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RESOLUTION NO. 111-2009

**OF THE BOARD OF SUPERVISORS OF THE
COUNTY OF EL DORADO**

**TERMINATING THE AGREEMENT TO PROVIDE FUNDING
FOR FIRE PROTECTION AND EMERGENCY MEDICAL
SERVICES FOR CERTAIN FIRE DISTRICTS, AND MAKING
PROVISION FOR ADDITIONAL APPROPRIATION
FOR FISCAL YEAR 2009/2010**

WHEREAS, the County is a party to an agreement (“Agreement”), dated August 28, 2001, as amended, with the Fallen Leaf Lake Fire Protection District, Garden Valley Fire Protection District, Georgetown Fire Protection District, Latrobe Fire Protection District, Meeks Bay Fire Protection District, Mosquito Fire Protection District, Pioneer Fire Protection District, and the Rescue Fire Protection District (herein collectively referred to as “Districts”) pursuant to which the County agreed to provide additional funding to the Districts for fire protection and emergency medical services (“Supplemental Funds”);

WHEREAS, said Agreement remains in effect unless terminated by the parties. The County may terminate the Agreement effective as to any fiscal year by giving notice of termination not later than ten (10) days after adoption of the final budget for that year. It is now within the time frame for termination of the Agreement as of fiscal year 2009/2010;

WHEREAS, in order to cancel the Agreement the County is required to make a specific finding that the allocation of Supplemental Funds for the purposes set forth in the Agreement, considered in light of the competing demands for County resources, would impair the provision of other important services or the achievement of County objectives;

WHEREAS, the downturn in the economy and circumstances having to do with the State of California’s budget have negatively impacted the County’s budget situation such that continued funding of the Agreement would impair the provision of other important services or the achievement of County objectives, thereby necessitating termination of the Agreement as of fiscal year 2009/2010;

WHEREAS, pursuant to the Agreement, approximately \$964,810.00 is being held in a trust fund for distribution to the Districts in the event of termination of the Agreement by County to provide for transition funding for the Districts;

WHEREAS, in order to minimize financial hardship to the Districts as a result of the termination on the Agreement, the County is willing to appropriate an additional \$335,537.00 during fiscal year 2009/2010 for payment to the Districts so that the distribution of the trust account, plus the additional amount, shall equal the amount distributed to the Districts under the Agreement in 2008/2009, less \$100,000.00 which shall be retained by the County to fund a LAFCO study of the feasibility of achieving efficiencies in fire service delivery, including consolidation of districts;

NOW, THEREFORE, BE IT RESOLVED, as follows:

Section 1. Findings. The Board of Supervisors hereby finds that the allocation of Supplemental Funds to the Districts for the purposes set forth in the Agreement, considered in light of the competing demands for County resources, would both impair the provision of other important services and the achievement of County objectives. This finding is based, without limitation, on the following facts:

1. The State of California, and the United States in general, have suffered a severe economic downturn which threatens to continue for an extended period of time;
2. The severe economic downturn has dramatically, negatively affected the revenue sources of the County. For example, sales tax revenues for the fourth quarter of 2008 were down 15.9% from the same period in 2007. The assessed value of all property in the County, used for calculating property taxes, is estimated to be flat or somewhat negative, as compared with a traditionally rising assessed value.
3. The State of California, due to its budget problems, has already deferred payment for several services required to be provided by the County, thus negatively affecting the County's cash flow.
4. In light of the fiscal hardships experienced, the County has already cut approximately 188 positions, or about 10% of its workforce, with a concomitant reduction in County services.
5. In light of its worsening budget crisis, the State of California is further considering, and likely will take, additional fiscal actions which will have an adverse impact on the County from deferring payments for services, to cutting funding for specific programs, to a suspension of Proposition 1A to allow a "borrowing" of property taxes from the counties and other local agencies. The tax borrowing under Proposition 1A alone would potentially result in a loss to the County in excess of \$6,300,000.00 during fiscal year 2009/2010.

6. As a result of actions by the State of California, as well as the continuing state of the economy, the County will have to take further action to dramatically decrease expenditures, possibly including additional layoffs;
7. Payment of the full amount of the Supplemental Funds to the District of \$1,300,000.00 would require approximately 16 additional layoffs of County staff, with concomitant reductions of service, or other reductions in services to make up for the loss of \$1,300,000.00. These reductions would be in addition to the reductions in service that may be necessary as a result of worsening economic circumstances or actions of the state. Thus, continuing the Agreement in effect would impair provision of other important services and the achievement of County objectives.

Section 2. Termination of Agreement. The Agreement is hereby terminated as of fiscal year 2009/2010, effective July 1, 2009. Notice of such termination shall be provided to the Districts as specified in the Agreement.

Section 3. Distribution of Trust Fund. The \$964,810.00 held in the Trust Fund shall be paid to the Districts in accordance with the Agreement within 30 days of this termination, and shall be allocated among the Districts in accordance with the Agreement.

Section 4. Additional Appropriation. To minimize the hardship on the Districts as a result of the termination of the Agreement, and realizing that the amount in the Trust Fund is less than the total amount of Supplemental Funds which the Districts would have received under the Agreement, the Board of Supervisors shall include in the 2009/2010 fiscal year budget an additional, one time only, appropriation of \$335,537.00 for the Districts, representing the difference between the amount in the Trust Fund and the total amount of Supplemental Funds that would have been payable under the Agreement. Said amount shall be payable to the Districts not later than January 31, 2010. The County shall be entitled to withhold from that payment up to \$100,000.00 to pay for the study called for in Section 5 of this resolution. The remainder - \$235,537.00 - shall be allocated among the Districts in the same manner as the Trust Fund.

Section 5. Feasibility Study. The Board of Supervisors shall utilize the \$100,000.00 withheld from the Districts pursuant to Section 4 of this resolution to fund a LAFCO study providing an overall evaluation of fire and EMS services within El Dorado County, including the current dispatch services. The scope of work for the study shall substantially include, but not be limited to, the topics set forth in the Proposed Scope of Work for Fire Service Consultant, attached hereto at Exhibit "A". Exhibit "A" is subject to modification by the County and LAFCO, it being a general expression of understanding between the County and Districts.

Section 6. Cooperation Between the Parties. The Board of Supervisors hereby expresses its intent to work cooperatively with the Districts to explore ways to address their long term financial viability including, but not limited to, completing the feasibility study called for in Section 5 of this resolution, possibly implementing the

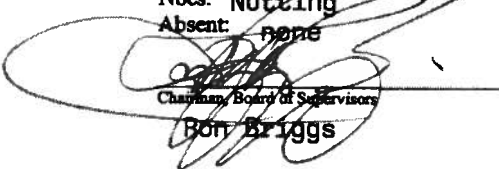
recommendations of the study, and consideration of resumption of Supplemental Funding at such time as the County's fiscal situation allows for such funding.

PASSED AND ADOPTED by the Board of Supervisors of the County of El Dorado at a regular meeting of said Board, held on the 2 day of JUNE, 2009, by the following vote of said Board:

ATTEST
SUZANNE ALLEN DE SANCHEZ
Clerk of the Board of Supervisors

By 
Deputy Clerk

Ayes: Knight, Sweeney, Briggs, and Santiago
Noes: Nutting
Absent: none


Chairman, Board of Supervisors

Ron Briggs

EXHIBIT A

Proposed Scope of Work for Fire Service Consultant

1. An analysis of the funding structures for the various fire districts and County. Specifically, the submission of qualified recommendations options/alternatives to be considered by all applicable parties, including analyses of
 - a) Budgets;
 - b) Tax rates, especially property tax allocations, and the districts' utilization of those revenues
 - c) All other revenues and fees and the potential for any other charges available to the districts that they should be charging but are not currently utilizing
2. Analysis of salary and benefits for all local government EDC fire districts, e.g. "Employee Actuarial Valuation".
3. Analysis of volunteer firefighter programs countywide including estimated cost savings to fire districts.
4. Analysis of fire apparatus and assets.
5. Review of all current fire station locations, including US Forest Service and CAL FIRE, to get input on strategically designing a Master Plan for fire station locations in the future. Plus, identify the effect of any potential Cal Fire station closures
6. A discussion and an analysis of the efficiency of thirteen local government fire district boards and one city council (City of South Lake Tahoe) dealing with the fire and EMS service (NOTE: the City of Placerville contracts with El Dorado County Fire Protection District for fire services).
7. An overall evaluation of fire and EMS services within El Dorado County, including the current dispatch services. This evaluation must include the following:
 - a. Are there efficiencies (operationally) and cost savings to be realized by joining some or all of the local government fire districts? Options to be explored should include an exhaustive review of specific circumstances found in El Dorado County (as opposed to a general list of what options are available), and must include an exploration of the following governmental structures:
 - i. "Status quo";
 - ii. A consolidated El Dorado County agency for both the West Slope and the Tahoe Basin;
 - iii. Regional (such as a consolidated West Slope and consolidated Tahoe Basin);
 - iv. Sub-regional (such as a consolidated Tahoe Basin, Georgetown Divide, West County, South County, etc.);
 - v. A joint powers arrangement;

- vi. Any other available structure that would provide effective and efficient fire and EMS services.

NOTE: Any discussion of a "Consolidated Fire District" as defined in item II, III and IV or as a JPA as discussed in V, must also include the following:

- o Economies of scale projections and explanation of where the fire districts can save by being a new Consolidated Fire District or by creating a JPA
 - o Analysis of staff and line, and a proposed organizational chart of a new "Consolidated Fire District" with an analysis of governance for a workable Board of Directors.
 - o Analysis of potential tax revenue change and/or equalization of the tax rate areas (TRA) for fire districts, in the event of consolidation.
- b. Discussion and analysis of recommended minimum service levels to match geographical and population densities (current and future) as seen in the County's General Plan and the JPA Agreement between the County and the fire districts.
 - c. A "standards of cover" document for countywide fire services, similar to the "standards of cover" requirements/specifications that already exist for emergency services inclusive of all risk, dispatch, search and rescue, hazmat and as specified in the JPA Agreement between the County and fire districts.
 - d. Are there efficiencies (operationally) and cost savings to be realized by joining or sharing some or all of the local government fire districts resources?
 - e. How does the County General Plan affect Fire and Emergency Services?
- 8. Evaluation of current district boundary lines and how closest resource response covers other jurisdictions.
 - 9. Analysis of insurance coverage as it relates with ISO ratings
 - 10. The ability to conform to NFPA Standard Deployment requirements and mandates, i.e., NFPA 1710 and NFPA-1720:
 - a. **NFPA Standard-1710, Standard for the Organization & Deployment of Fire Suppression Operations, Emergency Medical Operations, and Special Operations to the Public by Career Fire Departments.**

Document's Scope: 1.1.1 This standard contains minimum requirements relating to the organization and deployment of fire suppression operations, emergency medical operations, and special operations to the public by substantially all career fire departments. 1.1.2 The requirements address functions and objectives of fire department emergency service delivery, response capabilities, and resources. 1.1.3 This standard also contains minimum requirements for managing resources and systems, such as health & safety, incident management, training, communications, and pre-incident planning. 1.1.4 This standard addresses the strategic and system issues involving the organization operation, and deployment of a fire department and **does not** address tactical operations at a specific emergency incident.

b. **NFPA Standard-1720, Standard for the Organization & Deployment of Fire Suppression Operations, Emergency Medical Operations, and Special Operations to the Public by Volunteer Fire Departments.**

Documents Scope: This standard contains minimum requirements relating to the organization & deployment of fire suppression operations, emergency medical operations, and special operations to the public by substantially all volunteer fire departments. 1.1.1 The requirements address functions and outcomes of fire department emergency service delivery, response capabilities, and resources. 1.1.2 This standard also contains minimum requirements for managing resources and systems, such as health & safety, incident management, training, communications, and pre-incident planning. 1.1.3 This standard addresses the strategic and system issues involving the organization, operation, and deployment of a fire department and **does not** address tactical operations at a specific emergency incident. 1.1.4 This standard **does not address** fire prevention, community education, fire investigations, support services, personnel