



**Santa Cruz Local Agency Formation Commission**

Date: March 2, 2022  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **Request for Proposal – Special Fire Study**

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**SUMMARY OF RECOMMENDATION**

LAFCO periodically performs municipal service reviews and sphere of influence updates for each agency subject to LAFCO's boundary regulations. As part of the Commission's Multi-Year Work Program, LAFCO adopted a service and sphere review for the 13 local agencies that provide fire protection services in October 2021. The report has resulted in discussions about potential reorganizations involving multiple fire agencies. It may be beneficial to hire an outside consultant to conduct a technical study and determine the financial impacts regarding these potential changes in governance.

It is recommended that the Commission approve the draft request for proposal to solicit professional services for a special fire study.

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**EXECUTIVE OFFICER'S REPORT:**

In October 2021, as part of the Countywide Fire Protection Service & Sphere Review, the Commission reviewed the 13 fire agencies' spheres of influence. A sphere indicates the potential growth of an agency, or in other words, a sphere identifies the most logical service provider to an area. The Commission took three key actions regarding the sphere boundaries: (1) it reduced County Service Area 48's sphere, (2) it gave County Service Area 4 a zero sphere, and (3) it reaffirmed the remaining 11 sphere boundaries with the condition that an annexation plan be developed by August 2022. Below is an overview of why those actions were important.

CSA 48 (County Fire) Sphere Reduction

This dependent special district is managed by the County of Santa Cruz and delivers services through a contract with CAL FIRE. CSA 48 provides fire protection services to the unincorporated areas outside the jurisdiction of existing independent fire agencies. The sphere for CSA 48 has been in place since 1985. However, the sphere boundary would overlap with the other fire agencies, causing confusion on which district is the most logical service provider. That is why LAFCO modified CSA 48's sphere in October to remove all overlapping areas. This reduced CSA 48's sphere but more importantly it laid the foundation for the existing independent fire districts to assume fire responsibilities from CSA 48 – resulting in the potential improvement of local representation and service delivery.

CSA 4 (Pajaro Dunes) Zero Sphere

This dependent special district is also managed by the County of Santa Cruz and delivers services through the contract as CSA 48 with CAL FIRE. CSA 4 provides fire protection

services to the unincorporated community known as Pajaro Dunes. The sphere for CSA 4 has been in place since 1989. However, due to the lack of transparency and local oversight, LAFCO determined that a zero sphere would better represent the future of the agency. A zero sphere indicates that CSA 4 should be dissolved and the fire service responsibilities be transferred to another local agency, including but not limited to CSA 48 or the Pajaro Valley Fire Protection District. The intent is to ensure that the residents get adequate level of service, better local representation, and more opportunities to provide input in future district actions.

#### Reaffirmed Spheres with Condition

The majority of the spheres for each fire agency were originally adopted in the late-1980s and early-1990s, with most of them remaining the same with no annexations or actions. This means that residents who are within an agency's sphere but outside their jurisdiction do not have proper representation or a voice in the agency's decisions even though they may be receiving services due to mutual and/or automatic aid. That is why LAFCO reaffirmed these spheres with the condition that the affected agency coordinate with LAFCO to develop a plan to address the areas within their spheres. These discussions may lead to potential annexations or, at minimum, sphere amendments that will better reflect the agency's future growth.

#### **Technical Analysis**

Some fire agencies have already expressed interest in exploring the possible annexations of territory within their sphere boundaries since the adoption of LAFCO's Countywide Fire Report. The number one question that all affected agencies have when considering annexation is: "*What is the financial impact?*" This question has led LAFCO to facilitate efforts in addressing this obstacle by developing a more technical analysis that would provide the necessary facts to the affected agencies. This technical analysis could be considered as "Phase 2" of LAFCO's Countywide Fire Report and focus on potential boundary changes regarding fire protection. Specifically, examining how future annexations affect CSA 48's funding and operations. For any annexation to occur, those subject areas need to be detached from CSA 48 and so does the existing revenue stream that covers the cost to provide fire protection in those areas. A technical analysis would benefit the entire County because it would answer two fundamental questions:

- 1) Is it feasible for an agency to take over fire responsibility in areas within its sphere boundary through annexation?
- 2) How does an annexation impact the current and future operations of CSA 48?

#### **Request for Proposal**

Staff has developed a draft request for proposal to solicit professional services for this special study (refer to **Attachment 1**). The deadline to submit proposals will be Friday, April 15, 2022. The anticipated project cost of the study should not exceed \$50,000. It is anticipated that the selected firm will start work in May 2022. The final schedule for this project will be negotiated with the firm selected for the work prior to reaching an agreement.

## **Conclusion**

The Countywide Fire Protection Service & Sphere Review has sparked interest from various fire agencies, has led to multiple LAFCO presentations and discussions, and has reinforced the fact that the affected fire agencies, the County, and LAFCO play a critical role in the current and future delivery of fire protection in Santa Cruz County. Gathering the necessary data and facts will clearly indicate how potential annexations will impact the affected agencies, including the CSA 48. Therefore, staff is recommending that the Commission approve the attached request for proposal as LAFCO continues the momentum from the 2021 Countywide Fire Report.

Respectfully Submitted,



Joe A. Serrano  
Executive Officer

Attachment:

1. [Request for Proposal \(Draft Form\)](#)