



EL DORADO COUNTY GRAND JURY 2007-2008

Consolidation of Fire Protection Districts

Case No. 07-025

REASON FOR REPORT

The Fire Protection District Law of 1987, in the State Health and Safety Code §13800, governs all of the Fire Protection Districts (FPDs) in California. Fire protection districts can only provide fire protection and emergency medical services. At the printing of the 3rd edition of "What's So Special About Special Districts?" there were 386 FPDs in California. El Dorado County has nine FPDs on the West Slope and two FPDs in the Tahoe Basin. The County also has two multi-purpose Community Service Districts (CSDs) that provide fire protection along with other services: Fallen Leaf Lake CSD and Cameron Park CSD. The City of South Lake Tahoe has its own fire department.

El Dorado County has a disproportionately high number of fire protection districts compared with the average of other counties in California. El Dorado County would benefit from consolidation. During the Grand Jury investigation, the scope was limited to the West Slope of the County

BACKGROUND

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Each FPD and CSD is governed by a board of directors. These boards of directors are independent of any other supervision in the County.

Consolidation is not a new idea. Responses to ALL fire and medical emergencies on the west slope of El Dorado County are dispatched from the Emergency Communications Center (ECC), operated by the California Department of Forestry and Fire Protection (CAL FIRE) located in Camino. Three communication specialists and a captain are on duty 24/7 utilizing a state-of-the-art computerized facility. These personnel track in real time the location and availability of all fire and medical response equipment and crews from all of the nine fire protection districts and Cameron Park CSD. Tracking and dispatching services are financed under a Joint Powers Agreement, representing the County and fire districts. Most of the calls are for medical emergencies. These costs are proportionately paid by County Service Area #7, which is dedicated to this purpose.

The Camino ECC dispatches equipment and crews to each emergency site, choosing the closest available and most suitable equipment and personnel, regardless of the fire district owning the dispatched equipment and crew. Operationally, boundaries between west slope County fire protection districts are transparent. With respect to emergency response, they act together as one fire department. All of the County fire management officials interviewed praised this central dispatch system as efficient and working well. When asked, there were no complaints voiced about it by any of the interviewed officials.

Consolidation of previous small fire districts has already occurred. The El Dorado County FPD resulted from the consolidation of Pleasant Valley, Pollock Pines/Camino and Shingle Springs fire protection districts. In 1993, two additional fire protection districts were added to the El Dorado County FPD: Coloma/Lotus and Northside. Lake Valley FPD covers most of the Lake Tahoe basin located within the County that is not in the City. The Lake Tahoe basin also includes Meeks Bay FPD and Fallen Leaf Lake CSD; both districts are small and geographically isolated.

Most of the interviewed County's FPD officials favored more consolidation of fire districts. The major potential cost savings from consolidation, if done well, are expected to be in the elimination of redundant administrative positions. Consolidation may also lead to more efficient service and lower administration costs, but these are difficult to quantitatively evaluate. Hence, they have not been included in this report.

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One official believed that a single fire protection district covering the entire County, analogous to the operation of the County Sheriff, should be an eventual goal. Based on the success of ECC central dispatch system, **several FPD officials believed that a single fire protection district covering the West Slope of the County would be optimum.**

METHODOLOGY

The Grand Jury reviewed documents governing the establishment and proper operation of FPDs and CSDs. The history of previous consolidation attempts in El Dorado County were obtained from El Dorado County's Local Agency Formation Commission (LAFCO), which is responsible for setting boundaries between special districts and assisting in settling disputes. Current budget and expenditure information was obtained from the County Auditor/Controller.

People Interviewed:

- CAL FIRE, Amador-El Dorado Unit, Chief
- Diamond Springs-El Dorado Fire Protection District, Chief
- El Dorado County Assistant Auditor-Controller
- El Dorado County Auditor-Controller
- El Dorado County Fire Protection District, Assistant Chief
- El Dorado County Fire Protection District, Chief
- El Dorado Hills County Water District (fire district), Chief
- LAFCO, Executive Officer
- Mosquito Fire Protection District, Board of Directors President
- Mosquito Fire Protection District, Chief

Documents Reviewed:

- Amendment #1 to the Supplemental Funding Agreement for Rural Fire Districts for Enhanced Fire Protection and Emergency Medical Services (memo from Auditor-Controller dated October 4, 2001)
- Assistant Auditor-Controller furnished Exhibits A, B, and C of this report
- Memo to Grand Jury from Executive Officer of LAFCO November 26, 2007, with Attachments
- "What's So Special About Special Districts?" 3rd edition,

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February 2002

FINDINGS

In accordance with the California Penal Code §933 and §933.05, each finding will be responded to by the government entity to which it is addressed. The responses are to be submitted to the Presiding Judge of the Superior Court. The 2007-2008 El Dorado County Grand Jury has arrived at the following findings:

1. Either a fire protection district or LAFCO can initiate a consolidation study including a cost/benefit analysis. LAFCO has been reluctant to aggressively pursue consolidation of fire protection districts, waiting instead for one or more of them to initiate movement toward consolidation.

Response to Finding 1: The respondent disagrees partially with the finding. *The Board of Supervisors agrees that either a fire protection district or LAFCO can initiate a consolidation study including a cost/benefit analysis. Without additional information, the Board of Supervisors is unable to express agreement or disagreement with the statement regarding LAFCO's reluctance to initiate a study. In addition, although the Board of Supervisors appoints some LAFCO representatives, LAFCO is an independent agency. Consequently, whether or not to initiate a consolidation study is a policy question more appropriately addressed by the LAFCO Board and its executive management.*

2. There is often institutional resistance to changing the status quo of an organization. Consolidation and reorganization are likely to lead to elimination of redundant positions, which typically will not be well received by current employees. Should consolidation occur, these difficulties can be ameliorated by
 - a) selecting at least one director from the district to be a director of the new district, and
 - b) continuing former district volunteer firefighter associations, such as was done with the mergers to form the El Dorado County FPD.

Response to Finding 2: The respondent disagrees partially with the finding. *While it is reasonable to assume that any organization change will face some level of resistance, the Board of Supervisors does not have sufficient information to evaluate the amelioration strategies suggested by the Grand Jury.*

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3. The County Board of Supervisors supplements revenues for six FPDs on the County west slope and two small districts providing fire protection in the Tahoe Basin, Fallen Leaf Lake CSD and the Meeks Bay FPD. This is a subsidy by the County at large to these particular fire districts. **These subsidies raise a fairness issue for taxpayers outside these districts** who are supporting their own fire protection district through various taxes while also contributing, through the County's General fund, an extra amount of money to these subsidized districts.

These subsidies are based on an agreement between the County Board of Supervisors and the eight districts, "Supplemental Funding Agreement for Rural Fire Districts for Enhanced Fire Protection and Emergency Medical Services." This agreement was amended by an Auditor-Controller memo of October 4, 2001, to provide for a correction in tax rates for fire protection in some of these districts. Under this agreement, the eight districts receiving less than 13 percent of the *ad valorem* property tax revenue collected within their boundaries will receive a supplemental contribution from the County general fund. This supplement is intended to be sufficient to provide the district with revenue for fire protection services equal to approximately 13 percent of their tax revenue base.

The amount of this subsidy is calculated by the Auditor-Controller each year using the final assessed property valuation from the prior year to establish the 13 percent threshold. The difference between the 13 percent threshold and the prior year estimated actual tax revenue plus the prior year subsidy is the basis for the current year subsidy. For the eight subsidized districts, their percentage of total Tax Rate Area (TRA) taxes is always less than 13 percent; whereas for the five non-subsidized fire districts the percentage exceeds 13 percent. Exhibit A, column D, shows the amount of the County supplemental contribution to bring all fire protection districts up to the equivalent of 13 percent of the total TRA taxes for FY 2006/07. The supplemental amounts contributed by the County to all eight subsidized districts in FY 2006/07 totaled \$1,188,142. The share of this amount received by the six West slope FPDs was \$856,908, which is 72.2 percent of the total subsidy for FY 2006/07. The County supplemental in FY 2006/07 for all eight subsidized districts was \$1,188,242.

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The subsidy for the six FPDs in the present year, FY 2007/08, is \$926,948, an 8.2 percent increase over the previous year. The subsidy for all eight districts in FY 2007/08 is \$1,300,347, which is a 9.3 percent increase over FY 2006/07.

Response to Finding 3: The respondent disagrees partially with the finding. *The county does supplement revenue for fire districts as described in the finding. The county funding is generally referred to as "Aid to Fire" and is included in the budget each year. For the current and next fiscal year the Board of Supervisors has specifically discussed Aid to Fire through the annual budget process or mid-year budget discussions. Most recently, on May 20, 2008 the Board of Supervisors requested that the Auditor-Controller engage fire district representatives to evaluate the formula for distribution of Aid to Fire. While fairness (in terms of taxpayer equity) is definitely one issue that the Board considers, other issues such as the overall condition of the county's General Fund, and the cost-effectiveness and probability of preventing a catastrophic fire event and subsequent county costs must also be evaluated.*

4. All of the subsidized FPDs receive "special taxes" and/or "special assessments" except Pioneer FPD. These funds are not considered when the subsidy calculation is made. These special funds have been previously authorized on a continuing basis by an election of property owners within the districts. Special taxes require a vote of 2/3 of the property parcel owners. Special assessments are "fire suppression assessments," which are allowed under State law and require only a property parcel vote of 50 percent plus one.

Response to Finding 4: The respondent agrees with the finding.

5. The tax revenues for FY 2006/07 for the West Slope FPDs are summarized in Exhibit B. The tax revenues for each district, including special taxes and special assessments, are combined in one column. Note that all but Pioneer FPD and Latrobe FPD receive tax revenues exceeding 13 percent of their tax base, and all but Pioneer FPD have total funding including the County Supplemental Contribution that exceeds 13 percent of their tax base. With the exception of Pioneer FPD and Latrobe FPD, the County supplemental is much smaller than the other tax revenue received by the subsidized districts.

Response to Finding 5: The respondent agrees with the finding.

6. With advance notification, the Board of Supervisors can discontinue these subsidies. The County has a fiduciary responsibility to minimize them, preferably without degrading fire protection capabilities. Elimination of the subsidies would require these fire protection districts to either find other sources of revenue in a similar amount, or find equivalent budget savings that would not degrade fire protection capability.

Response to Finding 6: The respondent agrees with the finding.

7. Consolidation of the six West Slope subsidized fire districts, and especially mergers into the three financially stronger fire districts on the West Slope, should allow elimination of the fire chiefs and other administrative positions in the subsidized districts. The potential personnel savings that could result are shown in Exhibit C, where the administrative personnel costs for each fire district are shown in column L, with a total amount of \$944,084. The County supplemental contributions for these fire districts are shown in column M, and the total amount is similar to the total administrative personnel costs shown in column L.

Response to Finding 7: The respondent partially disagrees with the finding. While it is reasonable to assume that consolidation of fire districts would lead to the elimination of some positions, the Grand Jury report alone does not provide the Board of Supervisors sufficient insufficient information with which to evaluate the position reductions suggested in the report.

8. If supplemental payments to the six West Slope fire protection districts are eliminated, the savings to the County general fund will be recurrent, rather than one-time. Over ten years and with an annual increase of 9 percent, the **SAVINGS** will amount to **\$14,018,235**. If supplemental payments to all eight subsidized fire districts are eliminated, the **SAVINGS** over ten years will amount to **\$19,665,148**.

Response to Finding 8: The respondent disagrees partially with the finding. The Board of Supervisors is unable to validate the savings amounts calculated by the Grand Jury. The

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growth from year to year has been based on the growth of the property tax base. However, it is clear that eliminating or reducing Aid to Fire potentially results in significant savings to the county's General Fund.

RECOMMENDATIONS

1. The El Dorado County Board of Supervisors should discontinue the "Supplemental Funding Agreement for Rural Districts for Enhanced Fire Protection and Emergency Medical Services" as it pertains to the following six fire protection districts: Pioneer, Rescue, Garden Valley, Mosquito, Georgetown, and Latrobe.

Response to Recommendation 1: The recommendation requires further analysis. As noted in the response to Finding 3, on May 20, 2008 the Board of Supervisors requested that the Auditor-Controller work with representatives of the fire districts to evaluate the formula for distribution of Aid to Fire. The Board expects a report back from the Auditor-Controller in September during the hearing of the final budget.

2. LAFCO and the El Dorado County Board of Supervisors should actively encourage consolidation or merger agreements between these presently subsidized fire protection districts and any of the following fire protection districts: El Dorado County Fire Protection District, Diamond Springs-El Dorado Fire Protection District, and El Dorado Hills County Water District.

Response to Recommendation 2: The recommendation will not be implemented because it is not warranted. It is not the role of the Board of Supervisors to advocate for the consolidation or merger of outside agencies with independently elected boards of directors. The Board of Supervisors will work with the fire districts and clearly communicate its intent with respect to Aid to Fire. Fire districts will have to draw their own conclusions based off of future Board action with respect to Aid to Fire, and determine whether consolidation is reasonable.

3. The boards of directors of the following nine fire protection districts should make a good faith effort to reach consolidation agreements: Rescue, Pioneer, Mosquito, Latrobe, Georgetown, Garden Valley, El Dorado County, Diamond Springs, and El Dorado Hills. Each of these nine fire protection districts should

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report the results of their efforts to the Grand Jury within the Penal Code timeframe requirements.

RESPONSE

Responses to this report are required in accordance with the California Penal Code §933.05.



EL DORADO COUNTY GRAND JURY 2007-2008 Facilities Reports

El Dorado County Building C



REASON FOR REPORT

The El Dorado County Grand Jury conducts inspections of county, city and special district facilities owned or leased within El Dorado County per California Penal Codes §925, §925(a) and §928. The focus of the inspection is health and safety conditions.

BACKGROUND

The security measures utilized in Building C were inspected this year as a follow up to a prior year's Grand Jury investigation (2005-2006). That investigation recommended that the area behind the metal detector (in the corridor leading to the Superior Court downstairs) be secured at all times, not just when the screening station is staffed. The

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situation in Building C has recently been changed. A locking door has been installed in the area on the lower level as recommended by the prior Grand Jury Report.

FINDINGS

In accordance with the California Penal Code §933 and §933.05, each finding will be responded to by the government entity to which it is addressed. The responses are to be submitted to the Presiding Judge of the Superior Court. The 2007-2008 El Dorado County Grand Jury has arrived at the following findings:

There are other court facilities on the ground level of Building C and there is no security station on that level. Additionally, there is a door into the court off of the lobby with an inoperative lock. When court is in session, the bailiff uses a portable metal detector to screen people entering the court. The problem is there are two entrances and only one bailiff. The ideal situation would be to secure all of Building C, but this has been rejected due to budget constraints. According to the Sheriff, to secure the entire building, at least three deputies would be needed to be on duty during all open hours. This expense is exacerbated by the fact that the Planning Department uses the building and often has meetings that continue as late as 9:30 p.m.

Response to Findings: The respondent agrees with the findings.

RECOMMENDATIONS

1. The door between Building C's ground level lobby and courtroom should be locked so that all people entering the court would need to pass through the entrance that is controlled by the bailiff.

Response to Recommendation 1: The recommendation has been implemented. At the request of the Assistant Court Executive Officer, General Services installed a lock on the lobby entrance to the courtroom the week of May 19, 2008.

2. In looking at longer term building needs and uses, the Board of Supervisors should consider dedicating Building C to only court activities, or include only those other county departments that would not need access to the building during non-court hours. This would allow for securing the entire building, providing enhanced security to all employees and participants in any court proceedings.

Response to Recommendation 2: The recommendation will not be implemented because it is not reasonable. Separating court and county operations from Building C requires significant investment in another facility or facilities to accommodate the separated function. Given the county's current fiscal condition and lack of investment in court facilities from the State, the Board of Supervisors will not be able to consider this recommendation in the foreseeable future.

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RESPONSES

Response(s) to this report is required from the El Dorado County Board of Supervisors in accordance with California Penal Code §933.05.



EL DORADO COUNTY GRAND JURY 2007-2008

South Lake Tahoe Administration Facility El Dorado Center



REASON FOR REPORT

The El Dorado County Grand Jury conducts inspections of county, city and special district facilities owned or leased within El Dorado County per California Penal Codes §925, §925(a) and §928. The focus of the inspection is health and safety conditions.

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BACKGROUND

One of the county's buildings in South Lake Tahoe, known as El Dorado Center, was inspected by the Grand Jury. This facility was built in 1968 as a commercial bank and was purchased by the county in May of 1991. The building currently serves as an administrative service complex for the county. The building provides 17,476 square feet of office space, although approximately 300 square feet in the basement is not utilized.

FINDINGS

In accordance with the California Penal Code §933 and §933.05, each finding will be responded to by the government entity to which it is addressed. The responses are to be submitted to the Presiding Judge of the Superior Court. The 2007-2008 El Dorado County Grand Jury inspected the El Dorado Center facility, which revealed the following problem areas:

- Foul odor when entering building from parking lot
- No designated break room
- Inadequate heating and air conditioning system
- Loose and stained ceiling tiles
- No alternate evacuation route on third floor
- Single pane windows in some areas
- Badly deteriorated exterior, i.e. paint, wood, stucco
- Shortage of parking in winter

Response to Findings: The respondent agrees with the findings.

RECOMMENDATION

Given the myriad problems facing this building, in addition to its design unsuitability for county purposes, the Grand Jury recommends that this building be replaced. The recommendation should be considered in the context of long-term county office space needs throughout the Tahoe Basin. This replacement project should remain in the El Dorado County capital improvement program as a high priority project.

Response to Recommendation: The recommendation has not yet been implemented but will be implemented in the future. As the recommendation points out, the replacement of the El Dorado Center is already envisioned in the Capital Improvement Program. This project would consist of the construction of a new joint-use facility to house those county functions currently located in the El Dorado Center in conjunction with City of South Lake Tahoe and the South Lake Tahoe School District functions. This would include the Building Department, the Assessor's Office, the Recorder's Office and various disciplines within the Environmental Management Department. The El Dorado Center, originally constructed by the private sector as a banking facility, has many noted deficiencies due to

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space configuration and age. This plan would include the marketing of this facility in an effort to offset the costs of new construction. Key elements of this plan would include land acquisition, design, agency permitting and building construction. On October 23, 2007 the Board of Supervisors issued a letter of intent to the City of South Lake Tahoe and the Lake Tahoe Unified School District regarding the joint-use facility. Although the project remains in the 2007 CIP, it is impossible to determine a precise timeframe to implement this recommendation due to the complexity of the project and the lack of secured funding. Depending on the availability of funding, the planning, permitting and construction of such a facility could take up to five years.

RESPONSES

Response(s) to this report is required from the El Dorado County Board of Supervisors in accordance with California Penal Code §933.05.

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El Dorado County Sheriff's Building



REASON FOR REPORT

The El Dorado County Grand Jury conducts inspections of county, city and special district facilities owned or leased within El Dorado County per California Penal Codes §925, §925(a) and §928. The focus of the inspection is health and safety conditions.

BACKGROUND

The El Dorado County Sheriff's Building was built in 1974, housing both the sheriff's operations and the county jail until 1988. The growth in El Dorado County has rendered this facility inadequate to properly handle current needs, predominantly due to lack of space. The Sheriff's Department currently operates throughout the county from nine locations. The Sheriff's recommendation for solving the space issue is to consolidate central operations into a new 80,000 square foot facility in El Dorado Hills, the largest

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and fastest growing community in the county. It has been suggested that the existing Sheriff's building (after appropriate reconfiguration) could be utilized as a substation for the Placerville area. Another substation already exists in the Tahoe Basin.

FINDINGS

In accordance with the California Penal Code §933 and §933.05, each finding will be responded to by the government entity to which it is addressed. The responses are to be submitted to the Presiding Judge of the Superior Court. The 2007-2008 El Dorado County Grand Jury has arrived at the following findings:

1. Staff crowding, which hampers maximum efficiency, is the most significant problem. Indications of space limitations are:
 - Closets have been turned into offices
 - Inadequate space for secure evidence storage
 - No room for a forensic lab
 - No space for a conference room
 - No privacy for citizens when reporting crimes
 - Insufficient parking space
 - Shortage of employee lockers

Response to Finding 1: The respondent agrees with the finding.

2. In spite of the space problem that currently exists, the Sheriff's Department is commended for efficiently utilizing its current 13,000 square foot facility. At the time of the inspection, the facility was clean and safety regulations were generally being followed. Due to the age of construction, the building is not totally compliant with the American Disabilities Act. Areas noted as requiring immediate attention due to health and safety concerns are:
 - Cluttered hallways in the evidence area (creating a potential egress problem)
 - Asphalt repair needed in the parking lot
 - Payroll administrative area does not have proper evacuation signs posted

Response to Finding 2: The respondent agrees with the finding.

RECOMMENDATIONS

1. It is recommended that the three areas listed in finding # 2 above be remedied immediately.

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Response to Recommendation 1: The recommendation has not yet been implemented but will be implemented in the future. The administration section of the Sheriff's Office has been moved to a leased facility on Broadway in Placerville. Revenue from the Accumulated Capital Outlay fund will be used to remodel the Sheriff's Administration Building. The remodel plan is consistent with the substation design if and when a new primary administration building is constructed. Current plans call for a remodel of the locker-room/showers, briefing room, sergeants' office, report writing room and records rooms. Plans are presently in plan check. Once approved, the project will go out to bid for construction. This project will likely take upwards of eight months to one year. Parking lot repairs and evacuations signs will be addressed as part of the remodel effort.

2. The sheriff's facilities upgrade is already in the El Dorado County capital improvement program, indicating a new main facility in Placerville, and sub-station in El Dorado Hills. This Grand Jury, however, agrees with the sheriff's current recommendation identified in the background section of this report, specifically a new main facility in El Dorado Hills, and converting the current main facility in Placerville for use as a sub-station.

Response to Recommendation 2: The recommendation has not yet been implemented but will be implemented in the future. The administration section of the Sheriff's Office has been moved to a leased facility on Broadway in Placerville. Revenue from the Accumulated Capital Outlay fund will be used to remodel the Sheriff's Administration Building. The remodel plan is consistent with the substation design if and when a new primary administration building is constructed. Current plans call for a remodel of the locker-room/showers, briefing room, sergeants' office, report writing room and records rooms. Plans are presently in plan check. Once approved, the project will go out to bid for construction. This project will likely take upwards of eight months to one year.

RESPONSES

Response(s) to this report is required from the El Dorado County Board of Supervisors in accordance with California Penal Code §933.05.