help the Commission understand the issues better, this study session will include a presentation by three local fire chiefs. Mr. McCormick has prepared a glossary of terms that are used by Santa Cruz County's fire agencies.

The chiefs are John Ferreira from CAL FIRE (CDF- County Fire), Mike McMurry from Scotts Valley Fire Protection District, and Ron Rickabaugh from the Felton Fire Protection District. These are three good cross-sections to understand fire protection. CAL FIRE is a big organization that contracts with local agencies all over the State to augment service as they do in Santa Cruz County. Scotts Valley Fire Protection District is a typical fire district in the County. It is based in an urban area, but it covers a larger rural area outside its boundaries. It is a good surrogate for Central Fire Protection District, the Aptos/La Selva Fire Protection District, and the cities of Watsonville and Santa Cruz. Felton is a good example of a small fire protection district. It is a surrogate for the smaller districts with a paid chief, and paid call volunteers provide the rest of the fire protection.

* Chairperson Campos returns.

Mike McMurry, the fire chief from Scotts Valley Fire Protection District, has worked with many fire districts in the State through the statewide fire districts association. That association presents training to board members and chiefs throughout California.

There is no State requirement to provide fire protection in unincorporated areas; however, this year, there is a Senate Bill 402 that would establish legislative intent that every citizen in California would have some level of fire protection. The bill does not say what the level of service would be, or who is going to provide it.

The California Department of Forestry (CDF) changed its name last year to CAL FIRE. Their authority is found in the California Public Resources Code. Their primary mission is for wildland responsibility and watershed protection. CDF was formed in the early 20th century to protect wildlands from fire in rural areas. California was not as populated then so there were larger rural areas. CAL FIRE consists of a series of resources deployed throughout the State to provide wildland fire protection for forest fires and watershed during fire season. In the early days, it was not unusual to have a small year round staff

and a larger seasonal staff in the summer months, depending on the area and how long the fire season ran.

State Responsibility Areas (SRAs), defined in the Public Resources Code, fall under the responsibility of CAL FIRE. Areas excluded from SRAs are incorporated cities that are not watersheds (such as areas in the Central Valley and the eastern desert part of Southern California). Areas that are not State or Federal responsibility by default become local government responsibility, such as special districts, counties and cities.

General law cities shall have a fire department or provide some level of fire protection. They can have a city fire department or contract for service with another agency. A fire district can overlay that city. Scotts Valley and Capitola are cities that are overlaid with fire protection districts. Fire protection districts are formed under the Health and Safety Code. These districts have a board of directors. A board can have three to eleven members representing the district. There are about 340 fire protection districts in California. A service area can overlap a city.

Commissioner Begun asks if those services are mandatory or optional.

Chief McMurray answers that those services are permissive so they are optional.

Chief McMurry continues that the general services that are authorized under the Health and Safety Code are fire protection (which includes suppression, fire prevention, education), emergency medical services, rescue, hazardous materials response, and the regulation of hazardous materials. They are authorized to provide ambulance services and other safety services.

There are other statutes that limit their ability to provide ambulance services in the EMS front. In terms of their ability from an organizational point of view, it is a permissive kind of service that fire districts can offer.

Fire companies are formed under the Health and Safety Code and they are old statutes. They typically operate as a volunteer group in the unincorporated areas of mostly rural areas of counties. Santa Cruz County had a number of fire companies that are now the foundation of volunteer companies for the County fire department. Bonny Doon, Corralitos, Loma Prieta, and Las Cumbres formed many years ago as fire companies.

The requirement for a fire company is to file an application with the County Clerk, and they have to keep filing every six months. This has not happened with the current fire companies in Santa Cruz County, and they have been brought in under the auspices of the County fire department.

Fire companies do not have any direct governance. The Board of Supervisors has linkages, but there is no direct oversight for the fire companies being formed as a quasi-non-profit status. They are old statutes; so, there is no statewide data on how many fire companies there are. Fire companies are common in the rural areas of California.

Commissioner Begun asks if those entities can ask for help in a situation.

Chief McMurry answers that many fire companies are participants in mutual aid and automatic aid. There are others that are loosely wrapped and are not sophisticated in their volunteer program. It varies widely by the resources that they have and the people who are committed to it.

CAL FIRE offers a variety of services. 50% of the CAL FIRE personnel in California are under contract. In many cases, local government is paying for personnel. This is the case in Santa Cruz County.

CAL FIRE's statutory authority and responsibility is only for wildland. They do not have responsibility for automobile accidents, traffic collisions, or medical emergencies. In order for them to offer those services, they can contract with a county, a fire district, or a city. Under that contract, they operate under the authority of that local agency. They would provide staffing, equipment, and potential facilities all under contract, based on the needs and desires of the local agency.

Chief Ferreira says that 50% of CAL FIRE is now under contract with other agencies. CAL FIRE in San Mateo County provides fire protection services as the San Mateo County Fire Department. He adds that whatever agency CAL FIRE enters into a cooperative agreement with, they are the ones who set the level of service. In Santa Cruz County, they manage the volunteer companies, staff engines during the winter, perform fire protection planning and plan checking services, and provide communication services. In San Mateo County, CAL FIRE provides staffed engine companies that have paramedics and other full range services, but not communication services.

Commissioner Bell asks how the funding of services is shared with another entity.

Chief Ferreira replies that the funding is not shared. In most cases, the contracting agency pays full freight for the employees that are assigned to that contract. Santa Cruz County takes advantage of the fact that the State of California, for its wildland mission, staffs fire engines at Burrell, Corralitos, Soquel, Big Creek, Davenport, Jamison Creek, and Felton. The County pays a portion of those employees' salaries to keep those fire engines staffed during the winter when there is no wildland fire threat.

In San Mateo County, CAL FIRE provides the only fire protection in Pescadero, Skylonda, and a few other places. San Mateo County pays full freight for the employees, benefits, and the equipment. The State tacks on a 10.2% administration fee on top of that to pay for such things as testing of those employees. They try to share the resources between the State and the County so that each agency optimizes each employee. Sometimes an employee is fulfilling the State's mission, but will also rollover and fulfill the County's mission at the same time.

Commissioner Begun asks if there is a chart somewhere that says: here is the service that is being provided in Santa Cruz County, here is who is paying that part of the bill, and here is who is paying the other part of the bill.

Chief McMurry says it is spelled out within the contract between CAL FIRE and the County. There is a specific contract that details all of the components.

Commissioner Begun asks if he could get a copy of that chart.

Chief McMurry says that Chief Ferreira can provide him with a copy of that chart. He continues that one of the complexities is separating out what the State provides, what the State is obligated to provide, what the local agency wants to provide, and how that is structured. The full structural fire service is the Schedule A contract. The Amador contract is where the local government pays for the off-fire season staffing. There can be any mix of those contracts, which is the case in Santa Cruz County.

CAL FIRE has responsibility for the watershed and the SRAs, but so does a fire district and a county fire department. There is a legal overlap of authority. There is nothing in the fire protection district law that says that they do not handle watershed fires. Technically, there are two overlapping statutory authorities for the same wildland fire. In the field, a unified management team or unified command is formed for a particular incident in order to meet the needs of each agency.

When California was primarily a rural state, there were small communities and the local business people were the volunteer firefighters. They would shut down their business when there was a fire. Now, there are young people looking at volunteers as internships for careers in the fire service. There has been a big shift in how the volunteers are thought of and used. There is also a variety of governance. There are cities, fire districts, counties, fire companies, and the State government all in the mix, and it is difficult to come together as one.

In Santa Cruz County, the County contracts with CAL FIRE under the Amador plan for four of the State stations to remain open during the winter. County Service Area 4 contracts with CAL FIRE for a full service contract at Pajaro Dunes. CAL FIRE provides an engine company year round.

Commissioner Pirie asks if CAL FIRE supervises all of the volunteer fire companies.

Chief McMurry answers yes. They are under the umbrella of County Fire, which is supervised by Chief Ferreira and his staff.

There are fire departments in the City of Santa Cruz, the City of Watsonville, UC Santa Cruz, and ten fire protection districts in Santa Cruz County. Pajaro Valley and Aromas fire protection districts have CAL FIRE contracts. Aromas is a tri-county fire protection district under the CAL FIRE contract.

CAL FIRE has a presence with the SRA even if there are no other contracts. They still have an obligation to protect the SRAs for wildland fires.

Many counties throughout the State are going through similar fire protection reorganization issues. They all have volunteer and career personnel recruitment retention issues. It is difficult to keep wages high enough so that fire personnel can live here, due to the cost of living in this county. Firefighting safety is an ongoing issue on the regulatory side and for operations safety. There is also an increase in service demands. Recently, for example, there are expectations that fire personnel will provide full hazardous materials response services for terrorist events. Fire personnel are progressively playing a higher role in responses than they have in the past.

Ron Rickabaugh has been the fire chief in Felton for the last 20 years. He joined Felton Fire Protection District as a volunteer in 1981, so he has 26 years of experience with Felton Fire and their volunteers.

The Fire Administration says that approximately 90% of all firefighters in the United States are volunteers. In this County, there are about 100 county volunteers and 120 to 150 San Lorenzo Valley volunteers. Scotts Valley and Central Fire have paid call volunteers. There are approximately 250 to 300 volunteers in Santa Cruz County. There are about 100 to 125 paid career firefighters in the County. There are considerably more volunteers in the County than paid firefighters.

In 1981, Chief Rickabaugh was employed at Mount Hermon Christian Conference Center. He was asked to become a volunteer firefighter along with several other Conference Center employees. At that time, the jeweler across the street from the fire station was also a volunteer. Nick Pagnini, who owned Roy's Market, and his checkers and baggers were also firefighter volunteers. Now, there are three people who work for the Mount Hermon Christian Conference Center, and they are the only three who work in town and are volunteers. Of the 32 Felton volunteers, only three of them work in town. In 1981, the situation was totally different.

A volunteer firefighter volunteers for various selfish reasons. Before, people wanted to volunteer because it was their property, and if they did not volunteer, they did not know who would put out the fire and protect their property. Now, the motivation is what they can get out of the experience. The answer could be the adrenaline rush of carrying a pager. It could also be that they want to eventually become a paid firefighter.

A firefighter in the City of Santa Cruz, with overtime pay and benefits, is a six-figure job. A Felton volunteer who shows up to an emergency receives \$8. His highest volunteer received \$4,000 last year.

Response standards are the same for paid and volunteer firefighters. Safety standards are even higher for volunteers. If a volunteer helps out on a call and gets injured, he may not be able to work his regular job as a result. If a career firefighter is injured, Workers Compensation takes over.

Many Felton volunteers are now paid firefighters elsewhere. They have one retired firefighter who volunteers to handle Felton's business inspections.

National Fire Protection Association (NFPA) Standard 1720 is for volunteers NFPA Standard 1710 is for paid firefighters. It provides a standard for the administration and the operation of a fire agency. Felton is staffed by volunteers, and this surprises some new residents in Felton. They expect Felton Fire to be similar to Santa Cruz City Fire. The same high standard of professional fire protection services is expected whether paid firefighters or volunteers staff the fire station, and whether they live in the country or a big city.

Usually, there is little time for volunteers to incorporate training and emergencies into their busy lives.

Felton Fire gets called for many reasons other than what firefighters usually handle. In a rural setting, Felton Fire is the only other government building besides CAL FIRE, so they receive miscellaneous

calls about needing other assistance such as law enforcement.

People with a fire career, whether a volunteer or paid staff, must maintain good health. When a volunteer gets injured and files a Workers Compensation claim, it is usually a major deal because they cannot work their regular job.

There is a mandate called “Two In and Two Out” that was driven for safety reasons. Most of the paid stations have a three-person crew: the driver, the officer, and a firefighter on an engine. The mandate states that if two firefighters go into the fire, two firefighters need to stay out in case the two who went into the fire need to be rescued. This county gets away with this mandate by sending two 3-person engine companies totaling six firefighters. For volunteers, automatic aid agreements were set up. When a house is burning, Felton Fire expects a Ben Lomond or Zayante engine to assist with the fire.

There is a lot of training required for wildland firefighters.

Commissioner Rios asks if Felton gets a lot of training.

Chief Rickabaugh answers that they try to train volunteers cooperatively with other stations.

His volunteers are made up a wide variety of experiences and skills such as plumbers, electricians, carpenters, managers, and salesmen.

Service demands keep increasing. Emergency Medical Services is primarily what Felton Fire provides. The public is demanding enhanced services such as paramedics, terrorism response, rescue, auto extrication, and technical rescue, which includes confined space rescue, large animal rescue, swift water rescue, and surf rescue.

Felton Fire provides non-emergency services too. They get regular briefings from County Public Health about flu epidemics and pandemics. They also provide fire protection services, plan checking, building inspections, sprinkler ordinances, and code adoption.

Complex support functions and technology such as computers and cell phones are also issues that fire personnel need to be updated on.

Commissioner Begun asks how much training time is spent.

Chief Rickabaugh says Felton Fire spends every Tuesday evening from 7:00 p.m. until 9:00 p.m., which is eight hours per month. This is not enough time to keep up with the increased demands, but it is all he feels he can ask of his volunteers.

* Alternate Coonerty leaves.

Chief McMurray adds that Proposition 13 has really affected fire protection funding. Various property tax-funded agencies, such as the fire districts and the County, have big disparities between the amounts

of funding. The philosophy of the legislature is that the approach of consolidation is the answer.

Some of the cost gaps are fire engines, (which can cost over \$300,000), the cost of living and staffing, and construction projects, such as fire station construction.

Some of the alternate revenues used such as benefit assessment fees and special taxes all require voter approval. There are some grants available for one-time expenses.

Some might wonder what would happen if the County funded their own fire district or their own fire protection locally, and not use the CAL FIRE contract. In the Amador program, the County is only paying for half of the year, so they are paying for the seasonal costs. Generally, the pay scale for the State employees is lower than local employees. Traditionally, local fire agencies work a 56-hour workweek. CAL FIRE is still on a 72-hour workweek; so, with CAL FIRE, the County gets more fire personnel for the same amount of money. The State absorbs some of the costs of personnel administration provided by the State.

Commissioner Begun asks about the grants.

Chief McMurry says there is a Federal Fire Act that is an annual grant through FEMA. It started after September 11, 2001. They provide grants for equipment and training, but no operations. The Homeland Security grants are grants that are allocated to each operational area in the County. The OES director, Mike Dever, administers the Homeland Security grant program. Occasionally, the Office of Traffic Safety will buy rescue equipment.

Commissioner Begun asks if grants comprise a significant amount of the budget.

Chief McMurry answers not really.

Commissioner Jim Anderson adds that some of the grants are 100% and others might be a matching grant with 50% fire district and 50% grant.

Chief McMurry continues that potential issues of a State contract with CAL FIRE is that those resources are immediately available to the State for redeployment. If there are fires somewhere else in the State, those resources can be dispatched wherever they are needed. When that happens, volunteers and the other local fire companies are used to backfill. There are elaborate agreements to help cover those stations when necessary.

Under CAL FIRE contracts, local governments have no direct control of personnel costs. It is a good deal now, but in some of the rural counties in the State, it is no longer competitive, such as the case in Tulare County. In Tulare County, the cost of living is a lot lower, so they can pay firefighters less than State employees.

There has been a lot of movement among employees changing positions because of retirements in CAL FIRE. Locally, there is less institutional memory within the organization. There can be blurs because it is a complicated system of contracts between the State and local government. It is difficult to figure out who is paying for what and how much.

* Alternate Coonerty returns.

To some degree, for fire protection districts and counties, the intent of the State legislature is to consolidate services or agencies. The State legislature thinks this will solve the “have/have not” problem and provide a standard level of service throughout an area. LAFCO has been given the authority to consolidate fire protection districts and special districts.

Bill SB 802 mandates consolidation in two phases of a number of fire protection districts in San Diego County. There are similarities between San Diego and Santa Cruz Counties. They are both urbanized coastal service areas with rural areas in the mountains. San Diego has a bigger population, but it is comparable to Santa Cruz. The philosophical debate is going to be the local control of the funding and the governance versus the resources for the greater good. It is a balancing act when merging the services.

The County Fire Chiefs’ Association and the Emergency Medical Services Integration Authority are both a joint powers authority for EMS and the ambulance provider. There are common operations. There is EMS oversight and training that everyone pays into for quality assurance. In the unincorporated area and in some cities, there is a single fire code that is applied. There is a single consolidated communications center, with the exception of CAL FIRE. There is group participation in major event disaster planning. There is a countywide automatic aid and mutual aid boundary drop agreement.

Commissioner Begun asks what the difference is between automatic aid and mutual aid.

Chief McMurry answers that the distinction between automatic aid and mutual aid is when the alarm goes off; automatic aid means that the closest resource is sent, regardless of jurisdictional boundary. Mutual aid is a reciprocal agreement of resources. When the resources in a jurisdiction are overwhelmed, they can call for assistance through mutual aid for more help.

Commissioner Begun asks if automatic aid implies that there is no written agreement needed.

Chief McMurry replies that the written agreement says it will automatically send the promised resource.

The mutual aid and automatic aid plan has a sophisticated movement of resources so that when one jurisdiction is having an event, another agency can cover behind. There is an expectation of reciprocity where mutual aid comes in. It is not a one-way agreement where one agency is always responding into another jurisdiction with no reciprocity back. There is a mutual expectation.

To respond long distances, local agencies will send help to jurisdictions outside the County. Those are mostly done with a statewide contract for reimbursement of services.

Chairperson Campos asks how to fix it if one agency is paid but not the other. He uses Pajaro Valley Fire and Watsonville Fire as an example.

Chief McMurry understands that because it is not reciprocal, there is a contract for service into those areas. The City of Santa Cruz provides service to the County fire department in Paradise Park. Paradise Park has a volunteer company, but they do not have the County fire department to respond there. The County pays the City money to provide first response services because it is not reciprocal. It is a subjective matter that is negotiated.

There is an operational agreement that if an event is in CAL FIRE's jurisdiction, the agreement is to move everyone to a single set of frequencies. There is good interoperability in this county through the dispatch center among the fire agencies, EMS, and law enforcement.

Fire is only about five percent of the incidences that Scotts Valley Fire Department responds to. This is indicative of most fire agencies. He credits that number to the fire prevention activities and the fire code. Emergency medical cases cover about 58% of the incidences for Scotts Valley and it ranges for other agencies depending on the jurisdiction.

Commissioner Begun asks if a fire department were only responsible for fires and false alarms, would a fire department entity require fewer people and less equipment.

Chief McMurry answers probably not. He thinks emergency medical services and hazardous materials response is a value added service. They have the capacity to provide those services because five percent of the calls are fires. When fires occur, they are very staff intensive. For example, the house fire on Graham Hill Road last week required six companies and a total of about 30 firefighters. For structure fires, lots of staff is needed quickly, but not for a long time.

Half Moon Bay and Point Montara Fire Protection Districts are located in San Mateo County. Now they are working with Chief Ferreira for a full service contract where CAL FIRE will staff those facilities under contract.

Tulare County had a full service CAL FIRE contract and an Amador program for many years. CAL FIRE has recently had some salary negotiation increases. As a result, when Tulare County looked at their cost of living, they thought it would be cheaper to hire their own employees than to use State employees under contract. They are transitioning to a County fire department.

Around the unincorporated areas of Sacramento, there used to be eleven fire protection districts that were consolidated over a period of years into Sac Metro Fire Protection District. This has had a positive and negative result. The positive side has been that the finances are more efficient. A number of firefighters from other agencies have been elected to the Board of Directors for the district, and it has caused some internal issues within union management. Even if fire districts are consolidated, issues can arise after consolidation that may not be positive.

The San Diego Reorganization had an extensive municipal services review that only focused on fire

protection. There have been three separate recommendations for organizing fire protection. Santa Cruz County has a fire protection jurisdiction identified for every area of the county. San Diego and Santa Clara counties have large unincorporated areas that have no legal fire protection.

Fresno City has been annexing into unincorporated areas. The North Central Fire Protection District and the county fire department are struggling because the annexation is taking away revenue from the district and the county fire department.

San Benito County is looking to form fire protection districts within their county. Now they have a fire department in the City of Hollister, a county contract for the unincorporated area, and some volunteer companies. They are looking for the best way to organize fire protection.

San Bernardino County was a CDF contract county for many years and then became their own county fire department. There are a number of volunteer districts in that county. The City of Fontana receives services through the County. Recently, the City of Fontana did an analysis and determined that the amount of money paid for the contract exceeds the level of services that they are receiving back from the county. The City of Fontana believes if they had that money on their own, they could provide a higher level of service within the city. It is a philosophical debate between spending the money locally within the city versus the blanket approach of a level of service throughout.

There are several counties in California, such as Marin County, that are known as contract counties. It is possible for the county to take on the responsibility for SRAs. The State would then pay money to the county. Instead of contracting CAL FIRE for them to provide local services, a county could contract with the State to cover the SRAs. Marin County Fire Department protects all SRAs and watershed responsibilities on behalf of the State under contract. Los Angeles, Ventura, Santa Barbara, Kern, and Marin Counties take this approach. The Board of Supervisors would have to adopt an ordinance stating that they would become a contract county. It requires concurrence with the director of CAL FIRE.

Commissioner Roger Anderson asks if there is an accepted methodology that would allow a city or county to determine what the most cost effective way to provide fire protection service.

Chief McMurry says it is a philosophical debate of how much local control should be released to free the funding up for the greater good of a larger area. He is not aware of any single approach that is the best approach. Every fire agency in the State is struggling with similar issues, but they are approaching it differently.

Commissioner Roger Anderson asks if there is any assessment after the fact about which approaches actually work.

Chief McMurry thinks there are elements that could be taken from all approaches and then emulate those that are successful. He has not yet seen any clean approaches where he would recommend that approach.

Commissioner Begun asks about response time.

Chief McMurry says that NFPA 1710 has a huge component that deals with response times. The recommended approach is for each local agency to determine its level of service, and what it believes is the right response time criteria for the amount of money that they have to spend. It is a local decision with a local level of service decision what the local community can afford for the level of service they can provide.

Mr. McCormick adds that LAFCO puts out a Countywide Service Review every five years. There is extensive response time data in that study that compares all the fire districts, such as what the number of calls are, and what the average response times have been. The data shows that the more urban the area is, the quicker the response time. The more rural the area and the lower the density, the slower the response time.

Commissioner Begun asks if there is an accepted method for measuring response time.

Chief McMurry answers yes. The measurement of response times is clear.

Chief Rickabaugh adds that it would seem that the paid departments, because they are in town, get out quicker. In 2006, Felton's average response time dispatched on scene to the emergency was six minutes.

Alternate Coonerty asks about dispatch time.

Chief McMurry says that when the call comes into 9-1-1, the call taker takes the call, and that is the call processing time. They determine where the scene is and what needs to be dispatched. The dispatch time is when the fire agency gets notified by a page or tones on the radio. The reflex time is the time the tones go out until the engine responds on the radio.

Felton has had success minimizing the reflex time. For some of the volunteers, that time can be longer because the volunteers have to stop what they are doing, get to the station, and then go to the scene. Typically, volunteers have more trouble than career departments with the reflex time.

Response time is from the time of dispatch to the time they arrive at the scene. There are a myriad of factors that determine that time such as the reflex time, the road structure, and the type of equipment.

Alternate Coonerty asks if the reception of the pagers is uniform.

Chief McMurry says there is good coverage.

Chairperson Campos says that the option of consolidation was studied about eight years ago and egos were in the way. He asks if egos can be put aside now, and do what is best for the whole county.

Chief McMurry is willing to put his ego aside. He thinks the fire chiefs are willing to discuss consolidation. He thinks governance will be an issue, how it is put together, and what the governance structure will be. Funding will be an issue because there will be perceptions of subsidy of the "haves to the have nots."

Unions will be involved. California Professional Firefighters have taken a positive position on consolidation and mergers. When two labor agreements are put together, the highest common denominator is most favorable; so, there is a tendency to increase costs to the higher salary and benefits levels during the initial merge.

The pay and benefits for the career agencies are very close, but there are some gaps between them. For the agencies that have a higher payroll, if they had to wait for the other agencies to catch up, those firefighters would not favor that.

Chairperson Campos says that boundaries in his district should be better defined. There are blank areas that should be designated to a specific district.

Commissioner Rapoza says there are many similarities to the water districts and the water service providers in this county. Everyone wants water and fire service, but if local control does not come from people within the districts, that is where the conflicts will be regarding consolidation. People do not care how much it costs them for a service if they feel they have control over that service. That can be seen with water districts and individual fire agencies. They will forfeit fiscal issues for local control.

Chairperson Campos agrees with Commissioner Rapoza, but he thinks many residents do not know the response time or the services provided by a fire agency.

Bruce Clark, chief of Central Fire, says that there is a good marriage and seamless protection between local fire and CAL FIRE in this county. The Countywide Service Review has costs per capita data, and response data. There are good comparisons in the study. For example, why does Capitola Mall need 15 firefighters responding versus Branciforte that has a 1,000 square foot corner store? It is the demand for the services and the availability to pay for those services. In five years, there have been many studies regarding mergers and consolidations.

He thinks egos have been put aside to see what would work best for the communities. For a community that has 3,000 businesses and high-density coastal areas like Capitola and Live Oak, it is a far reach from Corralitos that has a rural setting, and does not have the demand for services, or the ability to pay.

Mark Bisbee, chief of Watsonville Fire, says that they send the closest resource regardless of jurisdiction. It is done automatically through the dispatch system. There is a boundary drop in the South County. The agency boundaries are arbitrary and do not follow the natural response areas of engines. Through the automatic aid system, they have GIS maps that designate which engine is first to the scene for the entire South County area. The next step is that those first due areas should also fund the engines that respond first. Because the boundary lines do not match up, it is causing some funding and response issues.

Tom Scully, a resident of Bonny Doon, supports the formation of a new Bonny Doon Fire Protection District. He would like to know how County fire is dispatched because it is not the same as the rest of the county.

Chief Ferreira answers that, for command and control purposes, CAL FIRE dispatches statewide engines, including the county fire engines as participants of the county fire department. Volunteer fire companies are dispatched by their command center in Felton, which is not the same as the NETCOM command center. There is a call delay when a 9-1-1 call goes to the primary answering point, which is NETCOM, and that call is transferred to CAL FIRE's communication center to have the engines dispatched. A process has been initiated where NETCOM automatically pre-alerts the volunteer companies so they can begin their response prior to the actual dispatch of their fire engine. This system was pioneered in Pajaro Valley, and it seems to be working well elsewhere in the County by reducing the reflex time.

Chairperson Campos thinks it is important that LAFCO consider the implications of one agency affecting another agency. The goal is for every area to get the best possible service that money can buy.

Commissioner Begun asks if there is a flow diagram of response time.

Chief Ferreira does not know if there is a flow diagram. There is no standard definition of what dispatch time is. There is call taking time, reflex time, travel time, and dispatch time. In general, when all those times are added together, that equals the response time.

For example, if Jimmy falls down at his house, his mother calls 9-1-1, the call goes to NETCOM in Santa Cruz County, NETCOM types that into a computer, the computer says to send Branciforte, the computer pulls up that fire station's alert, punches out a tone that sets off an alarm in the fire station, the firefighters hear the alarm, a voice comes on or a computer printout comes out and says that Jimmy fell down so go to his house.

The only difference with what Mr. Scully was asking as far as Bonny Doon and the volunteers, is that in that flow chart, there is a blip where that call is then transferred from the dispatcher at NETCOM to the dispatcher at CAL FIRE in Felton. At the same time, the dispatcher at NETCOM is pushing a button to alert the volunteers to say they are about to get a call to respond to Jimmy's house.

Commissioner Begun asks if this flow diagram can be put down on paper.

Chief Ferreira answers yes.

Chairperson Campos adds that the response time in Watsonville is outstanding. He asks if Chief Bisbee can explain what it takes for Watsonville City and if Chief Estrada can explain what it takes for Pajaro Valley Fire.

Chief Ferreira says that the biggest difference in Santa Cruz County besides the "blip" is the distance from the incident to where the engine is. For example, residents who live on Last Chance Road off Swanton Road should have no expectation of a six-minute response time. Residents of Watsonville, Aptos, Santa Cruz, and downtown Scotts Valley should expect a response time of under six-minutes.

Chairperson Campos wants a copy of the response times.

Mr. McCormick says that it is in the Countywide Service Review and available online at www.santacruzlafco.org under "Reports."

Commissioner Pirie thanks everyone who participated in the study session. It has been very useful to her.

Commissioner Rapoza thinks part of LAFCO's responsibility is to educate as well as regulate boundaries. It is LAFCO's job to study the various agencies in the County and to educate the public so they can make reasonable demands upon either their elected officials or LAFCO.

Commissioner Rios thinks he got a better understanding of the firefighter volunteer system from the study session. Watsonville no longer has volunteer firefighters. One of the biggest barriers about this issue is the cost and financing and who will pay for the services. This area competes with the Bay Area where big salaries attract firefighters from this area. He appreciates that the fire agencies here are willing to help each other. There have been a few big fires in South County, and he appreciates the quick and coordinated response.

He got a better understanding of how the different fire agencies function and help each other out with bigger fires. There is a need for more services and consolidation of districts.

Mr. McCormick thinks the fire agencies in Santa Cruz County have a coordinated response that is much better than other places in the nation. Most of the issues in this county are not about the service delivery but the financing.

Chairperson Campos says it can be difficult, but he thinks the best should be done for every district that exists now.

Commissioner Rios asks if there is a cost chart per capita. It is important to understand per capita per city.

Mr. McCormick says that the per capita costs are included in the on-line LAFCO Countywide Service Review.

MOTION AND ACTION

Motion: Jim Anderson Second: Begun	To accept the study session report. Motion carries with a unanimous voice vote.
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Meeting adjourns at 12:01 p.m. The next meeting is scheduled for Wednesday, May 2, 2007.

CHAIRPERSON, TONY CAMPOS

Attest:

Patrick M. McCormick, Executive Officer