



Commission
Jerry Gladbach
Chair

Donald Dear
1st Vice-Chair

Gerard McCallum
2nd Vice-Chair

Kathryn Barger
Richard Close
Margaret Finlay
John Mirisch
David Ryu
Hilda Solis

Alternate Members
Lori Brogin-Falley
Sheila Kuehl
David Lesser
Judith Mitchell
Joseph Ruzicka
Vacant
(City of Los Angeles)

Staff
Paul Novak
Executive Officer

Adriana Romo
Deputy Executive Officer

Amber De La Torre
Doug Dorado
Adriana Flores
Michael Henderson
Alisha O'Brien

80 South Lake Avenue
Suite 870
Pasadena, CA 91101
Phone: 626/204-6500
Fax: 626/204-6507

www.lalafco.org

LIVE VIRTUAL COMMISSION MEETING

LOCAL AGENCY FORMATION COMMISSION

Wednesday, July 8, 2020
9:00 a.m.

This meeting will be conducted as a virtual meeting with telephone 1-415-655-0001 (Access Code: 145-475-8627) and web access (<https://lacountyboardofsupervisors.webex.com/lacountyboardofsupervisors/onstage/g.php?MTID=e1772b60720acd013982d6ebcb822a4c2>), pursuant to the provisions of the Governor's Executive Orders N-25-20 and N-29-20, under the modified laws of the Ralph M. Brown Act for the COVID-19 emergency, as well as the County of Los Angeles "Safer at Home Order for Control of COVID-19".

FOR MEMBERS OF THE PUBLIC

TO LISTEN BY TELEPHONE AND PROVIDE PUBLIC COMMENT DIAL:

1-415-655-0001
Access Code: 145-475-8627 (English)

OR TO LISTEN VIA WEB AND PROVIDE COMMENT:

<https://lacountyboardofsupervisors.webex.com/lacountyboardofsupervisors/onstage/g.php?MTID=e1772b60720acd013982d6ebcb822a4c2>

TO PROVIDE WRITTEN PUBLIC COMMENT: Any interested person may submit written opposition or comments by email at info@lalafco.org prior to the conclusion of the Commission Meeting or by mail to the LAFCO Office at 80 S. Lake Avenue, Suite 870, Pasadena, CA 91101, no later than 5:00 p.m. on the business day preceding the date set for hearing/proceedings in order to be deemed timely and to be considered by the Commission. Any written opposition and/or comments will be read during the meeting for a maximum of three (3) minutes per comment, per item.

The entire agenda package and any meeting related writings or documents provided to a majority of the Commissioners after distribution of the agenda package, unless exempt from disclosure pursuant to California Law, are available at www.lalafco.org.



Local Agency Formation Commission
for the County of Los Angeles

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**LOCAL AGENCY FORMATION COMMISSION
MEETING AGENDA**

Wednesday, July 08, 2020
9:00 a.m.

Room 381-B

Kenneth Hahn Hall of Administration
500 West Temple Street, Los Angeles 90012

1. **CALL MEETING TO ORDER**
2. **PLEDGE OF ALLEGIANCE WILL BE LED BY CHAIR GLADBACH**
3. **DISCLOSURE OF CAMPAIGN CONTRIBUTION(S)**
4. **SWEARING-IN OF SPEAKER(S)**
5. **INFORMATION ITEM(S) – GOVERNMENT CODE §§ 56751 & 56857 NOTICE**

None.

6. **CONSENT ITEM(S)**

All matters are approved by one motion unless held by a Commissioner or member(s) of the public for discussion or separate action.

- a. Approve Minutes of June 10, 2020.
- b. Approve Operating Account Check Register for the month of June 2020.
- c. Receive and file update on Pending Proposals.
- d. Annexation No. 430 to the County Sanitation District No. 14 of Los Angeles County, and Environmental Impact Report.
- e. Annexation No. 1097 to the Santa Clarita Valley Sanitation District of Los Angeles County, and Environmental Impact Report. (**NOTE: Continued from the June 10, 2020 Commission Meeting.**)

7. **PUBLIC HEARING(S)**

- a. MSR No. 2020-02 Municipal Service Review and Sphere of Influence Update for the Consolidated Fire Protection District of Los Angeles County, and California Environmental Quality Act (CEQA) exemption.
- b. Annexation No. 2020-03 to the Consolidated Fire Protection District of Los Angeles County (Vernon), and California Environmental Quality Act (CEQA) exemption.
- c. Out-of-Agency Service Agreement No. 2020-04 for the City of La Verne, and California Environmental Quality Act (CEQA) exemption.

8. **PROTEST HEARING(S)**

None.

9. **OTHER ITEMS**

- a. Sativa Water System – Quarterly Updates

10. **LEGISLATION**

- a. Legislative Update

11. **MISCELLANEOUS CORRESPONDENCE**

None.

12. **COMMISSIONERS' REPORT**

Commissioners' questions for staff, announcements of upcoming events and opportunity for Commissioners to briefly report on their LAFCO-related activities since last meeting.

13. **EXECUTIVE OFFICER'S REPORT**

Executive Officer's announcement of upcoming events and brief report on activities of the Executive Officer since the last meeting.

- a. Written Update
- b. Verbal Update

14. **PUBLIC COMMENT**

This is the opportunity for members of the public to address the Commission on items not on the posted agenda, provided that the subject matter is within the jurisdiction of the Commission. Speakers are reminded of the three-minute time limitation.

15. **FUTURE MEETINGS**

August 12, 2020
September 9, 2020
October 14, 2020

16. **FUTURE AGENDA ITEMS**

Items not on the posted agenda which, if requested, will be referred to staff or placed on a future agenda for discussion and action by the Commission.

17. **ADJOURNMENT**

DRAFT

Commission
Jerry Gladbach
Chair

Donald Dear
1st Vice-Chair

Gerard McCallum
2nd Vice-Chair

Kathryn Barger
Richard Close
Margaret Finlay
John Mirisch
David Ryu
Hilda Solis

MINUTES OF THE LOCAL AGENCY FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES LIVE VIRTUAL MEETING

June 10, 2020

Alternate Members

Lori Brogin-Falley
Sheila Kuehl
David Lesser
Judith Mitchell
Joseph Ruzicka
Vacant
(City of Los Angeles)

Present:

Jerry Gladbach, Chair

Kathryn Barger
Richard Close
Margaret Finlay
Gerard McCallum
John Mirisch
David Ryu
Hilda Solis

Lori Brogin-Falley, Alternate
David Lesser, Alternate
Judith Mitchell, Alternate

Paul Novak, Executive Officer
Carole Suzuki, Legal Counsel

Absent:

Donald Dear
Sheila Kuehl, Alternate

Vacant:

City of Los Angeles, Alternate Member
Special District, Alternate Member

Staff
Paul Novak
Executive Officer

Adriana Romo
Deputy Executive Officer

Amber De La Torre
Doug Dorado
Adriana Flores
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1 CALL MEETING TO ORDER

The meeting was called to order at 9:06 a.m. as a live virtual Commission meeting, with public comment accepted via email through the conclusion of the meeting.

2 PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chair Jerry Gladbach.

3 DISCLOSURE OF CAMPAIGN CONTRIBUTION(S)

The Executive Officer (EO) read an announcement, asking if any Commissioners had received a campaign contribution that would require disclosure or any other issue requiring recusal from any item on today's agenda (None).

4 SWEARING-IN OF SPEAKER(S)

None.

ANNOUNCEMENT

The EO noted that today's meeting was conducted pursuant to the provisions of the Governor's Executive Orders No-25-20 and N-29-20, under the modified laws of the Ralph M. Brown Act for the COVID-19 emergency, as well as the County of Los Angeles "Safer at Home Order for Control of COVID-19." He further noted that all public hearing notices, and the agenda, clearly stated that interested persons were afforded the opportunity to submit written opposition or comments by email, or via United States mail, no later than 5:00 p.m. on Tuesday, June 9, 2020; and that LAFCO staff continued to monitor e-mail and comments received during the meeting and prior to the conclusion of each hearing item were read to the Commission. He further commented that LAFCO's legal counsel reviewed the public hearing agenda, and public hearing notices, and has affirmed that the conduct of today's meeting is consistent with State law as modified by the Governor and County orders.

5 INFORMATION ITEM(S) – GOVERNMENT CODE §§ 56751 & 56857 NOTICE

None.

6 CONSENT ITEM(S)

The Commission removed Agenda Item 6.k. from other consent agenda items for separate consideration (see below).

The Commission took the following actions under Consent Items (6.a. through 6.j.):

- a. Approved Minutes of March 11, 2020.

- b. Approved Operating Account Check Register for the months of March, April, and May December 2020.
- c. Received and filed update on Pending Proposals.
- d. Adopted the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving and Ordering Annexation No. 431 to the County Sanitation District No. 14 of Los Angeles County; Resolution No. 2020-03RMD.
- e. Adopted the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving and Ordering Annexation No. 761 to the County Sanitation District No. 21 of Los Angeles County; Resolution No. 2020-04RMD.
- f. Adopted the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving and Ordering Annexation No. 762 to the County Sanitation District No. 21 of Los Angeles County; Resolution No. 2020-05RMD.
- g. Adopted the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving and Ordering Annexation No. 429 to the County Sanitation District No. 22 of Los Angeles County; Resolution No. 2020-06RMD.
- h. Adopted the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving and Ordering Annexation No. 433 to the County Sanitation District No. 22 of Los Angeles County; Resolution No. 2020-07RMD.
- i. Adopted the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving and Ordering Annexation No. 435 to the County Sanitation District No. 22 of Los Angeles County; Resolution No. 2020-08RMD.
- j. Adopted the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving and Ordering Annexation No. 1093 to the Santa Clarita Valley Sanitation District of Los Angeles County; Resolution No. 2020-09RMD.

MOTION: Solis SECOND: Finlay APPROVED: 7-0-0
AYES: Close, Finlay, McCallum, Mirisch, Ryu, Solis, Gladbach
NOES: None.
ABSTAIN: None.
ABSENT: Barger, Dear

6 CONSENT ITEM(S)

The following item was called for consideration:

- k. Annexation No. 1097 to the Santa Clarita Valley Sanitation District of Los Angeles County.

The EO noted that a member of the public (Lynne Plambeck) had emailed the Commission during the hearing, stating her belief that the meeting was under a Brown Act violation because the public was not afforded the opportunity to comment at this meeting. Legal Counsel, Carole Suzuki, indicated that LAFCO was under compliance with the emergency orders noted in the Agenda. The meetings were open to the public; they were able to submit written comments in advance of the hearing and staff was monitoring emails during the hearing itself. Ms. Suzuki advised the Commission that stated Ms. Plambeck had in fact submitted a letter by email during the hearing that raised concerns regarding the fire hazard severity zone and water supply for the proposed annexation area. The EO requested that this item be withdrawn from today's meeting agenda and continued to a future hearing so the items of concern could be reviewed.

The Commission requested that future virtual meetings allow for the public to call-in and comment during the meetings. The EO agreed to pursue such arrangements for future virtual meetings of the Commission.

The Commission took the following separate action under Consent Items:

- Continued Agenda Item No. 6.k. to the July 8, 2020 Commission meeting, to allow for further analysis and additional public comment.

MOTION: Solis SECOND: Finlay APPROVED: 7-0-0
AYES: Close, Finlay, McCallum, Mirisch, Ryu, Solis, Gladbach
NOES: None.
ABSTAIN: None.
ABSENT: Barger, Dear

7 PUBLIC HEARING(S)

The following item was called for consideration:

- a. Annexation No. 32 to the County Sanitation District No 16. of Los Angeles County.

The EO summarized the staff report concerning Annexation No. 32 to the County Sanitation District No. 16 of Los Angeles County.

The public hearing was opened to receive testimony on the annexation via e-mail. There being no testimony and no written opposition, nor e-mails, submitted prior to the close of the public hearing, the public hearing was closed.

The Commission took the following action:

- Adopted the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving and Ordering Annexation No. 32 to the County Sanitation District No. 16 of Los Angeles County; Resolution No. 2020-10RMD.

MOTION: Finlay SECOND: Solis APPROVED: 7-0-0
AYES: Close, Finlay, McCallum, Mirisch, Ryu, Solis, Gladbach
NOES: None.
ABSTAIN: None.
ABSENT: Barger, Dear

7 PUBLIC HEARING(S)

The following item was called for consideration:

- b. Annexation No. 1091 to the Santa Clarita Valley Sanitation District of Los Angeles County.

The EO summarized the staff report concerning Annexation No. 1091 to the Santa Clarita Valley Sanitation District of Los Angeles County.

The public hearing was opened to receive testimony on the annexation via e-mail. There being no testimony and no written opposition, nor e-mails, submitted prior to the close of the public hearing, the public hearing was closed.

The Commission took the following action:

- Adopted the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving and Ordering Annexation No. 1091 to the Santa Clarita Valley Sanitation District of Los Angeles County; Resolution No. 2020-11RMD.

MOTION: Finlay SECOND: Solis APPROVED: 7-0-0
AYES: Close, Finlay, McCallum, Mirisch, Ryu, Solis, Gladbach
NOES: None.
ABSTAIN: None.
ABSENT: Barger, Dear

7 PUBLIC HEARING(S)

The following item was called for consideration:

- c. Annexation No. 760 to the County Sanitation District No. 21 of Los Angeles County and Amendment to the County Sanitation District No. 21 of Los Angeles County Sphere of Influence.

The EO summarized the staff report concerning Annexation No. 760 to the County Sanitation District No. 21 of Los Angeles County.

The public hearing was opened to receive testimony on the annexation via e-mail. There being

no testimony and no written opposition, nor e-mails, submitted prior to the close of the public hearing, the public hearing was closed.

The Commission took the following action:

- Adopted the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving and Ordering Annexation No. 760 to the County Sanitation District No. 21 of Los Angeles County; AND Amendment to the County Sanitation District No. 21 of Los Angeles County Sphere of Influence; Resolution No. 2020-12RMD.

MOTION: Solis SECOND: Finlay APPROVED: 7-0-0
AYES: Close, Finlay, McCallum, Mirisch, Ryu, Solis, Gladbach
NOES: None.
ABSTAIN: None.
ABSENT: Barger, Dear

8 PROTEST HEARING(S)

None.

9 OTHER ITEMS

The following item was called up for consideration:

- a. Recommended Final Budget for Fiscal Year 2020-21.

The EO summarized the staff report concerning the Recommended Final Budget for Fiscal Year 2020-21.

[Commissioner Barger arrived at 9:26 a.m.]

The Commission took the following actions:

- Adopted the Recommended Final Budget for Fiscal Year 2020-21; and
- Directed the Executive Officer to transmit the adopted Final Budget to local agencies and other parties as required by law.

MOTION: Solis SECOND: Finlay APPROVED: 8-0-0
AYES: Barger, Close, Finlay, McCallum, Mirisch, Ryu, Solis, Gladbach
NOES: None.
ABSTAIN: None.
ABSENT: Dear

9 OTHER ITEMS

The following item was called up for consideration:

- b. Selection of Insurance Carrier for Property/Liability and Workers' Compensation.

The EO summarized the staff report concerning the Selection of Insurance Carrier Property/Liability and Worker's Compensation.

The Commission took the following actions:

- Authorized the Executive Officer to enroll this Commission as a member of the California Water Mutual Companies Joint Powers Risk and Insurance Management Authority (JPRIMA) by the filing the necessary application materials;
- Approved the JPRIMA Member Agreement and to allow participation in the JPRIMA Property/Liability Program inclusive of Crime Insurance and Commercial Excess Liability Insurance;
- Authorized the LAFCO Chairperson to execute the JPRIMA Member Agreement of 2016 to participate in its Property/Liability Insurance Program; and
- Authorized the Executive Officer to renew the Commission's Workers' Compensation Policy with the Special District Risk Management Authority (SDRMA).

MOTION:	Solis	SECOND:	Finlay	APPROVED:	8-0-0
AYES:	Barger, Close, Finlay, McCallum, Mirisch, Ryu, Solis, Gladbach				
NOES:	None.				
ABSTAIN:	None.				
ABSENT:	Dear				

9 OTHER ITEMS

The following item was called up for consideration:

- c. Outside Employment Request of Executive Officer.

The EO summarized the staff report concerning Outside Employment Request of Executive Officer.

The Commission took the following action:

- Authorized the Executive Officer to accept outside employment from Hoge Fenton to provide expert witness testimony relative to litigation between two private parties in

unincorporated Alameda County, subject to the limitations in Section 8 of the Employment Agreement between the Executive Officer and the Commission dated December 8, 2010.

MOTION: Solis SECOND: Barger APPROVED: 8-0-0
AYES: Barger, Close, Finlay, McCallum, Mirisch, Ryu, Solis, Gladbach
NOES: None.
ABSTAIN: None.
ABSENT: Dear

10 LEGISLATION

The following item was called up for consideration:

a. Legislative Update.

The EO summarized the staff report concerning the Legislative Update.

The EO read aloud an e-mail he received from Adan Ortega of the California Association of Mutual Water Companies, in support of the staff recommendation for the Commission to take a support position on SB 625.

Commissioner Finlay asked how much larger the Central Basin Municipal Water District (CBMWD) is compared to the former Sativa County Water District (SCWD). The EO indicated that the former SCWD provided retail water service to 1,700 connections. The CBMWD is a wholesale provider which purchases water from the Metropolitan Water District of Southern California (MWD); re-sells that water to approximately 40 different customers (cities, investor-owned utilities); and that the population within Central Basin's boundary is over 1.6 million people. Many agencies within the CBMWD's service area cannot purchase water directly from the MWD.

Commissioner Finlay asked what CBMWD's response to SB 625 is. The EO indicated that opposition is from current members who currently sit on the CBMWD's Board of Directors.

Commissioner Solis indicated that the CBMWD has been a troubled district for a long time, and that she supports the staff recommendation for the Commission to take a support position on SB 625.

Adriana Romo, Deputy Executive Office (DEO), indicated that Ms. Plambeck submitted an e-mail, during this meeting, in opposition of the Commission's recommendation to support SB 625 (Bradford). Adriana Flores, Office Assistant, read Ms. Plambeck's e-mail comments to the Commission. The e-mail indicated that a public agency of elected representatives should not be dissolved without a public vote, and this is undermining people's ability to elect their representatives.

The EO indicated that the CBMWD is aware of SB 625. SB 625 is not requiring LAFCO to reorganize (dissolve or consolidate) the CBMWD, but to conduct a Municipal Service Review and provide recommendations on how the new CBMWD's Board of Directors would be structured.

The Commission took the following actions:

- Took a "SUPPORT" position on SB 625 (Bradford) and directed staff to communicate the position in communications with members of the State Legislature and the Governor, including providing public testimony if so required; and
- Received and filed the Legislative Update.

MOTION: Solis SECOND: Finlay APPROVED: 8-0-0
AYES: Barger, Close, Finlay, McCallum, Mirisch, Ryu, Solis, Gladbach
NOES: None.
ABSTAIN: None.
ABSENT: Dear

11 MISCELLANEOUS CORRESPONDENCE

None.

12 COMMISSIONERS' REPORT

None.

13 EXECUTIVE OFFICER'S REPORT

a. Written Update

The EO summarized his written report.

13 EXECUTIVE OFFICER'S REPORT

b. Verbal Update.

The EO stated that Pamela Miller, Executive Director, California Associations of Local Agency Formation Commissions (CALAFCO), who planned to retire in October, has instead decided to remain as CALAFCO's Executive Director.

The EO thanked the Los Angeles County Board of Supervisors Executive Office and their staff, and Supervisors Barger and Solis and their staff, for hosting today's virtual meeting.

The Commission took the following action:

- Received and filed the Executive Officer's Report.

MOTION: Finlay SECOND: Solis APPROVED: 8-0-0
AYES: Barger, Close, Finlay, McCallum, Mirisch, Ryu, Solis, Gladbach
NOES: None.
ABSTAIN: None.
ABSENT: Dear

14 PUBLIC COMMENT

The DEO indicated she received comments via e-mail, during this meeting, which the DEO read on behalf of Pamela Miller, regarding the COVID-19 Pandemic and its impacts; and that she will stay as Executive Director at CALAFCO.

Chair Gladbach stated that he was happy that Ms. Miller will continue as CALAFCO's Executive Director.

The DEO indicated that she received comments via e-mail, during this meeting, which the DEO read on behalf of Ms. Plambeck, stating that e-mail is not a sufficient way to comment, as her internet service was working intermittently, and it was frustrating to submit comments in a timely fashion (Ms. Plambeck listened-in at today's virtual meeting).

The EO indicated that he will work with the Board of Supervisors Executive Office to address Ms. Plambeck's concerns at next month's meeting.

15 FUTURE MEETINGS

July 8, 2020
August 12, 2020
September 9, 2020

16 FUTURE AGENDA ITEMS

None.

17 ADJOURNMENT MOTION

Chair Gladbach thanked the BOS Executive Office and their staff for their assistance at today's virtual meeting. He also thanked LAFCO staff for their continued great efforts working under difficult circumstances, since the start of the COVID-19 Pandemic.

On motion of Commissioner Barger, seconded by Commissioner Solis, the live virtual meeting was adjourned at 9:58 a.m.

Respectfully submitted,

Paul Novak, AICP
Executive Officer

7:06 PM
06/29/20
Cash Basis

LA LAFCO
Register Report
June 2020

Type	Date	Num	Name	Paid Amount	Balance
Jun 20					
Check	06/01/2020	10656	Bank of America*	-18.25	-18.25
Check	06/10/2020	WIRE	TRPF 80 South Lake ...	-9,278.97	-9,297.22
Bill Pmt -Check	06/11/2020	10657	Certified Records Man...	-608.64	-9,905.86
Bill Pmt -Check	06/11/2020	10658	Charter Communicatio...	-542.63	-10,448.49
Bill Pmt -Check	06/11/2020	10659	CTS Clouds	-2,216.75	-12,665.24
Bill Pmt -Check	06/11/2020	10660	LACERA-OPEB	-1,917.55	-14,582.79
Bill Pmt -Check	06/11/2020	10661	Meijun	-30.00	-14,612.79
Bill Pmt -Check	06/11/2020	10662	MetLife*	-657.00	-15,269.79
Bill Pmt -Check	06/11/2020	10663	Motor Parks	-630.00	-15,899.79
Bill Pmt -Check	06/11/2020	10664	Office Depot*	-99.56	-15,999.35
Bill Pmt -Check	06/11/2020	10665	RSG, Inc.	-6,473.75	-22,473.10
Bill Pmt -Check	06/11/2020	10666	Wells Fargo	-385.89	-22,858.99
Bill Pmt -Check	06/11/2020	10667	Yvonne Green CPA	-212.50	-23,071.49
Bill Pmt -Check	06/11/2020	10668	Policy Consulting Ass...	-25,525.00	-48,596.49
Check	06/11/2020	10669	E Mulberg & Associates	-1,700.00	-50,296.49
Check	06/11/2020	10670	FedEx	-89.16	-50,385.65
Check	06/15/2020	DD	Federal Tax Deposit	-4,369.26	-54,754.91
Check	06/15/2020	DD	State Income Tax	-1,244.51	-55,999.42
Check	06/15/2020	DD	Ambar De La Torre	-2,116.57	-58,115.99
Check	06/15/2020	DD	Douglass S Dorado	-3,109.47	-61,225.46
Check	06/15/2020	DD	Adriana L Flores	-1,267.61	-62,493.07
Check	06/15/2020	DD	Michael E Henderson	-2,371.63	-64,864.70
Check	06/15/2020	DD	Paul A Novak	-5,261.48	-70,126.18
Check	06/15/2020	DD	Alisha O'Brien	-2,440.72	-72,566.90
Check	06/15/2020	DD	Adriana Romo	-3,865.60	-76,432.50
Bill Pmt -Check	06/18/2020	10671	CoreLogic	-28.80	-76,461.30
Bill Pmt -Check	06/18/2020	10672	County of Los Angeles*	-44,163.06	-120,624.36
Bill Pmt -Check	06/18/2020	10673	Daily Journal*	-17.50	-120,641.86
Bill Pmt -Check	06/18/2020	10674	Deltacare	-156.42	-120,798.28
Bill Pmt -Check	06/18/2020	10675	ECS Imaging, Inc.	-660.00	-121,458.28
Bill Pmt -Check	06/18/2020	10676	FedEx	-221.58	-121,679.86
Bill Pmt -Check	06/18/2020	10677	Kaiser*	-16,384.14	-138,064.00
Bill Pmt -Check	06/18/2020	10678	Promac Image Systems	-19.47	-138,083.47
Bill Pmt -Check	06/18/2020	10679	S.D.R.M.A.	-10,114.03	-148,197.50
Bill Pmt -Check	06/18/2020	10680	Delta Dental*	-3,184.98	-151,382.48
Check	06/18/2020	10681	RSG, Inc.	-29,687.50	-181,069.98
Check	06/19/2020	ADP	ADP	-141.66	-181,211.64
Bill Pmt -Check	06/29/2020	10682	Allied Public Risk	-13,300.00	-194,511.64
Bill Pmt -Check	06/29/2020	10683	ATT	-286.84	-194,798.48
Bill Pmt -Check	06/29/2020	10684	Bank of America*	-2,620.41	-197,418.89
Bill Pmt -Check	06/29/2020	10685	County Counsel	-3,361.79	-200,780.68
Bill Pmt -Check	06/29/2020	10686	FedEx	-121.03	-200,901.71
Bill Pmt -Check	06/29/2020	10687	LACERA	-13,919.58	-214,821.29
Bill Pmt -Check	06/29/2020	10688	Quadient Finance USA	-200.00	-215,021.29
Bill Pmt -Check	06/29/2020	10689	The Lincoln National	-261.82	-215,283.11
Bill Pmt -Check	06/29/2020	10690	Tropical Interior Plants	-125.00	-215,408.11
Check	06/30/2020	DD	Federal Tax Deposit	-417.49	-215,825.60
Check	06/30/2020	60873...	Kathryn Barger	-134.08	-215,959.68
Check	06/30/2020	60873...	Brogin-Falley Lori	-138.52	-216,098.20
Check	06/30/2020	DD	Richard Close	-277.05	-216,375.25
Check	06/30/2020	60873...	Margaret E Finlay	-138.53	-216,513.78
Check	06/30/2020	60873...	Edward G Gladbach	-415.58	-216,929.36
Check	06/30/2020	DD	Gerard McCallum II	-415.57	-217,344.93
Check	06/30/2020	DD	John A Mirisch	-277.05	-217,621.98
Check	06/30/2020	60873...	Judith M Mitchell	-277.05	-217,899.03
Check	06/30/2020	DD	Hilda L Solis	-128.48	-218,027.51
Check	06/30/2020	DD	David J Lesser	-277.05	-218,304.56
Check	06/30/2020	DD	David E Ryu	-138.52	-218,443.08
Check	06/30/2020	DD	Federal Tax Deposit	-4,369.27	-222,812.35
Check	06/30/2020	DD	State Income Tax	-1,244.51	-224,056.86
Check	06/30/2020	DD	Ambar De La Torre	-2,116.57	-226,173.43
Check	06/30/2020	DD	Douglass S Dorado	-3,109.47	-229,282.90
Check	06/30/2020	DD	Adriana L Flores	-1,267.61	-230,550.51
Check	06/30/2020	DD	Michael E Henderson	-2,371.63	-232,922.14
Check	06/30/2020	DD	Paul A Novak	-5,362.97	-238,285.11
Check	06/30/2020	DD	Alisha O'Brien	-2,514.94	-240,800.05
Check	06/30/2020	DD	Adriana Romo	-3,887.59	-244,687.64
Jun 20				-244,687.64	-244,687.64

AGENDA ITEM NO. 6.c. July 8, 2020						
PENDING PROPOSALS As of June 29, 2020						
	LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
1	Annexation 2006-12 to Los Angeles County Waterworks District No. 40 DD	Land Resource Investors	Annex 20 acres of vacant land located at the northeast corner of Avenue J and 37th Street East, City of Lancaster. Will be developed into 80 single family homes.	Incomplete filing: property tax transfer resolution, registered voter and landowner labels.	5/16/2006	Unknown
2	Annexation No. 2008-46 to Los Angeles County Waterworks District No. 40 DD	New Anaverde, LLC	Annex 1,567 acres of vacant land located near Lake Elizabeth Road and Avenue S in the city of Palmdale. Will be developed into 313 single family home.	Incomplete filing: CEQA, registered voter labels, landowner labels, and approved map and legal.	10/5/2006	Unknown
3	Annexation No. 2011-17 (2006-50) to Los Angeles County Waterworks District No. 40 DD	Behrooz Haverim/Kamyar Lashgari	Annex 20.62 acres of vacant land located south of Avenue H between 42nd Street West and 45th Street West in the City of Lancaster. To be developed into single family homes	Incomplete filing: property tax transfer resolution, registered voter and landowner labels.	12/1/2006	Unknown
4	Annexation 2008-13 to Los Angeles County Waterworks District No. 40 DD	Lancaster School Dist.	Annex 20.47 acres of vacant land located 2 miles west of the Antelope Valley fw. And the nearest paved major streets are ave. H. And Ave. I, in the City of Lancaster. For future construction of a school.	Need BOE fees to place on agenda for approval. Emailed district for fees on 4-18-17.	9/22/2008	Unknown
5	Reorganization 2010-04 Los Angeles County Waterworks District No. 29 DD	Malitex Partners, LLC	Detach 88 acres of vacant land from the Las Virgenes Municipal Water District and annex same said territory to Los Angeles County Waterworks District No 29 and West Basin Municipal Water District. The project includes future construction of three homes and dedicates open space. The project site is located north of Pacific Coast Highway at the end of Murphy Way, in the unincorporated area adjacent to Malibu.	Notice of Filing sent 07-15-10. Incomplete filing: CEQA. EIR on hold 4-14-15. Applicant requested to keep this file open, pending details how to proceed with the project 04/29/15.	6/9/2010	Unknown
6	City of Palmdale Annexation 2010-05 DD	City of Palmdale	49.6 acres located adjacent to residential properties to the southwest, southeast, and separated by the Amargosa Creek to the north.	Notice of Filing sent 1-3-11 Incomplete filing: property tax transfer resolution, insufficient CEQA, unclear pre-zoning ordinance, approved map and legal. Need to include DUC.	10/25/2010	Unknown
7	Reorganization 2011-16 (Tesoro del Valle) DD	Montalvo Properties LLC	Annexation to NCWD and CLWA SOI Amendments for both districts. 801.53 acres regional access is provided via Interstate 5 (1-5) for north/south travelers from the east, and State Route 126 (SR-126) for travelers from the west. The existing local thoroughfare that provides access to the proposed area is Copper Hill Drive, which can be accessed directly from Tesoro del Valle Drive or Avenida Rancho Tesoro.	Notice of Filing sent 05-31-11. Incomplete filing: property tax transfer resolution. Project has changed ownership. Need new application	5/5/2011	Unknown
8	City of Los Angeles Annexation 2011-27 DD	Forestar Group	685 acres of uninhabited territory located east of Browns Canyon Road and northwest of Mason Ave, in the unincorporated area just north of the City of Los Angeles.	Notice of Filing sent 2-15-12 Incomplete filing: property tax transfer resolution, CEQA, pre-zoning ordinance, map of limiting addresses, list of limiting addresses, and approved map and legal.	12/8/2011	Unknown

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
9	DD	City of Palmdale Annexation 2011-19	City of Palmdale	405 acres of uninhabited territory located between Palmdale Blvd and Ave S and 80th and 85th Street East.	Notice of Filing sent 3-22-12 Incomplete filing: property tax transfer resolution, inadequate CEQA, maps of limiting addresses, list of limiting addresses, and approved map and legal. DUC adjacent	3/8/2012	Unknown
10	DD	Reorganization No. 2014-03 to the City of Calabasas	City of Calabasas	176± acres immediately north of and adjacent to the 101 freeway between the City of Calabasas and Hidden Hills.	Notice of Filing sent 1-8-15, Incomplete filing: property tax transfer resolution and approved map and legal.	12/10/2014	Unknown
11	DD	Annexation No. 2015-11 to the City of Palmdale (Desert View Highlands)	City of Palmdale	284 acres inhabited territory. Generally located north and south of Elizabeth Lake Road between Amargosa Creek and 10th street west, in Los Angeles County unincorporated territory surrounded by the City of Palmdale	Notice of Filing sent 9-22-15 Incomplete filing: property tax resolution, attachment 'A' plan for municipal services, CEQA (NOD), party disclosure, pre-zoning, map of limiting addresses, registered voter info	9/15/2015	Unknown
12	DD	Annexation No. 2015-10 to the City of Agoura Hills	City of Agoura Hills	117 acres uninhabited territory. Located northeast and southwest of Chesebro Road directly north of the Highway 101	Notice of Filing sent 11-3-15 Incomplete filing: property tax transfer resolution.	11/2/2015	Unknown
13	DD	Reorganization No. 2016-01 to the Las Virgenes Municipal Water District	Las Virgenes Municipal Water District	Detachment from West Basin Municipal Water District, and annexation to the Las Virgenes Municipal Water District. Both districts require SOI amendments. The territory consists of 26 single-family homes, generally located south of Cairnloch Street, west of Summit Mountain Way. all within the City of Calabasas.	Notice of Filing sent 04-19-16 Incomplete filing: property tax transfer resolution, and map and legal not approved.	2/22/2016	Unknown
14	AD	Annexation No. 2017-02 to the Newhall County Water District	Newhall County Water District	uninhabited territory, located west of the 5 freeway and north of the intersection of The Old Road and Calgrove Blvd.	Notice of Filing sent 06-21-17 Incomplete filing: property tax transfer resolution, CEQA, approved map and legal.	6/15/2017	Unknown
15	DD	Annexation No. 2017-09 to the Wilmington Cemetery District	Wilmington Cemetery District	inhabited territory around Wilmington	Notice of Filing sent 6-10-17 Incomplete filing: property tax transfer resolution	7/10/2017	Unknown
16	DD	Reorganization No. 2017-10 to the Las Virgenes Municipal Water District	Robert Douglass	5.26 acres of uninhabited territory. The affected territory is generally located northeast of the intersection of Hovenweep Lane and Schueren Road, in the unincorporated area north of Malibu	Notice of Filing Sent 11-30-17 Incomplete Filing: property tax transfer resolution, approved map and legal	11/8/2017	Unknown
17	DD	Annexation No 2018-10 to the Los Angeles County Waterworks District No. 40, Antelope Valley	Robert Sarkissian	80.91± acres of uninhabited territory. The affected territory is located southeast of the intersection of Blackbird Street and 8Th Street West, in the City of Palmdale	September 1, 2019 agenda	10/1/2018	Oct-2019
18	DD	Annexation No. 2018-06 to the San Gabriel Valley Mosquito and Vector Control District	San Gabriel Valley Mosquito and Vector Control District	77.55± acres of inhabited territory. The affected territory is located north of the intersection of Mountain Laurel Way and Highwood Court in the City of Azusa.	Notice of Filing Sent 11-1-18 Incomplete filing: property tax transfer resolution, approved map and legal	10/22/2018	Unknown

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
19	DD	Annexation No. 2018-12 to the City of Agoura Hills	City of Agoura Hills	82.58± acres of uninhabited territory to the City of Agoura Hills. Area A of the affected territory is generally located east of the intersection of Liberty Canyon Road and Agoura Road and Area C is generally located west of the intersection of Liberty Canyon Road and Revere Way, in Los Angeles County uninhabited territory adjacent to the City of Agoura Hills	Notice of Filing sent 11-20-18 Incomplete filing: property tax transfer resolution, CEQA, map of limiting addresses, pre-zoning, register voter labels, approved map and geographic description.	11/19/2018	Unknown
20	AD	Annexation 429 to District No. 14	Sanitation Districts	640.07± acres of uninhabited territory. The affected territory is located on the southeast corner of Sierra Highway and Columbia Way, all within the City of Palmdale.	Notice of Filing Sent 11-29-18 Incomplete filing: property tax transfer resolution.	11/28/2018	Unknown
21	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1093	Sanitation Districts	0.3± acres of uninhabited territory. The affected territory is located on Scherzinger Lane approximately 100 feet southwest of Sierra Cross Avenue, all within the City of Santa Clarita.	Waiting to record with the Registrar Recorders office	12/26/2018	Jul-2020
22	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1097	Sanitation Districts	230± acres of uninhabited territory. The affected territory is located south of Pico Canyon Road at the westerly terminus of Verandah Court, all within the uninhabited area of Los Angeles County.	Continued to the July 8, 2020 Agenda	12/26/2018	Jul-2020
23	AD	Annexation 760 to District No. 21	Sanitation Districts	0.48± acres of uninhabited territory. The affected territory is located north of the Pomona freeway approximately 300 feet west of Hacienda Boulevard, all within the uninhabited area of Los Angeles County.	Waiting to record with the Registrar Recorders office	1/30/2019	Jul-2020
24	AD	Annexation 430 to District No. 14	Sanitation Districts	227.677± acres of uninhabited territory. The affected territory is located north of Avenue D, south of Avenue B, east of the Southern Pacific Railroad, and west of Edwards Air Force Base, all within the uninhabited area of Los Angeles County.	July 8, 2020 Agenda	2/12/2019	Jul-2020
25	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1091	Sanitation Districts	4.158± acres of uninhabited territory. The affected territory is located on Placeritos Boulevard approximately 200 feet west of Aden Avenue, all within the City of Santa Clarita.	Waiting to record with the Registrar Recorders office	2/12/2019	Jul-2020
26	AD	Annexation 759 to District No. 21	Sanitation Districts	1.21± acres of uninhabited territory. The affected territory has 2 parcels. Parcel 1 is located on Glen Way approximately 800 feet north of Baseline Road; Parcel 2 is located on Mountain Avenue approximately 150 feet north of Baseline Road, all within the uninhabited area of Los Angeles County.	Waiting to record with the Registrar Recorders office	3/6/2019	Jul-2020
27	DD	Reorganization No. 2019-01 to the City of Rancho Palos Verdes	Rajendra Makan	1.17± acres of uninhabited territory located along Re Le Chardlene, east of the intersection of Chandeleur and Rue Le Charlene, in the City of Los Angeles.	Notice of Filing Sent 5-14-19 Incomplete filing: property tax transfer resolution and approved map and legal.	5/14/2019	Unknown
28	DD	Annexation No 2019-07 to the Greater Los Angeles County Vector Control District (Entire City of Vernon)	City of Vernon	3.301± acres of uninhabited territory, entire City of Vernon	Notice of Filing Sent 8-28-19 Incomplete filing: property tax transfer resolution, party disclosure, approved map and legal.	7/23/2019	Unknown
29	AD	Annexation 762 to District No. 21	Sanitation Districts	0.389± acres of uninhabited territory. The affected territory is located on Mountain Avenue approximately 300 feet north of Baseline Road, all within Unincorporated Los Angeles County.	Waiting to record with the Registrar Recorders office	9/24/2019	Jul-2020
30	AD	Annexation 435 to District No. 22	Sanitation Districts	2.2± acres of uninhabited territory. The affected territory is located on Foothill Boulevard approximately 250 feet west of San Dimas Canyon Road, all within the City of San Dimas.	Waiting to record with the Registrar Recorders office	9/24/2019	Jul-2020
31	AD	Annexation 761 to District No. 21	Sanitation Districts	1.23± acres of uninhabited territory. The affected territory is generally located on Baseline Road approximately 1,000 feet west of Towne Avenue, all within the City of Claremont.	Waiting to record with the Registrar Recorders office	10/15/2019	Jul-2020

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
32	DD	Annexation No. 2019-03 to the Santa Clarita Valley Water Agency	Santa Clarita Valley Water Agency	324± acres of uninhabited territory. The affected territory is generally located east and west of San Francisco Canyon Road approximately one mile north of the City of Santa Clarita, in Los Angeles County unincorporated territory near the City of Santa Clarita.	Notice of Filing Sent 10-23-19 Incomplete filing; property tax resolution, LAFCO fees, consent letter, CEQA, and approved map and legal	10/17/2019	Unknown
33	DD	Formation No. 2019-06 of the Lower Los Angeles River Recreation and Park District	City of South Gate	inhabited territory, along the Los Angeles River between Vernon and Long Beach	waiting an a map to start the formation process.	10/2/2019	Unknown
34	AD	Annexation 429 to District No. 22	Sanitation Districts	4.64± acres of uninhabited territory. The affected territory has 2 parcels. Parcel 1 is located on Cameron Avenue approximately 800 feet south of Barranca Street; Parcel 2 is located on Wrede Way approximately 300 feet west of Grand Avenue, all within the City of West Covina.	Waiting to record with the Registrar Recorders office	11/6/2019	Jul-2020
35	AD	Annexation 431 to District no. 14	Sanitation Districts	2.72± acres of uninhabited territory. The affected territory is on the southeast corner of 20th Street West and Avenue L, all within the City of Lancaster.	Waiting to record with the Registrar Recorders office	11/12/2019	Jul-2020
36	AD	Annexation 32 to District no. 16	Sanitation Districts	0.789± acres of uninhabited territory. The affected territory is on the north side of Sierra Madre Boulevard approximately 50 feet east of Canyon Wash Drive, all within the City of Pasadena.	Waiting to record with the Registrar Recorders office	12/5/2019	Jul-2020
37	AD	Annexation 433 to District no. 22	Sanitation Districts	0.755± acres of uninhabited territory. The affected territory is on Crestglen Road approximately 300 feet north of Sierra Madre Avenue, all within the City of Glendora.	Waiting to record with the Registrar Recorders office	12/5/2019	Jul-2020
38	AOB	Annexation No. 2019-08 to the Santa Clarita Valley Water Agency	Santa Clarita Valley Water Agency	349± acres of inhabited territory. The affected territory is generally located southwest of the intersection of Old Rock Road and Valencia Boulevard, in Los Angeles County unincorporated territory near the City of Santa Clarita.	Notice of Filing Sent 1-15-2020 Incomplete filing; property tax resolution, approved map and legal	12/30/2019	Unknown
39	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1092	Sanitation Districts	3.77± acres of uninhabited territory. The affected territory is located on the south side of Soledad Canyon Road at Mammoth Lane, all within the City of Santa Clarita.	Notice of Filing Sent 01-30-20 Incomplete filing; property tax transfer resolution.	1/28/2020	Unknown
40	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1096	Sanitation Districts	5.11± acres of uninhabited territory. The affected territory is located on Sand Canyon Road approximately 400 feet south of Comet Way, all within the City of Santa Clarita.	Notice of Filing Sent 01-30-20 Incomplete filing; property tax transfer resolution.	1/28/2020	Unknown
41	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1101	Sanitation Districts	2.5± acres of uninhabited territory. The affected territory is located on Arroyo Oak Lane approximately 300 feet south of Hasley Canyon, all within the unincorporated area of Los Angeles County.	Notice of Filing Sent 01-30-20 Incomplete filing; property tax transfer resolution.	1/28/2020	Unknown
42	AD	Annexation 434 to District no. 22	Sanitation Districts	1.21± acres of uninhabited territory. The affected territory is located on Dancove Drive approximately 100 feet northeast of the terminus of Greenville Drive, all within the City of West Covina.	Notice of Filing Sent 02-4-20 Incomplete filing; property tax transfer resolution.	2/4/2020	Unknown
43	DD	Reorganization No. 2020-01 to the City of Santa Clarita (Tesoro del Valle)	City of Santa Clarita	1609± acres of inhabited territory. The affected territory is generally located north of the intersection of Copper Hill Drive and Avenida Rancho Tesoro, in the Unincorporated area of Los Angeles County adjacent to the City of Santa Clarita.	Notice of Filing sent 02-18-20 Incomplete filing; property tax transfer resolution, approved map and legal. Reorg area within DJC.	1/27/2020	Unknown
44	AD	Annexation 436 to District no. 22	Sanitation Districts	6.356± acres of uninhabited territory. The affected territory is located on the north side of Mt. Olive Drive approximately 500 feet east of Woodlyn Lane, all within the City of Bradbury.	Notice of Filing Sent 03-12-20 Incomplete filing; property tax transfer resolution.	3/12/2020	Unknown
45	DD	MSR No. 2020-02 Municipal Service Review and Sphere of Influence Update for the Consolidated Fire Protection District of Los Angeles County	Local Agency Formation Commission for the County of Los Angeles	MSR and SOI Update for the Consolidated Fire Protection District for Los Angeles County	RSG is preparing the MSR	2019	Jul-2020

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
46	AD	Annexation 428 to District no. 14	Sanitation Districts	2.51± acres of uninhabited territory. The affected territory is located on the southwest corner of Avenue N and 10th Street West, all within the City of Palmdale.	Notice of Filing Sent 06-8-20 Incomplete filing; property tax transfer resolution.	5/28/2020	Unknown
47	DD	Annexation No 2020-03 to the Consolidate Fire Protection District of Los Angeles County (Vernon)	CFPD	3,300± acres of inhabited territory. City of Vernon	July 8, 2020 Agenda	6/1/2020	Aug-2020
48	DD	Out-of-Agency Service Agreement 2020-04 for the City of La Verne	City of La Verne	24± acres of inhabited territory. Multiple areas around the outside of the City of La Verne.	July 8, 2020 Agenda	6/11/2020	Jul-2020
49	AOB	Formation No. 2020-05 of the Inglewood Transportation Management Community Services District	City of Inglewood	5,804± acres (or 9.07± square miles) of inhabited territory, all within the City of Inglewood.	Notice of Filing sent 06-17-20. Incomplete filing; property tax transfer resolution, approved map and legal.	6/15/2020	Nov-2020

Staff Report

July 8, 2020

Agenda Item No. 6.d.

Annexation No. 430 to the County Sanitation District No. 14 of Los Angeles County

PROPOSAL SUMMARY:

Size of Affected Territory:	227.677± acres
Inhabited/Uninhabited:	Uninhabited
Applicant:	County Sanitation District No. 14 of Los Angeles County
Resolution:	January 30, 2019
Application Filed with LAFCO:	February 12, 2019
Certificate of Filing:	June 18, 2020
Location:	The affected territory is located north of Avenue D, south of Avenue B, east of the Southern Pacific Railroad, and west of the Edwards Air Force Base.
City/County:	Los Angeles County unincorporated territory.
Affected Territory:	The affected territory is vacant, agricultural, government use, and residential. The territory consists of land the District has acquired to meet environmental mitigation measures related to the Lancaster Water Reclamation Plant 2020 Facilities Plan. The topography is flat.
Surrounding Territory:	Surrounding territory is vacant, agricultural, government use, and residential.
Landowner:	County Sanitation District No. 14.
Registered Voters:	0 registered voters as of January 12, 2018.
Purpose/Background:	The subject territory consists of land the District has acquired to meet environmental mitigation

measures related to the Lancaster Water Reclamation Plant 2020 Facilities Plan.

Jurisdictional Changes:

The jurisdictional changes that result from this proposal include annexation to County Sanitation District No. 14 of Los Angeles County.

Within SOI:

Yes.

Waiver of Public Hearing:

Pursuant to Government Code Section 56662(a), the Commission may waive notice and the public hearing for the annexation, because the proposal meets all of the following criteria: the affected territory is uninhabited; no affected local agency has submitted a written demand for a hearing within ten (10) days following the mailed hearing notice; and the owner of land within the affected territory has given their written consent to the proposal. Staff has therefore agendized the Proposal on the Commission "Consent Item(s)" portion of the Agenda as Agenda Item 6.d.

**California Environmental
Quality Act (CEQA) Clearance:**

The California Environmental Quality Act (CEQA) clearance is the Lancaster Water Reclamation Plant 2020 Facilities Plan Environmental Impact Report certified by the County Sanitation District No. 14 of Los Angeles County, as lead agency, on June 16, 2004.

Additional Information:

None.

CERTIFICATE OF FILING

Pursuant to Government Code § 56020.6, a Certificate of Filing (COF) is “the document issued by the Executive Officer that confirms an application for a change of organization or reorganization has met submission requirements and is accepted for filing.”

Upon reviewing the proposal for completeness, and pursuant to the requirements of Government Code § 56658, the Executive Officer issued the COF to the applicant on June 18, 2020. In conjunction with the issuance of the COF, the Executive Officer set the date of consideration as Wednesday, July 8, 2020.

FACTORS TO BE CONSIDERED PURSUANT TO GOVERNMENT CODE 56668:

a. Affected population, territory and adjacent areas:

The existing population is 0 residents as of January 12, 2018.

The population density issue does not apply because the affected territory is unpopulated.

The estimated future population is 0 residents (no anticipated change).

The affected territory is 227.677+/- acres. The affected territory is vacant, agricultural, government use, and residential. The territory consists of land the District has acquired in order to meet environmental mitigation measures related to the Lancaster Water Reclamation Plant 2020 Facilities Plan.

The assessed valuation is \$0.00 as of January 30, 2019. The affected agencies have adopted a zero tax exchange resolution.

The per capita assessed valuation issue does not apply because the affected territory is unpopulated.

The topography of the affected territory is flat.

There are no natural boundaries within or adjacent to the affected territory.

There are no drainage basins on or near the affected territory.

The affected territory is not surrounded by populated areas on all sides.

The affected territory is likely to experience no growth in the next ten years. The adjacent areas are likely to experience no growth in the next ten years.

b. Governmental Services and Controls:

The affected territory consists of land the District has acquired to meet environmental mitigation measures related to the Lancaster Water Reclamation Plant 2020 Facilities Plan. Which requires organized governmental services.

The present cost and adequacy of governmental services and controls in the area are acceptable. With respect to sanitary sewage disposal, other than service provided by the District, there is no other sewer service alternative. The Los Angeles County Department of Public Health prohibits the installation, alteration, or repair of any on-site wastewater treatment systems for any building for which connection to a public sewer system is available within 200 feet. Due to the proposed land uses within the annexation area and its proximity to existing sewer infrastructure, public sewer service is the only viable alternative for development to occur. The cost of sewage disposal by the District is relatively preferable since the annexation is relatively close to an existing public sewer system. Service by the District is environmentally superior in terms of wastewater treatment, effluent discharge, and impacts on surface water bodies and groundwater.

c. Proposed Action and Alternative Actions:

The proposed action will have no effect on adjacent areas. The proposed action will have no effect on mutual social and economic interests. The proposal has no impact on the local government structure of the County. There is no alternative to public sewage disposal as stated above. Service by the District is considered more reliable than septic systems. Service by the District is environmentally superior in terms of wastewater treatment, effluent discharge, and impacts on surface water bodies and groundwater.

d. Conformity with Commission Policies on Urban Development and Open Space Conversion Policies:

There are no conformance issues because the Commission has not adopted any policies relative to providing planned, orderly, efficient patterns of urban development.

There is no prime agricultural land within or adjacent to the affected territory. The proposal conforms with the objectives in Government Code Sections 56377(a) and 56377(b).

e. Agricultural Lands:

There are no effects on agricultural lands, as defined. None of the land within the affected territory is currently used for the purpose of producing an agricultural commodity for commercial purposes, land left fallow under a crop rotational program, or land enrolled in an agricultural subsidy or set-aside program. According to the California Department of Conservation, Division of Land Resource Protection, none of the land within the affected territory is subject to a Land Conservation Act (aka "Williamson Act") contract nor in a Farmland Security Zone (California Land Conservation Act 2012 Status Report).

f. Boundaries:

The boundaries of the affected territory have been clearly defined by the applicant, conform to lines of assessment or ownership, and have been reviewed and approved by LAFCO's GIS/Mapping Technician.

As a special district annexation, the proposal has no impact on existing city-county boundaries, nor does it create islands or corridors of unincorporated territory.

g. Regional Transportation Plan:

The Southern California Association of Governments (SCAG) adopted its 2016-2040 Regional Transportation Plan (RTP) and Sustainable Communities Strategy (SCS) pursuant to Government Code Section 65080. The closest highway to the annexation is part of the RTP and SCS's State Highway improvement program. The closest highway in the RTP/SCS is the Aerospace Highway, which is approximately 300 feet from the affected territory.

h. Consistency with Plans:

The proposal is consistent with the existing County's General Plan designation of Rural Land 10 (RL10).

The affected territory is not within the boundaries of any Specific Plan.

Pre-zoning is not a requirement for a special district proposal.

i. Sphere of Influence:

The affected territory is within the Sphere of Influence of the County Sanitation District No. 14 of Los Angeles County.

j. Comments from Public Agencies:

Staff did not receive any significant comments from public agencies or any resolutions raising objections from any affected agency.

k. Ability to Provide Services:

Although the affected territory is not currently served by the District, the area was included in the future service area that might be served by the District. The District's future wastewater management needs were addressed in the Lancaster Water Reclamation Plant 2020 Facilities Plan.

l. Timely Availability of Water Supplies:

There are no known issues regarding water supply or delivery. The affected territory is within the boundaries of the Antelope Valley-East Kern Water Agency which is the local water purveyor.

m. Regional Housing Needs:

As a special district annexation, the proposal will not affect any city, nor the county, in achieving their respective fair shares of the regional housing needs as determined by the Southern California Association of Governments (SCAG).

n. Comments from Landowners, Voters, or Residents:

Staff did not receive any significant comments from landowners, voters, or residents.

o. Land Use Designations

The proposal is consistent with the existing County's General Plan designation of Rural Land 10 (RL10).

The proposal is consistent with the existing County's zoning designation of Heavy Agriculture (A-2-1).

p. Environmental Justice:

There are no Disadvantaged Unincorporated Communities (DUCs) within or adjacent to the affected territory.

q. Hazard Mitigation Plan:

The County of Los Angeles All-Hazard Mitigation Plan (approved February 13, 2019) establishes the County's emergency policies and procedures in the event of a disaster and addresses allocation of resources and protection of the public in the event of an emergency.

The Safety Element of the General Plan for the County of Los Angeles (approved October 6, 2015) addresses reduction of the potential risk of death, injuries, and economic damages resulting from natural and man-made hazards.

The affected territory is not within a Very High Fire Hazard Zone pursuant to maps published by the California Department of Forestry and Fire Protection (Cal Fire). The affected territory is not within the maps that identify state responsibility area. Both the County of Los Angeles All-Hazard Mitigation Plan and the Safety Element of the General Plan include information relating to mitigation and management of wildfire and fire hazard severity zones.

ADDITIONAL INFORMATION/OTHER MATTERS (RELEVANT TO THE PROPOSAL):

None.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CLEARANCE:

The California Environmental Quality Act (CEQA) clearance is the Lancaster Water Reclamation Plant 2020 Facilities Plan Environmental Impact Report certified by the County Sanitation District No. 14 of Los Angeles County, as lead agency, on June 16, 2004. The Commission is a responsible agency pursuant to State CEQA Guidelines Section 15096.

DETERMINATIONS WITHOUT NOTICE AND HEARING, AND WAIVER OF PROTEST PROCEEDINGS:

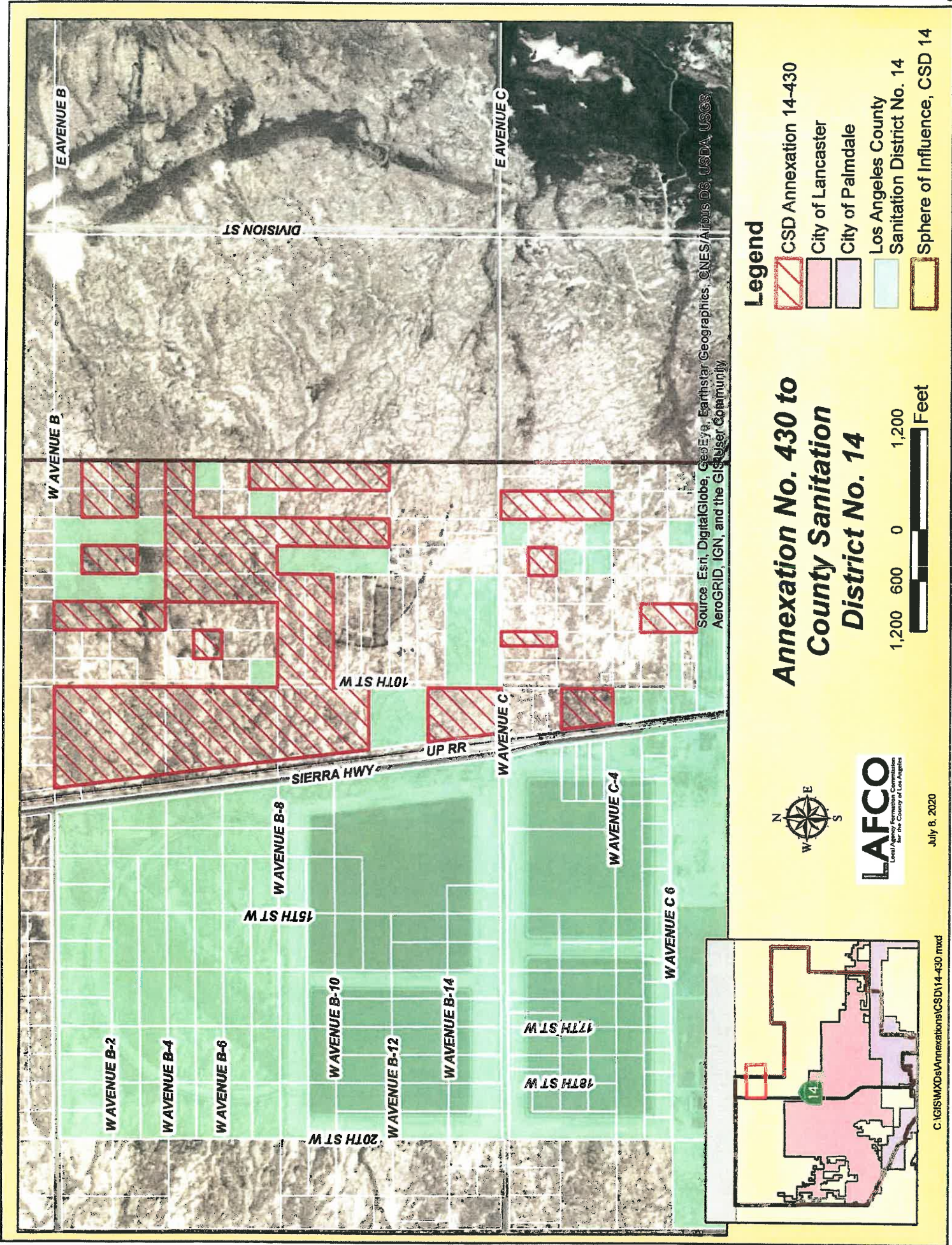
Pursuant to Government Code Section 56662(a), the Commission may make determinations upon the proposed annexation without notice and hearing and may waive protest hearings for the reasons set forth herein. The territory is uninhabited. To date, no affected local agency has submitted a written demand for notice and hearing during the 10-day period referenced in Government Code Section 56662(c). Furthermore, the proposal was accompanied by satisfactory proof that all the landowners within the affected territory have given their written consent to the proposed annexation. Based thereon, the Commission may make determinations on the proposed annexation without notice and hearing, and the Commission may waive protest proceedings.

CONCLUSION:

Staff recommends approval of the proposal as a logical and reasonable extension of the County Sanitation District No. 14 of Los Angeles County which will be for the interest of landowners and/or present and/or future inhabitants within the District and within the annexation territory.

RECOMMENDED ACTION:

1. Adopt the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving and Ordering Annexation No. 430 to the County Sanitation District No. 14 of Los Angeles County.



**RESOLUTION NO. 2020-00RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES
MAKING DETERMINATIONS APPROVING AND ORDERING
"ANNEXATION NO. 430 TO THE COUNTY SANITATION DISTRICT NO. 14
OF LOS ANGELES COUNTY"**

WHEREAS, the County Sanitation District No. 14 of Los Angeles County (District) adopted a resolution of application to initiate proceedings, which was submitted to the Local Agency Formation Commission for the County of Los Angeles (Commission), pursuant to, Division 3, Title 5, of the California Government Code (commencing with section 56000, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000), for annexation of territory herein described to the District, all within the unincorporated area of Los Angeles County; and

WHEREAS, the proposed annexation consists of approximately 227.677± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 430 to the County Sanitation District No. 14 of Los Angeles County"; and

WHEREAS, a description of the boundaries and map of the proposal are set forth in Exhibits "A" and "B", attached hereto and by this reference incorporated herein; and

WHEREAS, the principal reason for the proposed annexation consists of land the District has acquired in order to meet environmental mitigation measures related to the Lancaster Water Reclamation Plant 2020 Facilities Plan; and

WHEREAS, the Executive Officer has reviewed the proposal and submitted to the Commission a written report, including his recommendations therein; and

WHEREAS, the Commission has determined that the Proposal meets all of the criteria for the Commission to make a determination without notice and hearing and waive protest

proceedings entirely, pursuant to Government Code Section 56662; and

WHEREAS, the Executive Officer set the item for consideration for July 8, 2020 at 9:00 a.m., at the Commission's virtual meeting held by teleconference and web access, pursuant to the provisions of the Governor's Executive Orders N-25-20 and N-29-20, under the modified laws of the Ralph M. Brown Act for the COVID-19 emergency, as well as the County of Los Angeles "Safer at Home Order for Control of COVID-19"; and

WHEREAS, on July 8, 2020, this Commission considered the Proposal and the report of the Executive Officer.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. Acting as a responsible agency with respect to Annexation No. 430 to the County Sanitation District No. 14 of Los Angeles County, pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15096, the Commission has considered the Final Environmental Impact Report prepared and certified by the County Sanitation District No. 14 of Los Angeles County, as lead agency, on June 16, 2004 for the project; certifies that the Commission has independently reviewed and considered the information contained in the Final Environmental Impact Report and reached its own conclusions regarding the environmental effects of the Commission's approvals related to the project as shown in the Lancaster Water Reclamation Plant 2020 Facilities Plan Final Environmental Impact Report; adopts the Mitigation Monitoring and Reporting Program, finding that the Mitigation Monitoring and Reporting Program is adequately designed to ensure compliance with the mitigation measures during project implementation; and determines that the significant adverse effects of the project have either been reduced to an

acceptable level or are outweighed by the specific considerations of the project, as outlined in the environmental findings and Statement of Overriding Considerations, which findings and statement are adopted and incorporated herein by reference as applicable.

2. Pursuant to Government Code Section 56662(a), the Commission hereby finds and determines that:

- a. The territory encompassed by the annexation is uninhabited; and
- b. Pursuant to Government Code Sections 56658(b)(1) and 56662(c), the Executive Officer has given the required mailed notice to each affected agency of the application to initiate proceedings for the proposed annexation, and no affected local agency has submitted a written demand for notice and hearing during the 10-day period following the notice; and
- c. The annexation was accompanied by satisfactory proof that the owner of land within the affected territory has given their written consent to the proposal.

Based thereon, pursuant to Government Code Section 56662(a), the Commission may, and hereby does, make determinations on the proposal without notice and hearing, and the Commission may, and hereby does, waive protest proceedings entirely.

3. A description of the boundaries and map of the proposal, as approved by this Commission, are set forth in Exhibits "A" and "B", attached hereto and by this reference incorporated herein.

4. The affected territory consists of 227.677± acres, is uninhabited, and is assigned the following short form designation:

"Annexation No. 430 to the County Sanitation District No. 14 of Los Angeles County".

5. Annexation No. 430 to the County Sanitation District No. 14 of Los Angeles County is hereby approved, subject to the following terms and conditions:

- a. The District agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding against LAFCO and/or its agents, officers and employees to attack, set aside, void or annul the approval of LAFCO concerning this proposal or any action relating to or arising out of such approval.
- b. The effective date of the annexation shall be the date of recordation of the Certificate of Completion with the Los Angeles County Registrar-Recorder/County Clerk.
- c. Recordation of the Certificate of Completion shall not occur prior to the conclusion of the 30-day reconsideration period provided under Government Code § 56895.
- d. All fees due to LAFCO, the County of Los Angeles (including, but not limited to, fees owed to the County Assessor and/or the Registrar-Recorder/County Clerk), and the State of California Board of Equalization; shall be paid by the Applicant, in full, prior to LAFCO's filing the Certificate of Completion. Failure to pay any and all fees due to LAFCO, the County of Los Angeles, and the State Board of Equalization, within one year of the Commission approval of this change of

organization/reorganization, will result in the change of organization/reorganization being terminated pursuant to Government Code §57001 unless, prior to expiration of that year, the Commission authorizes an extension of time for that completion.

- e. The territory so annexed shall be subject to the payment of such service charges, assessments or taxes as may be legally imposed by the District.
- f. The regular County assessment roll shall be utilized by the District.
- g. The affected territory will be taxed for any existing general indebtedness, if any, of the District.
- h. Annexation of the affected territory described in Exhibits "A" and "B" to the District.
- i. The map and geographic description of the affected territory shall comply with all requirements of LAFCO, the Los Angeles County Registrar-Recorder/County Clerk, and the State of California Board of Equalization. If LAFCO, the Los Angeles County Registrar-Recorder/County Clerk, and/or the State of California Board of Equalization require changes, the map and geographic description shall be revised and all associated costs shall be the responsibility of the applicant.
- j. Except to the extent in conflict with "a" through "i", above, the general terms and conditions contained in Chapter 2 of Part 5, Division 3, Title 5 of the California Government Code (commencing with Government Code Section 57325) shall apply to this annexation.

6. The Commission hereby orders the uninhabited territory described in Exhibits "A" and "B" annexed to the County Sanitation District No. 14 of Los Angeles County.
7. Pursuant to Government Code 56883, the Executive Officer may make non-substantive corrections to this resolution to address any technical defect, error, irregularity, or omission.
8. The Executive Officer is directed to transmit a copy of this resolution to the District, upon the District's payment of the applicable fees required by Government Code Section 54902.5 and prepare, execute and file a certificate of completion with the appropriate public agencies, pursuant to Government Code Section 57200, *et seq.*

PASSED AND ADOPTED this 8th day of July 2020.

MOTION:

SECOND:

AYES:

NOES:

ABSTAIN:

ABSENT:

MOTION PASSES: 0/0/0

**LOCAL AGENCY FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES**

**Paul A. Novak, AICP
Executive Officer**

Staff Report

July 8, 2020

Agenda Item No. 6.e.

Annexation No. 1097 to the Santa Clarita Valley Sanitation District of Los Angeles County

PROPOSAL SUMMARY:

Size of Affected Territory:	230± acres
Inhabited/Uninhabited:	Uninhabited
Applicant:	Santa Clarita Valley Sanitation District of Los Angeles County
Resolution:	December 6, 2018
Application Filed with LAFCO:	December 26, 2018
Certificate of Filing	April 29, 2020
Location:	The affected territory is located south of Pico Canyon Road at the westerly terminus of Verandah Court.
City/County:	Los Angeles County unincorporated territory. (Santa Clarita Valley).
Affected Territory:	The affected territory is vacant. The territory consists of 102 proposed single-family homes. The topography has flat areas, hillsides, and canyons with moderate to steep slopes.
Surrounding Territory:	Surrounding territory is residential, vacant, and open space.
Landowner:	Lennar Homes of California, Inc.
Registered Voters:	Zero (0) registered voters as of July 20, 2018.
Purpose/Background:	For the District to provide off-site sewage disposal service.

Jurisdictional Changes:	The jurisdictional changes that result from this proposal include annexation to Santa Clarita Valley Sanitation District of Los Angeles County.
Within SOI:	Yes.
Waiver of Public Hearing:	Pursuant to Government Code Section 56662(a), the Commission may waive notice and the public hearing for the annexation because the proposal meets all of the following criteria: the affected territory is uninhabited; no affected local agency has submitted a written demand for a hearing within ten (10) days following the mailed hearing notice; and all owners of land within the affected territory have given their written consent to the proposal. Staff has therefore agendaized the Proposal on the Commission “Consent Item(s)” portion of the Agenda as Agenda Item 6.k.
California Environmental Quality Act (CEQA) Clearance:	The California Environmental Quality Act (CEQA) clearance is an Environmental Impact Report certified by the Los Angeles County Department of Regional Planning, as lead agency, on April 4, 2017.
Additional Information:	Annexation No. 1097 is continued from the June 10, 2020 meeting.

CERTIFICATE OF FILING

Pursuant to Government Code § 56020.6, a Certificate of Filing (COF) is “the document issued by the Executive Officer that confirms an application for a change of organization or reorganization has met submission requirements and is accepted for filing.”

Upon reviewing the proposal for completeness, and pursuant to the requirements of Government Code § 56658, the Executive Officer issued the COF to the applicant on April 29, 2020. In conjunction with the issuance of the COF, the Executive Officer set the date of consideration as Wednesday, July 8, 2020.

FACTORS TO BE CONSIDERED PURSUANT TO GOVERNMENT CODE 56668:

a. Affected population, territory and adjacent areas:

The existing population is zero (0) residents as of July 20, 2018.

The population density issue does not apply because the affected territory is unpopulated.

The estimated future population is 255 residents.

The affected territory is 230+/- acres. The affected territory is vacant. The territory consists of 102 proposed single-family homes.

The assessed valuation is \$3,345,838 as of December 12, 2018.

The per capita assessed valuation issue does not apply because the affected territory is unpopulated.

On February 18, 2020, the County adopted a negotiated tax exchange resolution; all other involved public agencies have adopted a corresponding property tax transfer resolution.

The topography of the affected territory consists of flat areas, hillsides, and canyons with moderate to steep slopes.

The affected territory is bounded by flat areas, hillsides, and canyons with moderate to steep slopes.

There are no drainage basins on or near the affected territory.

The affected territory is by populated to the north and east of the affected territory.

The affected territory is likely to experience modest growth in the next ten years. The adjacent areas are likely to experience modest growth in the next ten years.

b. Governmental Services and Controls:

The affected territory will be developed to include 102 proposed single-family homes which require organized governmental services. The affected territory will require governmental services indefinitely.

The present cost and adequacy of governmental services and controls in the area are acceptable. With respect to sanitary sewage disposal, other than service provided by the District, there is no other sewer service alternative. The Los Angeles County Department of Public Health prohibits the installation, alteration, or repair of any on-site wastewater treatment systems for any building for which connection to a public sewer system is available within 200 feet. Due to the proposed land uses within the annexation area and its proximity

to existing sewer infrastructure, public sewer service is the only viable alternative for development to occur. The cost of sewage disposal by the District is relatively preferable since the annexation is relatively close to an existing public sewer system. Service by the District is environmentally superior in terms of wastewater treatment, effluent discharge, and impacts on surface water bodies and groundwater.

c. *Proposed Action and Alternative Actions:*

The proposed action will have no effect on adjacent areas. The proposed action will have no effect on mutual social and economic interests. The proposal has no impact of the local government structure of the County. There is no alternative to public sewage disposal. Service by the District is considered more reliable than septic systems. Service by the District is environmentally superior in terms of wastewater treatment, effluent discharge, and impacts on surface water bodies and groundwater.

d. *Conformity with Commission Policies on Urban Development and Open Space Conversion Policies:*

There are no conformance issues because the Commission has not adopted any policies relative to providing planned, orderly, efficient patterns of urban development.

There is no prime agricultural land within or adjacent to the affected territory. The proposal conforms with the objectives in Government Code Sections 56377(a) and 56377(b).

e. *Agricultural Lands:*

There are no effects on agricultural lands, as defined. None of the land within the affected territory is currently used for the purpose of producing an agricultural commodity for commercial purposes, land left fallow under a crop rotational program, or land enrolled in an agricultural subsidy or set-aside program. According to the California Department of Conservation, Division of Land Resource Protection, none of the land within the affected territory is subject to a Land Conservation Act (aka "Williamson Act") contract nor in a Farmland Security Zone (California Land Conservation Act 2012 Status Report).

f. *Boundaries:*

The boundaries of the affected territory have been clearly defined by the applicant, conform to lines of assessment or ownership, and have been reviewed and approved by LAFCO's GIS/Mapping Technician.

As a special district annexation, the proposal has no impact on existing city-county boundaries, nor does it create islands or corridors of unincorporated territory.

g. *Regional Transportation Plan:*

The Southern California Association Governments (SCAG) adopted its 2016-2040 Regional Transportation Plan (RTP) and Sustainable Communities Strategy (SCS) pursuant to Government Code Section 65080. The closest highway to the annexation is part of the RTP and SCS's State Highway improvement program. The closest highway in the RTP/SCS is the 5 Freeway, which is approximately 2,250 feet from the affected territory.

h. Consistency with Plans:

The proposal is consistent with the existing County's General Plan designation of Rural Land 5 (RL5).

The affected territory is not within the boundaries of any Specific Plan.

Pre-zoning is not a requirement for a special district proposal.

i. Sphere of Influence:

The affected territory is within the Sphere of Influence of the Santa Clarita Valley Sanitation District of Los Angeles County.

j. Comments from Public Agencies:

Staff did not receive any significant comments from public agencies or any resolutions raising objections from any affected agency.

k. Ability to Provide Services:

Although the affected territory is not currently served by the District, the area was included in the future service area that might be served by the District in its sewer facilities plan. The District's future wastewater management needs were addressed in the 2015 Santa Clarita Joint Sewage System Facilities Plan and Environmental Impact Report (EIR).

l. Timely Availability of Water Supplies:

There are no known issues regarding water supply or delivery. The affected territory is within the boundaries of the Santa Clarita Water Agency which is the local water purveyor.

m. Regional Housing Needs: This proposal will assist the County's ability to achieve its fair share of the regional housing needs since the annexation area is being developed with 102 proposed single-family homes.

n. Comments from Landowners, Voters, or Residents:

Staff did not receive any significant comments from landowners, voters, or residents.

o. Land Use Designations

The proposal is consistent with the existing County's General Plan designation of Rural Land 5 (RL5).

The proposal is consistent with the existing County's zoning designation of Heavy Agricultural (A-2-2).

p. Environmental Justice:

The owner of real property within the affected territory has requested, in writing, that the District provide off-site sewage disposal service. Property owners of adjacent areas did not request such service, and/or were contacted by Sanitation District staff and were not interested in securing such service or did not respond. The proposal makes no representations on exclusions of peoples of any race, culture, and/or income with respect to the location of public facilities and public services.

There are no Disadvantaged Unincorporated Communities (DUCs) within or adjacent to the affected territory.

q. Hazard Mitigation Plan:

The County of Los Angeles All-Hazard Mitigation Plan (approved February 13, 2019) establishes the County's emergency policies and procedures in the event of a disaster and addresses allocation of resources and protection of the public in the event of an emergency.

The Safety Element of the General Plan for the County of Los Angeles (approved October 6, 2015) addresses reduction of the potential risk of death, injuries, and economic damages resulting from natural and man-made hazards.

The affected territory is within a Very High Fire Hazard Zone pursuant to maps published by the California Department of Forestry and Fire Protection (Cal Fire). The affected territory is within the maps that identify state responsibility area. Both the County of Los Angeles All-Hazard Mitigation Plan and the Safety Element of the General Plan include information relating to mitigation and management of wildfire and fire hazard severity zones.

ADDITIONAL INFORMATION/OTHER MATTERS (RELEVANT TO THE PROPOSAL):

Due to the receipt of a letter from Lynn Plambeck of Santa Clarita Organization for Planning and the Environment (SCOPE) during the meeting, Annexation No. 1097 to the Santa Clarita Valley Sanitation District of Los Angeles County was pulled from the Consent Agenda at the June 10, 2020 Meeting, and postponed to today's (July 8, 2020) meeting.

The June 10, 2020 SCOPE letter raises two points, both of which are herein addressed:

1. The letter states that the affected territory is located within a Very High Fire Hazard Severity Zone (VHFHSZ), contrary to the June 10th staff report, which indicated that the affected territory is not within a VHRHSZ. Staff researched two relevant sources (the

Draft EIR for the original development project approved by Los Angeles County, as well as the Fire Hazard maps published by the State of California Department of Forestry and Fire Protection (CalFire)). Staff has revised the discussion of Government Code Section 56668, subsection “q.” above (Page 6) to reflect that the affected territory is within a VHRHSZ. Staff regrets the error in the initial June 10th staff report.

2. The letter contends that a “new water supply assessment and/or analysis must be required for this project.” With respect to this claim, staff notes the following:
 - a. Lennar Homes proposes to develop the affected territory (existing vacant property) into a development of 102 single-family homes (Aidlin Hills Project).
 - b. The Environmental Impact Report (EIR) certified by the County determined that water was a “less than significant impact,” that “no mitigation measures are necessary,” and that “[a]s concluded in the 2010 UWMP [Urban Water Management Plan], the CLWA [Castaic Lake Water Agency] and the retail purveyors have adequate supplies to meet CLWA service demands, which includes the [Aidlin Hills] Project, during normal, single-dry, and multiple-dry years throughout the 40-year planning period.” As noted further in the EIR, “As the Project would not generate a water demand greater than that of 500 dwelling units, the Project would not be subject to Senate Bill (“SB”) 610 which requires that a water supply assessment be conducted,” and, “[a]ccording to the Valencia Water Company, [VWC] there is adequate water supply for the Project.” Staff confirmed all of this in conversation and emails with representatives of the Santa Clarita Valley Water Agency (SCVWA), which is now the water wholesaler and retailer for the project (the SCVWA is the new water agency created by SB 634 in 2010 which consolidated CLWA, VWC, and other agencies into the new SCVWA).
 - c. Los Angeles County Regional Planning Commission (RPC) approved the proposed Aidlin Hills Project on August 17, 2016. The Los Angeles County Board of Supervisors (BOS) approved the proposed Aidlin Hills Project on April 4, 2017. In both cases, the RPC and BOS conducted a noticed public hearing, certified the Environmental Impact Report (EIR), and adopted relevant findings and conditions.

Staff notes, further, that Lynn Plambeck/SCOPE raised both of these issues in a letter (October 28, 2014 to the Los Angeles County Department of Regional Planning. In short, the two issues SCOPE is raising in its recent letter to the Commission have already been considered in the EIR,

and reviewed and considered by staff at the County Regional Planning Department, and by the Regional Planning Commission and by the Board of Supervisors. Both decision-making bodies (RPC and BOS) approved the proposed Aidlin Hills project, inclusive of making the applicable CEQA findings.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CLEARANCE:

The CEQA clearance is an Environmental Impact Report (EIR) certified by the Los Angeles County Department of Regional Planning, as lead agency, on April 4, 2017. The Commission is a responsible agency pursuant to CEQA and State CEQA Guidelines Section 15096.

DETERMINATIONS WITHOUT NOTICE AND HEARING, AND WAIVER OF PROTEST PROCEEDINGS:

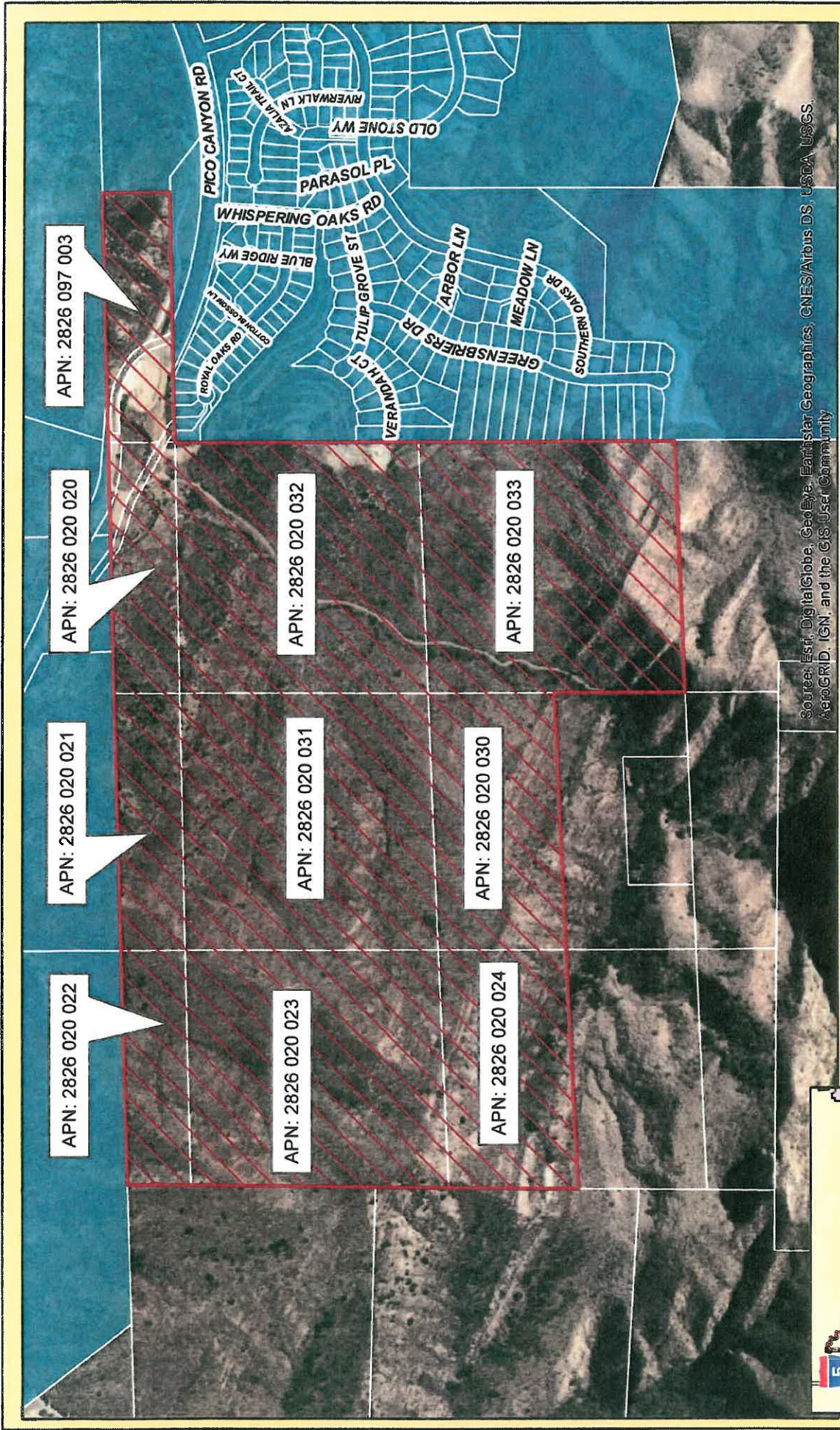
Pursuant to Government Code Section 56662(a), the Commission may make determinations upon the proposed annexation without notice and hearing and may waive protest hearings for the reasons set forth herein. The territory is uninhabited. To date, no affected local agency has submitted a written demand for notice and hearing during the 10-day period referenced in Government Code Section 56662(c). Furthermore, the proposal was accompanied by satisfactory proof that all the landowners within the affected territory have given their written consent to the proposed annexation. Based thereon, the Commission may make determinations on the proposed annexation without notice and hearing, and the Commission may waive protest proceedings.

CONCLUSION:

Staff recommends approval of the proposal as a logical and reasonable extension of the Santa Clarita Valley Sanitation District of Los Angeles County which will be for the interest of landowners and/or present and/or future inhabitants within the District and within the annexation territory.

RECOMMENDED ACTION:

1. Adopt the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving and Ordering Annexation No. 1097 to the Santa Clarita Valley Sanitation District of Los Angeles County.



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

Legend

- CSD Annexation SCV-1097
- County Unincorporated
- City of Santa Clarita
- Santa Clarita Valley Sanitation District of Los Angeles County
- Sphere of Influence, CSD SCV

Annexation No. 1097 to the Santa Clarita Valley Sanitation District of Los Angeles County



**RESOLUTION NO. 2020-00RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES
MAKING DETERMINATIONS APPROVING AND ORDERING
"ANNEXATION NO. 1097 TO THE SANTA CLARITA VALLEY SANITATION DISTRICT
OF LOS ANGELES COUNTY"**

WHEREAS, the Santa Clarita Valley Sanitation District (District) adopted a resolution of application to initiate proceedings, which was submitted to the Local Agency Formation Commission for the County of Los Angeles (Commission), pursuant to, Division 3, Title 5, of the California Government Code (commencing with section 56000, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000), for annexation of territory herein described to the District, all within the unincorporated area of Los Angeles County (County); and

WHEREAS, the proposed annexation consists of approximately 230± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 1097 to the Santa Clarita Valley Sanitation District of Los Angeles County"; and

WHEREAS, a description of the boundaries and map of the proposal are set forth in Exhibits "A" and "B", attached hereto and by this reference incorporated herein; and

WHEREAS, the principal reason for the proposed annexation is for the District to provide off-site sewage disposal service for 102 proposed single-family homes; and

WHEREAS, the Commission has determined that the Proposal meets all of the criteria for the Commission to make a determination without notice and hearing and waive protest proceedings entirely, pursuant to Government Code Section 56662; and

WHEREAS, the Executive Officer set the item for consideration for July 8, 2020 at 9:00 a.m., at the Commission's virtual meeting held by teleconference and web access, pursuant to

the provisions of the Governor's Executive Orders N-25-20 and N-29-20, under the modified laws of the Ralph M. Brown Act for the COVID-19 emergency, as well as the County of Los Angeles "Safer at Home Order for Control of COVID-19"; and

WHEREAS, on July 8, 2020, this Commission considered the Proposal and the report of the Executive Officer.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. As a responsible agency with respect to Annexation No. 1097 to the Santa Clarita Valley Sanitation District of Los Angeles County, pursuant to California Environmental Quality Act (CEQA) Guideline Section 15096, the Commission has considered the Final Environmental Impact Report prepared and certified by the Los Angeles County Department of Regional Planning, as lead agency ("County"), on April 4, 2017 for the project; certifies that the Commission has independently reviewed and considered the information contained in the Final Environmental Impact Report and reached its own conclusions regarding the environmental effects of the County's approvals related to the project as shown in the Final Environmental Impact Report; adopts the mitigation monitoring and reporting program as applicable; and determines that the significant adverse effects of the project have been reduced to an acceptable level, as outlined in the Environmental Findings of Fact, which findings are adopted and incorporated herein by reference as applicable.
2. Pursuant to Government Code Section 56662(a), the Commission hereby finds and determines that:
 - a. The territory encompassed by the annexation is uninhabited; and

b. Pursuant to Government Code Sections 56658(b)(1) and 56662(c), the Executive Officer has given the required mailed notice to each affected agency of the application to initiate proceedings for the proposed annexation, and no affected local agency has submitted a written demand for notice and hearing during the 10-day period following the notice; and

c. The annexation was accompanied by satisfactory proof that all owners of land within the affected territory have given their written consent to the proposal.

Based thereon, pursuant to Government Code Section 56662(a), the Commission may, and hereby does, make determinations on the proposal without notice and hearing, and the Commission may, and hereby does, waive protest proceedings entirely.

3. A description of the boundaries and map of the proposal, as approved by this Commission, are set forth in Exhibits "A" and "B", attached hereto and by this reference incorporated herein.

4. The affected territory consists of 230± acres, is uninhabited, and is assigned the following short form designation:

"Annexation No. 1097 to the Santa Clarita Valley Sanitation District of Los Angeles County".

5. Annexation No. 1097 to the Santa Clarita Valley Sanitation District of Los Angeles County is hereby approved, subject to the following terms and conditions:

a. The District agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding against LAFCO and/or its agents, officers and employees to attack, set aside, void or annul the approval of LAFCO concerning this proposal or any action relating to or

arising out of such approval.

- b. The effective date of the annexation shall be the date of recordation of the Certificate of Completion with the Los Angeles County Registrar-Recorder/County Clerk.
- c. Recordation of the Certificate of Completion shall not occur prior to the conclusion of the 30-day reconsideration period provided under Government Code § 56895.
- d. All fees due to LAFCO, the County of Los Angeles (including, but not limited to, fees owed to the County Assessor and/or the Registrar-Recorder/County Clerk), and the State of California Board of Equalization; shall be paid by the Applicant, in full, prior to LAFCO's filing the Certificate of Completion. Failure to pay any and all fees due to LAFCO, the County of Los Angeles, and the State Board of Equalization, within one year of the Commission approval of this change of organization/reorganization, will result in the change of organization/reorganization being terminated pursuant to Government Code §57001 unless, prior to expiration of that year, the Commission authorizes an extension of time for that completion.
- e. The territory so annexed shall be subject to the payment of such service charges, assessments or taxes as may be legally imposed by the District.
- f. The regular County assessment roll shall be utilized by the District.
- g. The affected territory will be taxed for any existing general indebtedness, if any, of the District.

- h. Annexation of the affected territory described in Exhibits "A" and "B" to the District.
 - i. The map and geographic description of the affected territory shall comply with all requirements of LAFCO, the Los Angeles County Registrar-Recorder/County Clerk, and the State of California Board of Equalization. If LAFCO, the Los Angeles County Registrar-Recorder/County Clerk, and/or the State of California Board of Equalization require changes, the map and geographic description shall be revised and all associated costs shall be the responsibility of the applicant.
 - j. Except to the extent in conflict with "a" through "i", above, the general terms and conditions contained in Chapter 2 of Part 5, Division 3, Title 5 of the California Government Code (commencing with Government Code Section 57325) shall apply to this annexation.
- 6. The Commission hereby orders the uninhabited territory described in Exhibits "A" and "B" annexed to the Santa Clarita Valley Sanitation District of Los Angeles County.
- 7. Pursuant to Government Code 56883, the Executive Officer may make non-substantive corrections to this resolution to address any technical defect, error, irregularity, or omission.
- 8. The Executive Officer is directed to transmit a copy of this resolution to the District, upon the District's payment of the applicable fees required by Government Code Section 54902.5 and prepare, execute and file a certificate of completion with the appropriate public agencies, pursuant to Government Code Section 57200, *et seq.*

PASSED AND ADOPTED this 8th day of July 2020.

MOTION:

SECOND:

AYES:

NOES:

ABSTAIN:

ABSENT:

MOTION PASSES: 0/0/0

**LOCAL AGENCY FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES**

**Paul A. Novak, AICP
Executive Officer**

Staff Report

July 8, 2020

Agenda Item No. 7.a.

MSR No. 2020-02

Municipal Service Review and Sphere of Influence Update for the Consolidated Fire Protection District of Los Angeles County

EXECUTIVE SUMMARY:

The Commission periodically prepares Municipal Service Reviews (MSRs) and updates the Spheres of Influence (SOIs) for cities and special districts in Los Angeles County.

RSG, a consultant to LAFCO, prepared a Draft MSR and SOI Update for the Consolidated Fire Protection District of Los Angeles County (CFPD).

RSG recommends that six cities—La Verne, Manhattan Beach, Redondo Beach, San Gabriel, Vernon, and West Covina—be added to the SOI for the CFPD. Staff supports RSG’s recommendation relative to updating the CFPD’s SOI.

BACKGROUND:

The Consolidated Fire Protection District of Los Angeles County (CFPD), one of the largest fire departments in the State of California, currently provides services to all unincorporated areas in County of Los Angeles (“County”), 58 cities in Los Angeles County, as well as the City of La Habra in Orange County. CFPD’s Sphere of Influence (SOI) covers a total area of 3,298 square miles, 72 miles of coastline, and protects a total of 4,276,079 people. It operates with an annual budget that is over \$1.2 billion and employs a total of 4,692 employees, including firefighters and administrative support staff that support the day-to-day activities of the CFPD. The CFPD is a full-service fire department that has the necessary resources to respond to many different types of incidents, varying from typical fire suppression and Emergency Medical Services (EMS) incidents to the more rare and specialized incidents such as wildfire suppression and hazardous materials incidents.

On November 13, 2019, your Commission awarded a consulting contract to RSG to prepare a Municipal Service Review (MSR) and SOI Update of the CFPD.

RSG has analyzed the CFPD consistent with all requirements of Government Code Section 56430, and drafted the corresponding determinations in the MSR. RSG’s methodology includes data collection, interviews with executive leadership of the CFPD and various city managers and fire chiefs of interested cities, development of departmental profiles, review of Los Angeles County Auditor-Controller audit reports, and analysis of service metrics and performance. In the

course of its work, RSG utilized information and documents from ESRI Business Analyst, LAFCO, the National Fire Protection Association (NFPA), the Insurance Services Office (ISO), the State of California Department of Finance, the Southern California Association of Governments (SCAG), and the United States Commerce Department Census Bureau. The MSR addresses several aspects of the CFPD: history and formation, staffing, services, fiscal health, performance standards, and service in incorporated cities. The MSR also provides a comparison of the CFPD to other large fire departments/districts in California (City of Los Angeles Fire Department, Orange County Fire Authority, Sacramento Metropolitan Fire District, and San Francisco fire Department).

In addition to addressing statutory issues, and at LAFCO's request, RSG also examined six cities which, in the past few years, have expressed a potential interest in annexing into the CFPD. In the course of drafting the MSR/SOI Update, RSG staff reached out to representatives of the CFPD and the six cities, and has considered their input in drafting the MSR/SOI Update. LAFCO staff reviewed several iterations of the draft MSR, and RSG considered staff's input while drafting the attached MSR/SOI Update.

MUNICIPAL SERVICE REVIEW DETERMINATIONS:

Pursuant to Government Code Section 56430, in order to prepare and to update a Sphere of Influence meeting the requirements of Section 56425, the Commission shall conduct a review of the municipal services in that particular district, and further, "shall consider and prepare a written statement of its determinations." RSG, consultant for LAFCO, has prepared the attached MSR (Municipal Service Review and Sphere of Influence Update Consolidated Fire Protection District of Los Angeles County) which made the following determinations, which are also recommended for approval by the Commission:

Population Projections:

To determine population and growth estimates, RSG utilized data obtained from the California Department of Finance (DOF). This MSR provides revised population estimates as of January 1, 2018, and provisional population estimates as of January 1, 2019, for the state, counties, and cities and includes a calculation of annual percent growth.

To determine the future population projections, RSG looked at historical trends dating back to 2000 based on Department of Finance data. This data was used to calculate the compound annual growth rate for the period of 2000 through 2019. The compound annual growth rate was then used to project the population from 2000 through 2035. The annual growth rate for CFPD's SOI is 0.38 percent, which is very close to the annual growth rate for all Los Angeles County, which was calculated at 0.39 percent.

Based on historical data and future projections, it can be assumed that CFPD provides service to approximately 40 percent of the County of Los Angeles residents. This also is

the anticipated trend moving forward because the City of Los Angeles Fire Department and the Long Beach Fire Department serve an additional 43 percent of the County’s population and any significant future increases in population served by CFPD would be due to annexations into CFPD.

The table and charts below outline the population count and comparisons from the CFPD Sphere of Influence to the County population count. As Figure 39 details, the population growth for the CFPD Sphere of Influence is relatively similar to that of the County, assuming no addition cities annex in to CFPD. This is important to consider in determining the feasibility of CFPD to take on more population and area, and the fact that CFPD population growth is comparable to that of the greater Los Angeles County.

Figure 39: Population Forecast, CFPD Territory and Los Angeles County

Year	2015	2016	2017	2018	2019	2020	2025	2030	2035
Countywide	10,155,753	10,185,851	10,226,920	10,254,658	10,253,716	10,293,705	10,496,004	10,702,279	10,912,608
CFPD Only	4,094,154	4,096,024	4,097,007	4,098,794	4,096,325	4,111,891	4,190,613	4,270,842	4,352,607

Disadvantaged Unincorporated Communities:

As part of the MSR, RSG considered the impact of the SOI related to Disadvantaged Unincorporated Communities. A Disadvantaged Unincorporated Community (“DUC”) is defined as an area of inhabited territory located within an unincorporated area of a county in which the annual median household income is less than 80 percent of the statewide median household income (by definition, a disadvantaged community within a city is not a DUC, as DUCs are only located within County unincorporated territory). State law considers an area with 12 or more registered voters to be an inhabited area. LAFCO designated the DUCs in the County using 2016 ACS Census data, meaning that any unincorporated area where the median household income is less than \$54,191.

For a comprehensive overview of the DUCs, please see the maps in Appendix 6 of the MSR.

As the only fire service provider in unincorporated Los Angeles County, CFPD serves all the County DUCs. These DUCs are located throughout the San Gabriel Valley, the Gateway Region, the High Desert, the Los Angeles Basin, and one near Santa Clarita. Because DUCs are exclusive to unincorporated areas, annexation of any incorporated city into the CFPD SOI would not impact any DUCs.

Present and Planned Capacity of Public Facilities:

The CFPD holds an extensive amount of equipment, apparatuses, and assets that it uses and maintains to carry out services. Figure 40 on Page 4 describes the equipment and apparatuses used in areas including Emergency Operations, Reserve Equipment, Lifeguards, Air and Wildland, and Forestry.

Figure 40: CFPD Equipment Inventory

Emergency Operations		Air and Wildland	
Battalions	22	Facilities	4
Fire Stations	174	Aircraft Mechanics	18
Engine Companies		Helicopters	
Type I	171	Bell 412	5
Type III (OES)	5	Firehawk	5
Type VI	34	Fire Suppression Camps	
Truck Companies		Paid	4
Light Forces	4	Correctional	5
Quints	25	Fire Suppression Crews	
Paramedic Units		Paid	4
Air Squads	3	Correctional	24
Assessment Engines	27	Dozers	10
Assessment Quint/Light Force	2	Dozer Transport Trucks	10
Engines	6	Fuel-Tender	1
Squads	71	Heli-Tenders	9
Hazardous Materials Squads	4	Heavy Equipment	19
USAR Squads	2		
Emergency Support Teams	3	Lifeguard Division	
Swift Water Rescue Units	5	Lifeguard Stations	24
Fire Boats	2	Lifeguard Towers	159
Foam Units	4	Beach Patrol Vehicles	58
Mobile Air/Light Units	4	Rescue Boats	8
Water Tenders	14	Paramedic Rescue Boats	2
		Baywatch Paramedic Squads	2
Reserve Equipment		Forestry Division	
Engines	58	Forest Tree Nurseries	5
Trucks/Quints	10	Plants Distributed	17,322
Squads	31		
Battalion SUVs	21		

Source: CFPD 2018 Statistical Analysis

The failure of Measure FD to obtain voter approval in March of 2020 raises concerns about the quality and usefulness of equipment and facilities. A May 2018 study commissioned by the County Board of Supervisors highlighted many serious operational needs of CFPD, and as later cited by the Board in December 2019:

- *“Local firefighters and paramedics are using decades old equipment.*
- *20-year-old fire engines and rescue vehicles frequently break down and are costly to repair and maintain.*
- *The Fire District’s antiquated 30-year-old 9-1-1 communications system is incompatible with modern wireless and digital systems; this poses challenges for paramedics who need to communicate directly with emergency rooms while transporting patients, and does not provide global positioning system mapping, a critical tool to reduce response times.*

- *Up-to-date equipment is needed, including thermal image cameras used to locate and rescue children, the elderly, and people with disabilities who are particularly vulnerable during fires, floods and earthquakes. ”*

Financial Ability of Agencies to Provide Services:

In March 2017, CFPD released a report including a five-point strategic plan that addressed the operational and management focus of the district. An update to the strategic plan has not been posted to the CFPD’s website since that time.

The five elements include the following:

1. Fiscal Sustainability;
2. Exemplary Services;
3. Workforce Development;
4. Operational Effectiveness; and
5. Emergency Preparedness.

Among the priorities of the CFPD strategic plan was addressing revenue challenges. For some time, CFPD has faced revenue shortfalls that constrain its ability to provide service. This was among the reasons why CFPD sought the Board of Supervisors support to put Measure FD on the March 2020 ballot. According to the December 3, 2019 Board motion from Supervisor Barger, “...more funding is needed to hire and train additional firefighter/paramedics and replace aging safety gear, communications tools and lifesaving rescue equipment. ”

RESERVE PLANNING FOR FIRE SERVICES

According to Los Angeles County’s 2018-19 Comprehensive Annual Financial Report (CAFR), the County maintains a “Rainy Day” fund (established in 2009 in response to the Great Recession) of approximately 10 percent of revenues to cover unforeseen fiscal challenges in the General Fund or other departments, although it does not appear that, as a dependent special district, the CFPD has any dedicated portion of this fund (the Board of Supervisors has, on occasion, allocated some of these funds to the CFPD). According to CFPD management, CFPD reserves are funded from prior year carryovers and when remaining funds are deployed for capital or other expenditures, a budget approval is required prior to the use of such funds.

Moreover, it does not appear that CFPD has established an equipment or capital replacement fund to address operational needs for district services. The lack of funding

for a public safety capital has been raised before the CFPD's governing body, the County Board of Supervisors. On August 15, 2013, the Board of Supervisors received an audit report from the County Auditor-Controller that made several findings about the fiscal health of CFPD with respect to capital asset purchases, including the following:

“Understandably, Fire provides critical services, and must be able to purchase fixed assets and equipment when needed. However, Fire may be able to minimize or avoid deficits through strategic timing of its acquisition of fixed assets and capital improvements, consideration of potential market-based financing options to pay for these acquisitions, and decisions of how to use its Fund Balance, Designations, and/or ACO funds to smooth the cyclical impact of economic downturns.”

It further went on to recommend that *“Fire needs to work with the CEO to refine its existing plans for fixed assets and capital improvement needs, including consideration of financing alternatives that will meet the District's requirements, while minimizing deficits.”*

Upon review, one major theme was apparent – the need for capital purchases and long-term infrastructure needs. As the Audit office noted in 2013, CFPD's routine/ongoing operating revenues exceeded operating expenditures by \$9.6 million. However, decisions to purchase needed fixed assets and equipment generated an additional \$20.9 million of expenditures, resulting in an \$11.3 million deficit.

The report also notes that, understandably, CFPD provides critical services, and must be able to purchase fixed assets and equipment when needed. However, the report also notes that CFPD may be able to minimize or avoid deficits through strategic timing of its acquisition of fixed assets and capital improvements, consideration of potential market-based financing options to pay for these acquisitions, and decisions of how to use its Fund Balance, Designations, and/or ACO funds to smooth the cyclical impact of economic downturns.

It is unclear to RSG whether such a refinement to CFPD practices has occurred, particularly since funding for replacement of these assets has been done on a pay-as-you-go basis, as CFPD does not have an established equipment replacement policy or practice that measures prorated replacement costs over the useful life of assets, unlike some best performing local agencies. Moreover, there is reasonable concern whether fiscal challenges may lie ahead for CFPD given: 1) the failure of Measure FD in March 2020 upon which CFPD stated an acute need for funding for capital (as well as for personnel), and 2) the unknown economic and fiscal consequences of the COVID-19 pandemic.

More recently, in 2019, Supervisor Barger's motion to place Measure FD on the ballot raised similar concerns about the financial capacity of CFPD to maintain necessary emergency equipment. In consultation with CFPD, following the rejection of ballot Measure FD, a funding mechanism and strategy is still to be identified.

Finally, the County's LACERA retirement obligations should not be ignored even though CFPD is a dependent special district and not (at least directly) responsible for fulfilling pension and OPEB liabilities. According to the June 30, 2019 actuarial report, LACERA reports total unfunded liabilities of over \$17 billion. Recently the County has been using surplus funds to pay down this liability, but much is left to be done. This is not a unique issue to any county or public agency, but the resilience of the County and CFPD is tied to a long-term solution to its pension crisis.

Status of, and Opportunities for, Shared Facilities:

CFPD operates under a regional approach of providing emergency services to the cities it serves and unincorporated areas of the County. This gives CFPD the ability to use its overall size and economy of scale to draw from many different facilities and different types of emergency apparatus in the area where an incident has occurred. This regional approach also allows for CFPD to more efficiently respond to large, complex, or simultaneous incidents that require a large amount of apparatus, personnel or specialty apparatus for incidents involving hazardous materials or urban search and rescue.

Most cities have mutual or automatic aid with neighboring agencies that allow for cities to draw upon the resources of other departments. Mutual aid is a voluntary exchange of resources. However, there is usually a lag time in dispatching these additional units causing longer response times and leading to increased risk for citizens involved and the personnel who are waiting on additional units to arrive. The regional approach allows for large amounts of units to be dispatched simultaneously to reduce response times and increase the likelihood that firefighters will be able to manage incidents effectively and reduce safety risks and property loss.

As an example, CFPD dispatchers utilize standardized response profiles that allows them to immediately dispatch the appropriate number of resources to incidents without having to assess the scene before requesting more resources from aid agreements.

In addition to resources including personnel and apparatuses, there is the potential option for shared facilities related to fire stations. On a case by case basis, a given station could potentially be closed due to neighboring stations providing an adequate level of service. This could also be the case for a station that receives minimal activity. This in turn could reduce costs by reducing capital improvement obligations as well as staffing a station that may not be necessary.

Currently, the CFPD has mutual aid agreements with every independent fire department in the County, apart from the City of Torrance Fire Department. These mutual aid agreements allow for the CFPD to call upon other agencies to provide support at incidents when applicable. These agreements also allow for independent departments to call upon the CFPD to provide support when there are large scale incidents that the

department cannot handle on its own. The mutual aid agreements are often utilized, drawing in resources and staff from CFPD to smaller agencies.

Going forward with the increase in wildfires expected due to climate change, the sustainability of the current mutual aid model has come into question without additional ongoing funding, according to the December 2019 Board motion: *“(CFPD’s) mutual aid system is no longer reliable. Today’s fast-moving, historically large wildfires are unpredictable and dangerous. We cannot count on firefighters from other areas helping in the event of disaster, since large wildfires often threaten other parts of California at the same time that they threaten our area.”*

In a follow-up discussion with CFPD management, CFPD cited two reasons why mutual aid agreements are less reliable today. First, they contend that statewide, many fire agencies have not recovered from the last recession and are still working with scaled-back resources that reduce the statewide capacity overall. Second, weather conditions in the state have increased the frequency of major wildfire incidents, such that resources in one part of the state that may have been less necessary locally during an otherwise rainy season are now in demand locally due to more incidents of fire and less rainfall. One recent example of this was the lack of mutual aid resources available during the Woolsey fire in Ventura and Los Angeles Counties, because the Camp Fire in Northern California was still very active.

Accountability for Community Services Needs:

As cities annex into CFPD, it is important for staffing levels to be modified and appropriate to ensure the continued support that a city should expect. Moreover, when comparing information made available to the general public on the CFPD website to those of both peer agencies and the smaller city-run fire departments that may be annexed into CFPD, we noted significant discrepancies in voluntary disclosure.

For example, records of average response times, a common metric employed by many public agencies to inform taxpayers and stakeholders of the effectiveness of emergency operations, were readily available on budget or websites for most department and districts although no such data could be obtained easily by RSG in the preparation of this MSR. With GIS analysis, RSG was able to estimate that approximately 92 percent of resident population of CFPD lives within the CFPD’s 7-minute response time standard for emergency medical services, but the general public would normally not have the ability to perform this analysis. No information was available on the CFPD’s website about the four existing parcel taxes approved by the voters that benefit CFPD, which we felt was unfortunate and potentially confusing to stakeholders or voters that would consider future special tax measures (such as Measure FD).

PERTINENT LITTLE HOOVER COMMISSION SPECIAL DISTRICT REPORT FINDINGS

As part of the review of CFPD and this MSR, RSG reviewed the Little Hoover Commission's 2017 report titled Special Districts: Improving Oversight and Transparency. While many of the Little Hoover Commission's findings may be concluded to be applicable to addressing the legacy of numerous and extraordinarily small and underfunded special districts, RSG believes that best practices can be taken from the conclusions of this report, particularly as CFPD expands into smaller cities. Specifically, RSG makes the following observations about CFPD framed in two recommendations (Numbers "1" and "19") of the Little Hoover Commission's recommendations:

1. The Legislature (governing body) should require every special district to have a published policy for reserve funds, including the size and purpose of reserves and how they are invested – this should include a published policy for reserve funds, including the size and purpose of reserves and how they are invested. *RSG noted that CFPD's website did not appear to be intuitive or user-friendly.*
2. Every special district should have a website. Key components should include:
 - Services provided. *RSG noted that CFPD did little to explain the function of Forestry & Fire Warden (FFW) services that are provided countywide, outside of the boundaries of the District, as well as its performance standards and metrics. Furthermore, a strategic plan that addresses the County's plan for ensuring these standards are maintained was not readily available nor posted on the CFPD's website. RSG also noted that the CFPD website did not disclose its most recent (2017) ISO rating, despite that it was shared via a memo to each County Supervisor in May 2018 and noted some improvements in performance. Fire chiefs are able to obtain their ISO rating report at no cost, while the general public must pay for this report from ISO.*
 - Governance structure of the district, including election information and the process for constituents to run for board positions. *RSG found that while the relationship to the Board of Supervisors may be self-evident to some, the process for raising concerns about Fire services or standards as well as avenues for citizen oversight is not clear to the general public, particularly for those in incorporated cities.*
 - Compensation details – total staff compensation, including salary, pensions and benefits, or a link to this information on the State Controller's website. *Compensation information for CFPD was not*

available on their website, nor is it available on the State Controller's transparency website (<https://publicpay.ca.gov>).

- Budget (including annual revenues and the sources of such revenues, including without limitation, fees, property taxes and other assessments, bond debt, expenditures and reserve amounts). *As stated earlier, much of this information was vague, outdated, or incomplete.*
- Reserve fund policy. *CFPD claims that they do not have any reserve or equipment replacement or replenishment fund. As the concern over the condition of critical public safety equipment was raised in the December 2019 Board Motion for Measure FD, RSG believes that more disclosure about the lack of funding for infrastructure and policies and practices for addressing these items should be more easily attainable by a member of the public.*
- Most recent annual financial report provided to the State Controller's Office, or a link to this information on the State Controller's website. *RSG did not locate parcel tax reports, required by Assembly Bill 2109 on the State Controller website, though the County Auditor-Controller was able to provide copies of these reports to RSG when asked.*
- Link to the Local Agency Formation Commission and any state agency providing oversight. *No such information was available on the CFPD website.*

TRANSPARENCY PRACTICES AMONG LARGER FIRE AGENCIES

After this review, RSG analyzed accessible information across four Fire agencies, including the City of Los Angeles Fire Department, Orange County Fire Authority (OCFA), the City and County of San Francisco Fire Department, and Sacramento Metropolitan Fire Department. During this review, RSG found information including financial and operational data, to be more accessible while reviewing the OCFA and the City of Los Angeles Fire Department. SFFD and Sac Metro provided information that was relatively easy to obtain.

It is also important to note that OCFA and Sac Metro have “tabs” on their websites titled “Transparency” which provide valuable information and data. As outlined above, transparency was a key recommendation when assessing a given special district. RSG believes this is an area where CFPD can improve.

Other Matters, as deemed relevant by the Commission:

None.

SPHERE OF INFLUENCE BACKGROUND:

Since 1971, LAFCOs have been required to develop and adopt a SOI for each city and special District. Government Code Section 56076 defines a SOI as “a plan for the probable physical boundaries and services area of a local agency, as determined by the Commission.”

Determining SOIs is central to the Commission’s purpose. As Stated in Government Code Section 56425:

“In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies subject to the jurisdiction of the commission to advantageously provide for the present and future needs of the county and its communities, the Commission shall develop and determine the Sphere of Influence of each city and special district, as defined by Section 56036, within the county and enact policies designed to promote the logical and orderly development of areas within the sphere.”

Section 56425(g) further requires that the Commission review and update SOI’s “every five years, as necessary.”

PUBLIC HEARING REQUIREMENT FOR SOI UPDATE:

The Executive Officer, pursuant to Government Code Section 56427, set July 8, 2020, as the hearing date for this SOI update, and gave the required notice of public hearing pursuant to Government Code Section 56427. Notice of the public hearing for the proposed Sphere of Influence update was given pursuant to Government Code Sections 56150-56160. The public hearing notice was published in a newspaper of general circulation in the County of Los Angeles on June 15, 2020.

SPHERE OF INFLUENCE DETERMINATIONS PURSUANT TO GOVERNMENT CODE 56425(e):

1. Present and Planned Land Uses in the Area:

The CFPD is one of the largest fire departments in the State of California and currently provides services to all unincorporated areas in County of Los Angeles (“County”), 58 cities in Los Angeles County, as well as the City of La Habra in Orange County. CFPD’s SOI covers a total area of 3,298 square miles, 72 miles of coastline, and protects a total of 4,276,079 people. Given the large area served by the CFPD, present land-uses include a variety of agricultural, commercial, entertainment, industrial, manufacturing, recreational, residential, and retail uses, as well as open space, in urban, suburban, exurban, and rural

communities. Within the CFPD's boundaries, land uses will change as new development is built on vacant land and existing land uses are redeveloped.

2. *Present and Probable Need for Public Facilities and Services in the Area:*

The annual growth rate for CFPD's SOI is 0.38 percent, which is very close to the annual growth rate for all Los Angeles County, which was calculated at 0.39 percent. Based on historical data and future projections, it can be assumed that CFPD provides service to approximately 40 percent of the County of Los Angeles residents. Given the vast size of the territory which CFPD serves, the present need for structural fire protection and related services is significant, and the probable need is likely to grow as the County population grows.

3. *Present Capacity of Public Facilities and Services:*

The CFPD holds an extensive amount of equipment, apparatuses, and assets that it uses and maintains, in areas including Emergency Operations, Reserve Equipment, Lifeguards, Air and Wildland, and Forestry. In March of 2017, CFPD released a report including a five-point strategic plan that addressed the operational and management focus of the district. The five elements include the following: 1. Fiscal Sustainability; 2. Exemplary Services; 3. Workforce Development; 4. Operational Effectiveness; and 5. Emergency Preparedness. According to the 2018-19 CAFR, the County maintains a "Rainy Day" fund (established in 2009 in response to the Great Recession) of approximately 10 percent of revenues to cover unforeseen fiscal challenges in the General Fund or other departments, although it does not appear that as a dependent special district CFPD has any dedicated portion of this fund (the County Board of Supervisors has, on occasion, provided some of these funds to the CFPD). According to CFPD management, CFPD reserves are funded from prior year carryovers and if deployed for capital or other expenditures, require a budget approval prior to the use of such funds. Although the failure of Measure FD in March of 2020 raises concerns about long-term revenue issues, the CFPD management—in partnership with the Board of Supervisors and County Chief Executive Officer—continues to explore various funding options to address these concerns. Further, the anticipated annexation of new fee-for-service cities (City of Vernon and potentially other cities) also provides new revenue sources for the CFPD.

4. *Social or Economic communities of interest:*

There are many social and economic communities of interest throughout the large area served by the CFPD. Because the CFPD boundary includes all unincorporated territory in Los Angeles County, the CFPD provides structural fire protection and related municipal services to all existing DUCs in Los Angeles County. The CFPD provides structural fire protection and related municipal services to many social and economic communities of interest in the 58 cities in Los Angeles County and one city in Orange County served by CFPD. Separately, and because structural fire protection and related municipal services are a necessity for all of Los Angeles County, and for those existing social and economic communities of interest in areas not served by CFPD, structure fire protection and related

municipal services are provided by other municipal fire departments (City of Los Angeles Fire Department, City of Pasadena Fire Department, others).

5. Present and probable need for public facilities or services related to sewers, municipal and industrial water, and structural fire protection for any disadvantaged unincorporated communities within the existing and proposed SOI:

The probable need for structural fire protection and related municipal services are a necessity for disadvantaged unincorporated communities within the existing and proposed SOI. Because the CFPD boundary includes all unincorporated territory in Los Angeles County, the CFPD provides structural fire protection and related municipal services to all existing DUCs in Los Angeles County. Should additional cities annex into the CFPD, the CFPD would provide structural fire protection and related municipal services to any disadvantaged communities within those annexing cities.

FUNCTIONS AND CLASSES OF SERVICES PURSUANT TO GOVERNMENT CODE 56425(i):

The Commission is required to establish the nature, location and extent of the District's functions or classes of service in accordance with Government Code Sections 56425(i). As noted in the MSR (Pages 29-37), and in conformance with those functions and classes of services in the Fire District Protection Law of 1987 (the principal act for fire districts), the CFPD provides the following services (also known as “active services”):

1. Fire protection services.
2. Rescue services.
3. Emergency medical services.
4. Hazardous material emergency response services.
5. Ambulance services, pursuant to Division 2.5 (commencing with Section 1797).
6. Any other services relating to the protection of lives and property. The CFPD also provides education and community programs, forestry and fire prevention, coastline protection (ocean rescue/lifeguards), wildland protection, air support, and dispatch.

Staff agrees with the conclusion reached in the MSR (Page 32) that “the district does not provide any services outside the Principal Act authority and therefore no resolution of application for latent services is required.” Based upon this analysis in the MSR, and pursuant to Section 56425(j) of the Government Code, the Commission will maintain this record specifying the functions and classes of service of the Consolidated Fire Protection District of Los Angeles.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CLEARANCE:

MSRs are feasibility and planning studies for possible future actions that have not been approved, adopted, or funded. The preparation and adoption of an MSR is statutorily exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15262.

The MSR and SOI update for the Consolidated Fire Protection District of Los Angeles County is exempt from the provisions of CEQA because it can be seen with certainty that there is no possibility that the recommended studies, periodic update and recommended expansion of the SOI for the Consolidated Fire Protection District of Los Angeles County of Los Angeles will have a significant effect on the environment pursuant to State CEQA Guidelines Section 15061(b)(3). In the alternative, this recommendation is not a project for the purposes of CEQA because it is an organizational activity of government with no direct or indirect effects on the physical environment and therefore is excluded from the definition of a project, pursuant to Section 15378(b) of the State CEQA Guidelines.

COMMENTS FROM PUBLIC AGENCIES, LANDOWNERS, AND REGISTERED VOTERS:

Both RSG and LAFCO staff reached out to representatives of the CFPD and the six studies studied in the MSR, and considered all input from agency representatives in the course of drafting the MSR. Beyond those communications, LAFCO has not received any comment(s) from public agencies, landowners, and registered voters.

CONSULTANT RECOMMENDATION:

As detailed on Pages 91 and 92 of the MSR, RSG recommends that the six cities studied—La Verne, Manhattan Beach, Redondo Beach, San Gabriel, Vernon, and West Covina—be added to the CFPD's SOI.

PENDING AND POTENTIAL CITY ANNEXATION(S) TO THE CFPD:

As noted previously, and as requested by LAFCO staff, RSG also examined six cities, representatives of which, in the past few years, have expressed a potential interest in annexing into the CFPD. These six cities are the cities of La Verne, Manhattan Beach, Redondo Beach, San Gabriel, Vernon, and West Covina.

For the last several months, staff has worked closely with representatives of the City of Vernon and CFPD relative to the proposed annexation of the City of Vernon into the CFPD. As a result, and separate from this agenda item pertaining to the CFPD MSR and SOI Update, today's Commission agenda includes a proposal to annex the City of Vernon into the CFPD (Agenda Item 7.b.), for which staff is recommending approval by the Commission. Approval of this MSR and SOI Update is a prerequisite to item 7.b. for the City of Vernon's CFPD annexation

proposal.

More recently, staff has been working with representatives of the City of West Covina and CFPD relative to a potential annexation of the City of West Covina into the CFPD. City officials are currently conducting public outreach and conducting additional analysis to determine what course of action is in the city's best interests.

Staff notes that the remaining four cities may, or may not, be interested in a potential annexation to the CFPD at this time. Having said that, staff still believes that amending the SOI to include all six cities remains the appropriate action, given the analysis and conclusions of the MSR.

CONCLUSION:

Staff believes that RSG has provided an accurate and comprehensive review of the CFPD, consistent with all MSR requirements in Government Code Section 56430. The document also provides the draft determinations necessary for the Commission to adopt the MSR.

Staff concurs with RSG's recommendations relative to amending the CFPD's SOI to include the six cities studied.

RECOMMENDED ACTION:

The attached report, maps, and resolution reflect the recommendations of the consultant (RSG) and LAFCO staff.

In consideration of information gathered and evaluated for the service review of the Consolidated Fire Protection District of Los Angeles County, staff recommends that the Commission:

1. Open the public hearing and receive testimony on the MSR and SOI update for the Consolidated Fire Protection District of Los Angeles;
2. There being no further testimony, close the public hearing;
3. Adopt and approve the MSR (Municipal Service Review and Sphere of Influence Update Consolidated Fire Protection District of Los Angeles County), as enclosed;
4. Adopt the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving MSR 2020-02—Municipal Service Review and Sphere of Influence Update for the Consolidated Fire Protection District of Los Angeles County which amends the existing coterminous Sphere of Influence to include the Cities of Manhattan Beach, Redondo Beach, San Gabriel, La Verne, West Covina, and Vernon; and

5. Direct the Executive Officer to add the words “Amended July 8, 2020” to the official Los Angeles LAFCO SOI map for the Consolidated Fire Protection District of Los Angeles County.

ATTACHMENTS:

- MSR (Municipal Service Review and Sphere of Influence Update Consolidated Fire Protection District of Los Angeles County)
- Map, Existing Sphere of Influence Consolidated Fire Protection District of Los Angeles County
- Map, Recommended Sphere of Influence Amendment for the Consolidated Fire Protection District of Los Angeles County

Kern County

Ventura County

PEARBLOSSOM HWY

CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY

San Bernardino County

Orange County

Riverside County

PACIFIC OCEAN

Catalina Inset

PACIFIC OCEAN

Clemente Inset

PACIFIC OCEAN

Legend

- Consolidated Fire Protection District
- Consolidated Fire Protection District Sphere of Influence (SOI) Coterminous

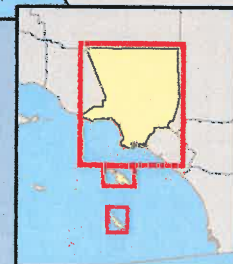
Existing Sphere of Influence
Consolidated Fire Protection District of Los Angeles County

0 2.5 5 10 Miles



LAFCO
Local Agency Formation Committee
for the County of Los Angeles

Revised: July 8, 2020



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Kern County

Ventura County

CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY

PEARBLOSSOM HWY

San Gabriel

West Covina

La Verne

Vernon

Manhattan Beach

Redondo Beach

San Bernardino County

Orange County

Riverside County

Catalina Inset

Clemente Inset

Cities included in SOI Amendment

Manhattan Beach
Redondo Beach
San Gabriel
Vernon
La Verne
West Covina

Recommended Sphere of Influence Amendment for the Consolidated Fire Protection District of Los Angeles County

Legend

- Consolidated Fire Protection District
- Consolidated Fire Protection District Sphere of Influence (SOI)

0 2.5 5 10 Miles



LAFCO
Los Angeles Fire Protection Council
for the City of Los Angeles

Revised July 8, 2020



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**RESOLUTION NO. 2020-00RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES
MAKING DETERMINATIONS ADOPTING
THE “MSR NO. 2020-02
MUNICIPAL SERVICE REVIEW AND THE SPHERE OF INFLUENCE UPDATE FOR THE
CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY”**

WHEREAS, Division 3, Title 5, of the California Government Code (commencing with section 56000, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000), provides that a Local Agency Formation (LAFCO) shall develop and determine a Sphere of Influence (SOI) for each special district (Government Code Section 56425(a)) and that every five years thereafter, the Commission shall, as necessary, review and update each SOI (Government Code Section 56425(g)); and

WHEREAS, the SOI is the primary planning tool for LAFCO and defines the probable physical boundaries and service area of a local agency as determined by LAFCO; and

WHEREAS, Section 56430 requires that, in order to prepare and to update Spheres of Influence, the Commission shall conduct a Municipal Service Review (MSR) prior to, or in conjunction with, action to update or adopt an SOI; and

WHEREAS, the Commission has undertaken the MSR and SOI Update for the Consolidated Fire Protection District of Los Angeles County (CFPD); and

WHEREAS, this proposed MSR and SOI Update consists of inhabited territory and is assigned the following short-form designation: “MSR No 2020-02—Municipal Service Review and Sphere of Influence Update for the Consolidated Fire Protection District of Los Angeles County”; and

WHEREAS, the Executive Officer has submitted to the Commission “Municipal Service Review and Sphere of Influence Update Consolidated Fire Protection District of Los Angeles County,” including recommendations relative to any potential changes to the existing SOI for the CFPD; and

WHEREAS, staff shared a Draft MSR with representatives of the CFPD, as well as with representatives of the cities of La Verne, Manhattan Beach, Redondo Beach, San Gabriel, Vernon, and West Covina, and the Draft MSR reflects input provided by these representatives; and

WHEREAS, the MSR and SOI Update for the CFPD contain the determinations required by Section 56430 for the municipal services provided by the CFPD; and

WHEREAS, a map of the existing SOI of the CFPD is attached hereto and incorporated by reference herein; and

WHEREAS, a map of the recommended SOI amendment of the CFPD is attached hereto and incorporated by reference herein; and

WHEREAS, the Executive Officer set July 8, 2020, as the hearing date for this MSR and SOI update, and gave notice of public hearing pursuant to Government Code Section 56427, wherein the public hearing notice was published in a newspaper of general circulation in the County of Los Angeles on June 15, 2020; and

WHEREAS, on July 8, 2020, after being duly and properly noticed, this proposal came on for hearing, at which time this Commission heard and received all oral and written testimony, objections, and evidence which were made, presented or filed,

and all persons present were given an opportunity to hear and be heard with respect to this proposal and the report of the Executive Officer; and

WHEREAS, for the CFPD, and pursuant to Section 56425(d)(5), the Commission has considered the impacts of the proposed MSR and SOI Update relative to Disadvantaged Unincorporated Communities (DUCs), noting that the CFPD boundary includes all unincorporated territory in Los Angeles County, and that the CFPD provides structural fire protection and related municipal services to all existing DUCs in Los Angeles County; and

WHEREAS, based upon staff review and the feasibility of governmental reorganization identified in Section 56425(h), staff has determined that any such reorganizations will not further the goals of orderly development and affordable service delivery, and therefore will not recommend reorganization of the CFPD; and

WHEREAS, the proposed action consists of the adoption of the Municipal Service Review and Sphere of Influence Update Consolidated Fire Protection District of Los Angeles County.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Commission finds that MSR No. 2020-02—Municipal Service Review and Sphere of Influence Update for the Consolidated Fire Protection District of Los Angeles County—is exempt from the provisions of the California Environmental Quality Act (CEQA) because it can be seen with certainty that there is no possibility that the update of the Sphere of Influence of the

Consolidated Fire Protection District of Los Angeles County will have a significant effect on the environment pursuant to State CEQA Guidelines Section 15061(b)(3). In the alternative, this recommendation is not a project for the purposes of CEQA because it is an organizational activity of government with no direct or indirect effects on the physical environment and therefore is excluded from the definition of a project, pursuant to Section 15378(b) of the State CEQA Guidelines.

2. The Commission adopts the Municipal Service Review and Sphere of Influence Update Consolidated Fire Protection District of Los Angeles County, as prepared by RSG.
3. The Commission hereby amends the Sphere of Influence of the Consolidated Fire Protection District of Los Angeles County and makes the following determinations in accordance with Government Code Section 56425(e).
 - A. Present and planned land uses in the area: The CFPD is one of the largest fire departments in the State of California and currently provides services to all unincorporated areas in the County of Los Angeles ("County"), 58 cities in Los Angeles County, as well as the City of La Habra in Orange County. CFPD's SOI covers a total area of 3,298 square miles, 72 miles of coastline, and protects a total of 4,276,079 people. Given the large area served by the CFPD, present land-uses include a variety of agricultural, commercial, entertainment, industrial, manufacturing, recreational, residential, and retail uses, as well as open space, in urban, suburban, exurban, and rural communities. Within the CFPD's boundaries, land uses will change as new development is built on vacant land and existing land uses are redeveloped.
 - B. Present and probable need for public facilities and services in the area: The annual growth rate for CFPD's SOI is 0.38 percent, which is

very close to the annual growth rate for all of Los Angeles County, which was calculated at 0.39 percent. Based on historical data and future projections, it can be assumed that CFPD provides service to approximately 40 percent of the County of Los Angeles residents. Given the vast size of the territory which CFPD serves, the present need for structural fire protection and related services is significant, and the probable need is likely to grow as the County's population grows.

- C. Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide: The CFPD holds an extensive amount of equipment, apparatuses, and assets that it uses and maintains, in areas including Emergency Operations, Reserve Equipment, Lifeguards, Air and Wildland, and Forestry. In March of 2017, CFPD released a report including a five-point strategic plan that addressed the operational and management focus of the CFPD. The five elements include the following: 1. Fiscal Sustainability; 2. Exemplary Services; 3. Workforce Development; 4. Operational Effectiveness; and 5. Emergency Preparedness. According to the Los Angeles 2018-19 Comprehensive Annual Financial Report (CAFR), the County maintains a "Rainy Day" fund (established in 2009 in response to the Great Recession) of approximately 10 percent of revenues to cover unforeseen fiscal challenges in the General Fund or other departments, although it does not appear that as a dependent special district CFPD has any dedicated portion of this fund (the County Board of Supervisors has, on occasion, provided some of these funds to the CFPD). According to CFPD management, CFPD reserves are funded from prior year carryovers and if deployed for capital or other expenditures, require a budget approval prior to the use of such funds. Although the failure of Measure FD in March of 2020 raises concerns about long-term revenue issues, the CFPD management—in partnership with the Board of Supervisors and County Chief Executive Officer—continues to explore various funding options to address these concerns. Further, the anticipated annexation of new fee-for-service cities (City of Vernon and potentially other cities) also provides new revenue sources for the CFPD.
- D. Existence of any social or economic communities of interest: There are many social and economic communities of interest throughout the large area served by the CFPD. Because the CFPD boundary includes all unincorporated territory in Los Angeles County, the CFPD provides structural fire protection and related municipal services to

all existing DUCs in Los Angeles County. The CFPD provides structural fire protection and related municipal services to many social and economic communities of interest in the 58 cities in Los Angeles County and the one city in Orange County served by CFPD. Separately, and because structural fire protection and related municipal services are a necessity for all of Los Angeles County, and for those existing social and economic communities of interest in areas not served by CFPD, structural fire protection and related municipal services are also provided by other municipal fire departments (City of Los Angeles Fire Department, City of Pasadena Fire Department, others).

- E. Present and probable need for public facilities or services related to sewers, municipal and industrial water, and structural fire protection for any disadvantaged unincorporated communities within the existing and proposed SOI. The probable need for structural fire protection and related municipal services are a necessity for disadvantaged unincorporated communities within the existing and proposed SOI. Because the CFPD boundary includes all unincorporated territory in Los Angeles County, the CFPD provides structural fire protection and related municipal services to all existing DUCs in Los Angeles County. Should additional cities annex into the CFPD, the CFPD would provide structural fire protection and related municipal services to any disadvantaged communities within those annexing cities.

- 4. The Commission is required to establish the nature, location and extent of the District's functions or classes of service in accordance with Government Code Section 56425(i). As noted in the MSR (Pages 29-37), and in conformance with those functions and classes of services in the Fire District Protection Law of 1987 (the principal act for fire districts), the Commission hereby determines that the CFPD provides the following services (also known as "active services"), and the Commission will maintain this record specifying the following functions and classes of service of the Consolidated Fire

Protection District of Los Angeles:

- a) Fire protection services.
- b) Rescue services.
- c) Emergency medical services.
- d) Hazardous material emergency response services.
- e) Ambulance services, pursuant to Division 2.5 (commencing with Section 1797).
- f) Any other services relating to the protection of lives and property. The CFPD also provides education and community programs, forestry and fire prevention, coastline protection (ocean rescue/lifeguards), wildland protection, air support, and dispatch.

Further, the district does not provide any services outside the Principal Act authority, and therefore no resolution of application for latent services is required.”

5. The affected territory is inhabited and is assigned the following short form designation: “MSR No. 2020-02—Municipal Service Review and Sphere of Influence Update for the Consolidated Fire Protection District of Los Angeles County”.
6. A map of the recommended SOI amendment of the CFPD is attached hereto and incorporated by reference herein.
7. The Executive Officer’s staff report and recommendations for adoption of the MSR and adoption of an SOI Update for the Consolidated Fire Protection District of Los Angeles County.
8. The Executive Officer is hereby directed to add the words “Amended July 8,

2020” to the official LAFCO SOI map for the Consolidated Fire Protection District of Los Angeles County.

9. The Executive Officer is hereby authorized and directed to mail copies of this resolution as provided in Section 56882 of the Government Code.

10. Pursuant to Government Code 56883, the Executive Officer may make non-substantive corrections to this resolution to address any technical defect, error, irregularity, or omission.

PASSED AND ADOPTED this 8th day of July, 2020.

MOTION:

SECOND:

AYES:

NOES:

ABSTAIN:

ABSENT:

MOTION PASSES:

**LOCAL AGENCY FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES**

**Paul A. Novak, AICP
Executive Officer**

Local Agency Formation Commission for the County
of Los Angeles
80 S Lake Ave #870

Municipal Service Review and Sphere of Influence Update

Consolidated Fire Protection District of Los Angeles County

Public Review Draft - June 29, 2020



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LIST OF ABBREVIATIONS USED

ACO	Accumulated Capital Outlay Funds
ACS	American Community Survey
ALS	Advanced Life Support
CAFR	Consolidated Audited Financial Report
CalPERS	California Public Employees' Retirement System
CEO	Chief Executive Officer
CFPD	Consolidated Fire Protection District
CKH	Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000
COVID-19	Coronavirus Disease
CPR	Cardiopulmonary Resuscitation
DHS	Los Angeles County Department of Health Services
DOF	California Department of Finance
DUC	Disadvantaged Unincorporated Community
EMS	Emergency Medical Service
EMT	Emergency Medical Technician
FFW	Los Angeles County General Fund Forester and Fire Warden
GIS	Geographic Information System
HCD	California Department of Housing and Community Development
INSB	Interoperability Network of the South Bay
ISO	Insurance Services Office
LACERA	Los Angeles County Employees Retirement Association
LAFCO	Local Agency Formation Commission
LAFD	City of Los Angeles Fire Department
MSR	Municipal Service Review
NFPA	National Fire Protection Association
OCFA	Orange County Fire Authority
OPEB	Other Post-Retirement Benefits
RHNA	Regional Housing Needs Assessment
RPTTF	Redevelopment Property Tax Trust Fund
SFFD	San Francisco Fire Department
SMFD	Sacramento Metropolitan Fire District
SOI	Sphere of Influence
SRA	State Responsibility Area
TRA	Tax Rate Area

EXECUTIVE SUMMARY

The Local Agency Formation Commission (“LAFCO”) for the County of Los Angeles is preparing a Municipal Service Review (“MSR”) and Sphere of Influence (“SOI”) review for the Consolidated Fire Protection District of Los Angeles County (“CFPD”). LAFCO acts as the county-wide oversight agency that coordinates logical and timely changes to local government boundaries.

ABOUT CFPD

CFPD is one of the largest fire departments in the State of California and currently provides services to all unincorporated areas in County of Los Angeles (“County”), 58 cities in Los Angeles County, as well as the City of La Habra in Orange County. CFPD’s SOI covers a total area of 3,298 square miles, 72 miles of coastline, and protects a total of 4,276,079 people. It operates with an annual budget that is over \$1.2 billion and employs a total of 4,692 employees, including firefighters and administrative support staff that support the day-to-day activities of CFPD. CFPD is a full-service fire department that has the necessary resources to respond to many different types of incidents, varying from typical fire suppression and Emergency Medical Services (EMS) incidents to the more rare and specialized incidents such as wildfire suppression and hazardous materials incidents.

Appendix 1 shows the CFPD boundaries and SOI as of April 2020.

LEGAL REQUIREMENTS AND PURPOSE

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code Section 56430 et. seq., (“CKH”) requires that LAFCOs prepare periodic reviews of services provided by most local agencies and provides discretion on the manner in which a commission may go about undertaking these reviews. These reviews are instrumental in making determinations on jurisdictional and SOI boundaries, informing commissions, affected agencies, and the general public of opportunities for improving service delivery.

The purpose of this MSR is to perform a comprehensive update and address expressed interest of six cities outside of the CFPD's SOI to annex to the CFPD SOI. As such, this MSR focuses on the CFPD and evaluates the level of fire protection service it is currently providing, and the future ability to provide fire services to certain cities within Los Angeles County that may choose to annex into CFPD in the foreseeable future.

SUMMARY OF MSR FINDINGS

Based on the analysis and review presented herein, RSG can make the following findings:

- The failure of the Los Angeles County Fire District 911 Firefighter/Paramedic Emergency Response Measure ("Measure FD") poses a concern about CFPD's ability to meet operational needs, particularly among communities where it does not collect a fee-for-service.
- The precise scale of pension and Other Post-Employment Benefits (OPEB) obligations associated with CFPD is unknown because these are blended in the County's overall pension plan Los Angeles County Employees Retirement Association (LACERA); future liabilities may constrain the County's ability to provide retirement benefits, while maintaining its own fiscal health in the face of a forthcoming recession due to COVID-19;
- While currently making improvements as of the drafting of this MSR, CFPD should share its strategic planning and transparency practices to better communicate its vision and accountability to taxpayers, as well as address growing capital replacement and equipment needs; and
- CFPD is the largest local fire agency in the State and by virtue of its relatively large budget and operational staff, is likely to offer an alternative to cities outside the SOI seeking to control costs on fire services.
- CFPD operates within its authority under the Principal Act, requiring no resolution of application to LAFCO for approval of latent powers (see page 30 for more information).

- Pursuant to LAFCO's Sphere of Influence Policy, RSG is recommending that the CFPD SOI be defined as a Larger than Sphere of Influence given the expectation for future growth of the district's boundaries and associated services within the area. To allow for annexation should both the cities and CFPD agree, expand the CFPD SOI at this time to include the six (6) cities studied: La Verne, Manhattan Beach, Redondo Beach, San Gabriel, Vernon, and West Covina (see page 90 for SOI Recommendations).

COVID-19 PANDEMIC AND POTENTIAL CONSEQUENCES ON CFPD

During the time of preparation of this MSR, the COVID-19 pandemic broke out across the world including the United States, resulting in the infection of nearly 17,000 Californians as of the writing of this MSR. Health care workers and other essential service providers have been on the front lines of responding to the health crisis, many of these same workers face higher risk of infection, including CFPD EMS personnel. As of May 31, 2020, CFPD announced that at least 31 of the 345 employees tested by the department, tested positive for the virus.

Efforts to control the spread of the coronavirus have included a statewide stay-at-home order by Governor Newsom on March 19, 2020, the ensuing shutdown of many parts of the state economy, and a nationwide spike in unemployment with nearly 40 million Americans filing for unemployment by the end of May 2020. State and Federal resources have been directed to support the economic effects of the pandemic as well, and the long-term economic consequences of an apparent recession are not yet known.

Even without certainty on these health and economic impacts, public agencies are likely to experience more fiscal challenges in the coming months if not much longer due to the ongoing pandemic. However, RSG cannot yet provide a complete determination regarding the forthcoming fiscal and operational challenges on CFPD or any public agency at this time. At a minimum, the findings in this MSR should be contextualized with the ongoing COVID-19 pandemic and its possible consequences by LAFCO, CFPD management, and the Los Angeles County Board of Supervisors.

INTRODUCTION

CKH directs Los Angeles LAFCO and the other 57 LAFCOs in California to discourage urban sprawl, encourage the orderly formation and development of cities and special districts, and to preserve agricultural land. LAFCOs act as the county-wide oversight agency that is responsible for coordinating logical and timely changes in local governmental boundaries, including annexations and detachments of territory; incorporations of cities; formations of special districts; and, consolidations, mergers, and dissolutions of districts. In this manner, LAFCOs play an important role in assuring the thoughtful, appropriate, and efficient reorganization, simplification and streamlining of quality local governmental services.

As part of these objectives, LAFCOs establish and periodically review Spheres of Influence (SOI) for local agencies through a process known as a Municipal Service Review (MSR) and Sphere of Influence Update. These processes are described below.

SPHERE OF INFLUENCE (SOI)

In 1972, LAFCOs throughout the state were tasked with determining and overseeing the sphere of influence for local government agencies. A Sphere of Influence is a planning boundary that may be outside of an agency's jurisdictional boundary (such as a special district service area or city limits) that designates the agency's probable future boundary and service area. Factors considered in a sphere of influence include current and future land use, capacity needs, and any relevant areas of interest such as geographical terrain, location, and any other aspects that would influence the level of service.

Per Government Code Section 56425, a sphere of influence shall consider and prepare a written statement of its determinations on the following factors:

1. the present and planned land use in the area, including agricultural and open space lands;
2. the present and probable need for public facilities and services in the area;

3. the present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide;
4. the existence of any social or economic communities of interest in the area; and
5. the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

The purpose of a sphere of influence is to ensure the provision of efficient services while discouraging urban sprawl and the premature conversion of agricultural and open space lands by preventing overlapping jurisdictions and duplication of services. On a regional level, LAFCOs coordinate the orderly development of a community through reconciling differences between different agency plans. This is intended to ensure the most efficient urban service arrangements are created for the benefit of area residents and property owners.

SPHERE OF INFLUENCE UPDATES

From time-to-time, a sphere of influence may be modified as determined by the Commission; the procedures for making sphere amendments is outlined in CKH, and in some cases, further refined by a Commission's own guidelines. Pursuant to Government Code Section 56430, a Commission must first conduct a Municipal Services Review, in this case, for the designated area contemplated to be served by CFPD, prior to updating, or amending the CFPD SOI.

For purposes of this MSR, RSG identified a "Sphere of Influence Policy" adopted by the Commission on November 13, 2019, which will be addressed in the "SOI Recommendations" section (page 90) of this MSR.

MUNICIPAL SERVICE REVIEW (MSR) REQUIREMENTS

Section 56425(g) of CKH requires that LAFCOs evaluate a given SOI every five years, or as necessary; and the vehicle for doing this is known as a Municipal Service Review. Pursuant to Government Code Section 56430, Municipal Service Reviews are to make determinations

considering the seven (7) required topics based on the Cortese-Knox-Hertzberg Act. These seven topic areas include the following:

1. Growth and population projections for the affected area;
2. Location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence(s);
3. Present and planned capacity of public facilities and adequacy of public services, adequacy of public services, infrastructure needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence;
4. Financial ability of agencies to provide services;
5. Status of, and opportunities for, shared facilities;
6. Accountability for community service needs, including government structure and operational efficiencies; and
7. Any other matter related to effective or efficient service delivery, as required by Commission Policy.

The focus of an MSR is to ensure that public services are being carried out efficiently and the residents of any given area or community are receiving the highest level of service possible, while also discouraging urban sprawl and the premature conversion of agricultural lands. If an MSR determines that certain services are not being carried out to an adequate standard, LAFCO can recommend changes be made through making sphere changes and dissolution or consolidation of service providers to provide the best service possible to the population.

In addition, this MSR considers aspects specific to CFPD including staffing levels, equipment and apparatus', station locations, resources and feasibility related to future demand and the delivery of services. MSR's attempt to capture and analyze information about governance structures and

efficiencies of service providers, and to identify opportunities for greater coordination and cooperation between providers, while the service review may be a prerequisite to a sphere of influence determination and may also lead a LAFCO to take additional action within its authority.

PURPOSE OF THIS MSR AND SCOPE OF WORK

This MSR reviews the operational and geographic character of the CFPD. This MSR was initiated due to recent consideration by six local government fire departments expressing potential interest in annexing authority and services to CFPD. As a result, the MSR is designed to meet the requirements of the law for LAFCO to conduct periodic MSRs and SOI updates. Specifically, with respect to the urban and rural fire protection services provided by CFPD to existing local agencies, and six possible fee-for-service agencies, namely the cities of La Verne, Manhattan Beach, Redondo Beach, San Gabriel, Vernon and West Covina. However, it is important to note that this MSR evaluates CFPD, taking into consideration the fact that future cities may consider transitioning services to CFPD.

In addition to the Municipal Service Review and Sphere of Influence Update, this MSR briefly evaluates the current operations, services, and practices of six municipal fire departments in cities that could elect to be annexed into CFPD (following an SOI expansion and consideration of a subsequent annexation application). This MSR also allows the opportunity to evaluate potential operational structures for local agencies, such as consolidation, dissolution, or the merging of given services or areas. The primary focus of the MSR is the feasibility and service level, however there is a financial aspect to be considered.

This study does not evaluate ambulatory care or services as these are carried out by the Los Angeles County Department of Health Services ("DHS"). DHS serves as the lead agency for the emergency medical services system in the County and is responsible for coordinating all system participants in its jurisdiction, encompassing both public and private sectors. In California, counties have been given the primary responsibility for assuring that EMS systems are developed and implemented appropriately, and for designating a local EMS agency. In the County, CFPD allows fee-for-service cities that wish to annex into CFPD to negotiate its own ambulance services

and if the city declines this option, DHS will coordinate ambulatory services with a private company to cover that city's geographic area.

METHODOLOGY

RSG worked in coordination with LAFCO staff throughout the duration of this MSR. Key tasks and activities in the completion of this MSR include Data Collection, Interviews, Department Profile Development, Determination Analysis, Public Review of MSR, and the adoption of the final MSR.

DATA COLLECTION

To fully understand key factors and current issues involving the CFPD and various cities, RSG conducted an initial working session with LAFCO staff to determine the project scope and process and formalize overall MSR objectives, schedules, policy and fiscal criteria, city service standards, and roles and responsibilities. The MSR began with a complete and thorough review of available data and documents. In collecting data, adopted budgets, comprehensive financial reports, capital improvement plans, strategic plans, and general plans were assessed to develop a comprehensive overview of the CFPD and of a given agency. In addition, various reports and documents were utilized from the Southern California Association of Governments, California Department of Finance, the Census Bureau, LAFCO, and ESRI Business Analyst.

Population growth rates were determined by utilizing Department of Finance reported numbers from 2010 to 2019, followed by applying an average annual growth rate of .39 percent to that value for the County, and an annual growth rate for CFPD of .38 percent. This aspect will be discussed in greater detail below.

INTERVIEWS

In coordination with LAFCO, during the months of January and February of 2020, RSG initially met with executive leadership of the CFPD and various City Managers and Fire Chiefs of interested cities. In addition, RSG conducted interviews with a current fee-for-service city to gain



insight on how the fee-for-service model is working in current practice. Throughout these interviews, RSG was able to gain insight into how resources are allocated, key factors to consider, how staffing decisions are made, and finally how services are provided to the community. RSG was also able to collect information on the overall operation of the departments, including staffing, community satisfaction, financial conditions, and resources, among other aspects. The interviews also allowed for the discussion of any unique aspects or key considerations in the completion of this MSR.

DEPARTMENT PROFILES

Following Data Collection and Interviews, RSG developed department profiles based on the criteria noted prior and required for the completion of the MSR per the Cortese-Knox-Hertzberg Act. This includes key characteristics including services offered, staffing levels, station locations, population and growth, service providers, infrastructure and financial condition, and boundary areas and maps. Department profiles can be found in the following sections of this MSR.

COUNTY AUDITOR-CONTROLLER AUDIT REPORTS

The County Auditor-Controller does periodic audits of functions and departments of the County, including CFPD. The County Auditor-Controller has prepared several audit reports specific to CFPD for public review, including nearly 15 prepared since 2011. (These reports are available on the County Auditor-Controller's website (<http://auditor.lacounty.gov/audit-reports/>)). Topics studied have included the following:

- Personnel practices and policies (3 reports in last 10 years);
- Information and communication (5 reports);
- Assets (1 report in last 10 years)
- Procurement (3 reports)
- Fiscal policies (2 reports)

Throughout our review, we have considered and have incorporated relevant finding areas in the MSR.

ANALYSIS AND CRITERIA SOURCES

National Fire Protection Association

The National Fire Protection Association (“NFPA”) is a national non-profit organization that is devoted to eliminating death, injury, property, and economic loss due to fire, electrical and related hazards. NFPA is responsible for reducing fire risk through development and updating building codes and firefighting standards that all fire departments nationwide must adhere to. NFPA devotes a considerable amount of time and resources into research, training, and outreach and advocacy to continue the organization’s mission of reducing the risk that fire poses to the lives of individuals and property by upgrading the quality of buildings and increasing public knowledge of how individuals can play a part in reducing risk.

Insurance Services Office Fire Protection Class Rating

The Insurance Services Office (“ISO”) creates ratings for fire departments and the communities these departments serve. ISO gives overall fire protection class ratings ranging from 1 to 10 with a rating of 1 being the best and a rating of 10 means the department does not meet the ISO’s minimum requirements. ISO calculates a community’s overall fire protection class rating by evaluating the community on a 0 to 105.5 scale using the following criteria:

- 50 percent of the rating is derived from the quality of the local fire department. Activities that are monitored include maintenance and testing of department equipment according to NFPA 1901, staffing levels, type and extent of training provided to department personnel, and proximity of stations to its residents.
- 40 percent of the rating is based on the community’s water supply. Determinations for water supply is based on if sufficient water supply for fire suppression beyond daily maximum consumption, surveying all components of the water supply, review hydrant

inspections and frequency of flow testing, and the number of fire hydrants that are no more than 1,000 feet from the representative location.

- 10 percent of the rating is based on the quality of emergency communications within a community. ISO determine the quality of emergency systems by evaluating the emergency reporting system, communication centers including the number of telecommunicators, computer-aided dispatch facilities, and the dispatch circuits and how the center notifies firefighters about the location of the emergency.
- 5.5 percent of the rating is based on community risk reduction. This portion of the rating gives incentives to communities who strive to proactively reduce fire severity. The areas of community risk reduction evaluated are fire prevention activities, fire safety education, and fire investigations.

Most insurance companies use these ratings to determine the home insurance rates that will be charged to homeowners in the respective city. Insurance companies charge higher premiums to communities with ratings closer to 10 and lower insurance premiums to communities with ratings closer to 1. Not all insurance companies rely on ISO ratings and may use their own criteria for determining insurance premiums.

Emergency Medical Technicians and Paramedic Standards

To provide adequate emergency medical services to its residents, CFPD requires that every firefighter on the department is a licensed Emergency Medical Technician - Defibrillation (EMT-D) and employs a large work force of paramedics. EMT-1 is the level of EMT certification that is ranked below EMT-D, however, CFPD requires its firefighters to be EMT-D in order to utilize the extra abilities that come along with that certification. EMT-1s are licensed to provide basic life support services such as Cardiopulmonary Resuscitation (CPR) and administering oxygen, EMT-Ds can provide the same services as an EMT-1 in addition to being trained to operate and automatic external defibrillator, and paramedics are licensed to provide advanced life support (ALS) services such as inserting intravenous therapy lines and administering drugs. EMT and paramedic licenses are regulated by the National Registry of Emergency Medical Technicians.

Any person who serves as an EMT in the County must meet the following requirements:

1. Complete an EMT training course from a nationally approved EMT program.
2. Following the completion of an EMT training course, the candidate must pass the National Registry Exam. The exam consists of a cognitive (knowledge) and psychomotor (skills) sections.
3. After passing the National Registry Exam, the candidate must apply for an EMT certification from a local California EMS agency. Local EMS agency certifications are applicable statewide.
4. EMTs must continue to keep their EMT certification current through continued EMS education and testing requirements.

Any person who serves as a paramedic in the County must meet the following requirements:

1. Must hold a National Registry certification or state certification to serve as an EMT.
2. Complete a nationally approved paramedic training program.
3. Pass the National Registry Exam. The exam consists of a cognitive (knowledge) and psychomotor (skills) sections.
4. Apply for and pass the California Paramedic License Exam.
5. Apply for and pass the County EMS Agency Paramedic Accreditation Exam.
6. Keep paramedic accreditation current through continued EMS education and testing requirements.

PUBLIC DRAFT AND PUBLIC COMMENTS

To follow the Commission's Public Review MSR hearing on July 8, 2020.

SERVICE REVIEW – CFPD

CFPD is a dependent special district providing fire protection service to all unincorporated areas in County of Los Angeles, 58 cities in Los Angeles County, as well as the City of La Habra in Orange County. It is governed by the Board of Supervisors and funded by a combination of property taxes, fees for service, and other revenues. In total, CFPD employs a total of approximately 4,700 full-time employees across all its operations and administrative services.

As shown in Appendix 3, 31 different agencies provide fire protection in the County; the largest of these is CFPD. CFPD is the only special district providing fire services in the County, with a sphere of influence covering all unincorporated Los Angeles County plus 58 of the County's 88 incorporated cities. In addition to these Los Angeles County cities, CFPD also provides contract fire protection services to the City of La Habra (population 63,542) in adjacent Orange County, bringing the total population served between the two counties to nearly 4.3 million, based on January 1, 2019 population estimates from the California Department of Finance and approximately 3,298 square miles of land¹.

Elsewhere in the County, fire services are provided by local cities, but CFPD is among three agencies that serve most residents. When combined with the next two largest providers (the Los Angeles City Fire Department and the Long Beach Fire Department), these three fire agencies serve approximately 85 percent of the County's residents.

Not only does CFPD cover the largest amount of territory within Los Angeles County, it also maintains by a substantial margin the largest budget of any such fire district in California, with an operating budget of \$1.23 billion². CFPD owns and/or operates 174 fire stations throughout the

¹ Source: Consolidated Fire Protection District

² Source: 2019-20 budget

County and the City of La Habra. (Please see Appendix 3 for a map presenting the location of CFPD fire stations.) In addition to fire protection, CFPD provides several other public safety services, including dispatch, fire and rescue, emergency medical service, and lifeguard, as well as prevention and public education services.

HISTORY AND FORMATION OF CFPD

Prior to 1923, fire protection services in the County were provided by organized volunteer fire departments at a smaller city or community level. California State Law 2583 was passed in 1923, which allowed for property taxes to be collected for the purposes of fire protection districts in unincorporated areas. As a result, 29 fire protection districts were formed in the County between 1923 and 1925. In 1948, CFPD was formally established as a dependent special district under California law as various fire districts throughout the County began to consolidate under one umbrella.

FORM OF GOVERNMENT AND STAFFING

The CFPD is a dependent special district formed under California law. The Los Angeles County Board of Supervisors acts as its board of directors. CFPD operates under Health and Safety Code Section 13800. Health and Safety Code Section 13801 states “the Legislature finds and declares that the local provision of fire protection services, rescue services, emergency medical services, hazardous material emergency response services, ambulance services, and other services relating to the protection of lives and property is critical to the public peace, health, and safety of the state.”

Operationally, CFPD has nearly 4,700 employees, led by 1 Fire Chief, 2 Chief Deputies, and 8 Deputy Chiefs who manage 10 separate budget units consisting of the following:

1. Emergency Services:
 - o Emergency Medical Services

- Lifeguard
- (Fire) Operations

2. Prevention Services:

- Health Hazardous Materials
- Prevention

3. Business Services:

- Administrative
- Executive
- Financing Elements
- Leadership and Professional Standards
- Special Services

Appendix 4 contains the current organization chart of CFPD from their 2019-20 operating budget.

SPHERE OF INFLUENCE

CFPD provides its services to unincorporated areas of the County, 58 of the County's cities, and the City of La Habra, located in Orange County on the border of Los Angeles County. CFPD's jurisdiction spans a total of 3,298 square miles, includes 72 miles of Pacific Ocean coastline, and the unincorporated portions of Catalina Island.

CFPD covers a vast geographical area that is composed of many different types of terrain and communities. The terrain covered includes many large urban centers, suburban communities, vast forest territories in the Northern portion of the County of Los Angeles, and large stretches of

coastline and sandy beaches along the Pacific Ocean. CFPD's SOI is largely inconsistent with many cities in the County still providing its own fire services from within.

EXTRATERRITORIAL SERVICES PROVIDED BY CFPD

Based on consultation with CFPD, it has been determined that there are a few instances of extraterritorial delivery of services taking place. CFPD currently provides the following extraterritorial services:

- Dispatch services to the cities of La Habra Heights, La Verne, and Vernon.
- Lifeguard services to the at city-owned beaches for the cities of Avalon, Rancho Palos Verdes, Redondo Beach, Manhattan Beach, and Santa Monica.
- Lifeguard services to County-owned beaches in the cities of Torrance, Los Angeles, and El Segundo.

CFPD SERVICE IN INCORPORATED CITIES

- CFPD's service area includes not only all unincorporated County within local responsibility area, but also 58 cities in Los Angeles County and the City of La Habra. As outlined in Appendix 2, Fire services provided by CFPD came into the district's service area based on one of three models: 40 cities served by the CFPD prior to Proposition 13 where the district collects a share of the property tax levy and other revenue for service;
- 7 cities that incorporated after Proposition 13 passed in 1978; and
- 11 cities that annexed into CFPD and pay for services out of their respective general fund, plus the City of La Habra (located in adjacent Orange County) that contracts with CFPD for fire services.

Appendix 1 presents a list of Fire Service Providers throughout the County.

PRE-PROPOSITION 13

Prior to the passage of Proposition 13 in 1978, CFPD had the ability to levy a property tax rate to fund services. When unincorporated areas were annexed or a city contracted with the CFPD, the District levied its tax rate to generate funding to pay for services. As a result, CFPD was able to levy taxes based on financial needs to deliver services. At the time of Proposition 13, CFPD served 40 cities throughout the County. Seven additional cities incorporated after 1978.

As with all taxing agencies, CFPD was proportionally allocated a share of the 1 percent property tax in existing district areas. As a result, the ability to levy taxes to balance costs to revenues was lost. The CFPD collects and expends revenues on a district-wide basis, providing a consistent level of service regardless of revenues derived from a given city of jurisdiction.

POST PROPOSITION 13: NEWLY INCORPORATED CITIES ANNEXED

CFPD had continued to annex developed areas after the passage of Proposition 13 as most of the areas being incorporated were already within CFPD. Areas of a newly incorporated cities that were not in CFPD were concurrently annexed at the time of incorporation. These cities had the option to detach from CFPD and form their own fire departments at the time of incorporation but opted to stay with CFPD and resulted in CFPD retaining a share of the property tax levy for fire service rather than it being transferred to the new city upon incorporation.

POST PROPOSITION 13: FEE FOR SERVICE

Beginning in the early 1980's as a result of Proposition 13, a Fee-for-Service model was developed. This model charges annual fees to all cities that desire to contract for services. To date, 11 Los Angeles County cities have fee-for-service contracts with CFPD following annexation, the most recent of which was the City of Hermosa Beach which transitioned to CFPD on December 30, 2017. Under the fee-for-service structure, CFPD bills the city an annual fee for the cost of services which are based upon the positions and cost-shares established at the time the contracts were approved by the respective city councils.

The City of La Habra is in Orange County and has not annexed into the CFPD, but contracts with CFPD for fire protection services under a similar fee-for-service model as the 11 Los Angeles County cities that have annexed into the CFPD.

FORESTER AND FIRE WARDEN SERVICES PROVIDED COUNTYWIDE

Prior to 1992, the Los Angeles County Fire Department operated as one fire department but was legally and financially two separate agencies. These two agencies were the General Fund Forester and Fire Warden (“FFW”) and CFPD. The FFW was responsible for suppression of forest and brush fires in Los Angeles County as well as the construction and maintenance of fire lines or breaks necessary to check and prevent the spread of forest fires. FFW’s responsibilities were not limited to unincorporated areas because state law provided the Board of Supervisors authority to protect and reforest watershed areas without restriction to unincorporated area. The FFW was also responsible for structural fires in unincorporated territory that was not within CFPD’s SOI. CFPD was responsible for fire protection and emergency medical services within the cities and unincorporated areas that were within CFPD’s SOI.

FFW was funded through County’s General Fund and was subject to the budget process each year while CFPD received its funding through property taxes levied on the homes that were within CFPD’s territory. The two service providers being separate entities started to cause some difficulties and the fire chief at the time decided that it would be in the County’s best interest to fiscally unify the two parties in order to ensure the future financial security and efficiency of CFPD. The County CEO at the time agreed to the unification and CFPD began to carry out the responsibilities that were formally carried out by FFW.

On October 6, 1992, CFPD and FFW were unified by the County in a two-step process. First, CFPD expanded its SOI and annexed all unincorporated areas in Los Angeles County. The County General Fund transferred \$5.4 million and 17 percent of its share of future property tax to fund CFPD services in the newly annexed areas. The second step involved a Board of Supervisors approved county-wide property tax transfer to CFPD to fund FFW services.

The CFPD Fire Chief also holds the title of Forester and Fire Warden and has been given the authority by Los Angeles County Codes 2.20.050, 2.20.060, and 2.20.070 to provide recommendations to the County Board of Supervisors regarding the regulations and criteria for providing fire services in unincorporated areas of Los Angeles County.

FISCAL HEALTH

As a dependent special district, CFPD is funded independent of the County General Fund, and relies primarily on property taxes, fee-for-services, and special tax to provide essential fire protection, emergency medical, and other services.

DISTRICT OPERATING REVENUES

RSG compiled a 3-year history of audited financial information from CFPD based on the Consolidated Audited Financial Report ("CAFR") filed by the County Auditor Controller; at the time of this Review, the 2018-19 CAFR had not been posted by the County Auditor Controller but an update will be made if this data is released prior to the public review hearing. For reference, operating revenues in the 2019-20 budget are approximately \$1.2 billion.

Figure 1 shows all the revenue sources of CFPD.

Figure 1: CFPD Operating Revenue History

Revenues	2016-17	2017-18	2018-19
Taxes	\$ 812,973,000	\$ 854,886,000	\$ 902,212,000
Licenses, Permits, and Franchises	18,238,000	16,371,000	16,848,000
Fines, Forfeitures, and Penalties	2,747,000	2,347,000	2,428,000
Revenue from use of Money and Property			
Investment Income	1,350,000	1,302,000	1,543,000
Rents and Concessions	100,000	100,000	101,000
Intergovernmental Revenues			
Federal	5,691,000	14,651,000	5,375,000
State	15,256,000	14,742,000	17,068,000
Other	3,956,000	1,178,000	1,294,000
Charges for Services	212,751,000	244,264,000	211,710,000
Miscellaneous	2,957,000	3,406,000	2,927,000
Total Revenues	\$1,076,019,000	\$1,153,247,000	\$1,161,506,000

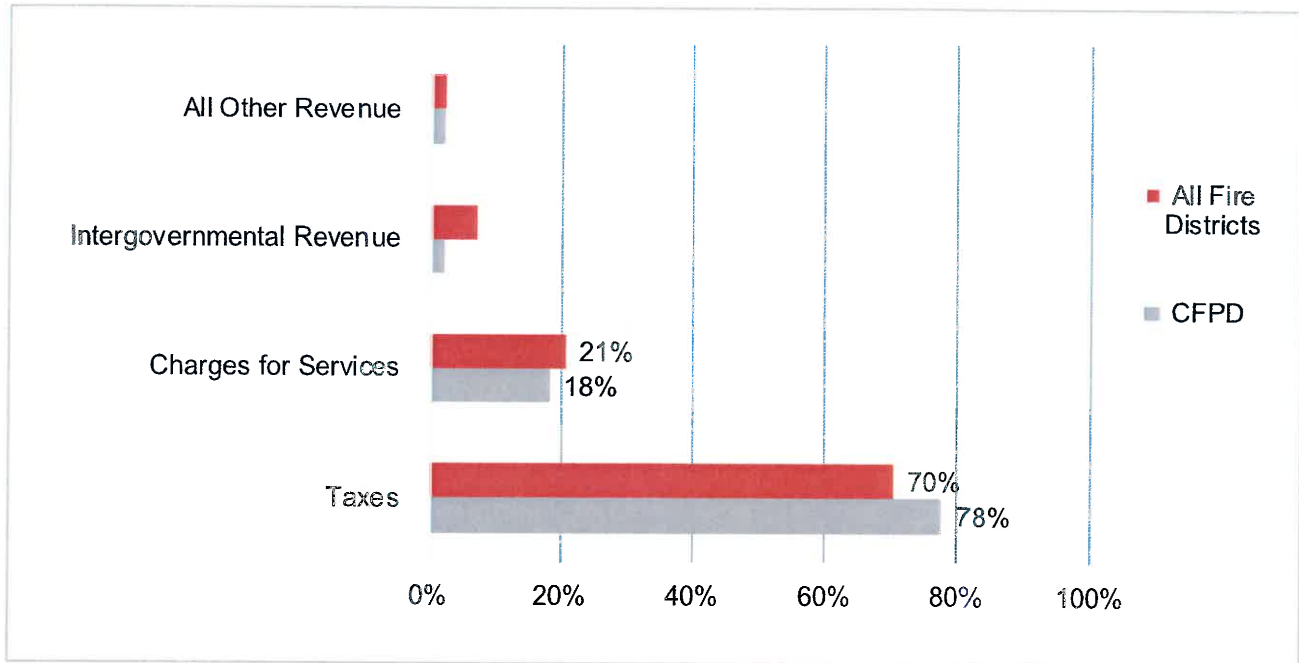
Source: Los Angeles County CAFR for Fiscal Years 2016-17, 2017-18, and 2018-19

Variance in the fiscal year 2017-18 Federal Intergovernmental Revenues from fiscal year 2016-17 and fiscal year 2018-19 is due to an effort by CFPD to address grant claim backlogs.

Taxes comprised 78 percent of all revenues collected by CFPD in fiscal year 2018-19 and include property taxes and special (parcel) taxes levied in four areas of the district. As shown in Figure 2, fire districts in California typically receive 70 percent of their revenue from taxes, although most do not assess parcel taxes to supplement their revenue³. The second largest source of revenue (21 percent) came from charges for services, which in the case of CFPD are charges to contract cities under the pay-for-service model. Intergovernmental transfers, which include Federal Emergency Management Agency and mutual aid transfers, made up only 2 percent of all revenues in 2018-19; by contrast, these same revenues represent close to 7 percent of all revenues for all fire districts in California.

³ Source: State Controller's Office Annual Report, fiscal year 2018

Figure 2: CFPD Revenues as Compared to All California Fire Districts



Property Taxes

More than 88 percent of the tax revenue collected by CFPD is derived from property taxes. Property taxes consist of portions of the general (1 percent) property tax levy collected by CFPD within its non-fee-for service area, as well as a separate share of the general levy collected throughout the County for Forrester and Fire Warden services assumed by CFPD. Overall, relative to other revenues generated by CFPD, property taxes are increasing at a higher rate, due to assessed value appreciation since the 2008 Great Recession and the wind down of redevelopment agencies that began in 2012.

- **CFPD Fire District Share:** In 2018-19, the County Auditor Controller's office reports that CFPD collected a total of \$671,526,301 in property tax revenue from collections within the Tax Rate Areas ("TRA") corresponding to the unincorporated County and the 47 incorporated cities within which CFPD directly provides fire protection services. This consists of \$599,161,975 of general levy property taxes apportioned directly to CFPD and another \$72,364,326 of Redevelopment Property Tax Trust Funds ("RPTTF") collected

indirectly via the dissolution of redevelopment agencies. According to the County Auditor Controller's office, CFPD receives an average of 12.8 percent of the 1 percent general levy depending on the TRA.

- **CFPD Share for Countywide Forestry and Fire Warden:** According to the County Auditor Controller's office, CFPD collected a total of \$123,145,641 in property tax revenues in 2018-19 consisting of \$114,677,530 of general levy property tax revenues and \$8,448,111 in RPTTF revenue. As Forestry and Fire Warden services cover the entire County (not just the CFPD territory), these revenues reflect collections Countywide. On average, the CFPD Forestry and Fire Warden share of the general tax levy is 0.8 percent of the 1 percent general levy.

Since 2009-10, revenues from taxes (including property taxes as well as parcel taxes) have increased by 45 percent while revenues overall have increased by 33 percent, according to the County Auditor Controller. Still, as an agency reliant on property taxes, CFPD is vulnerable to economic downturns (like the Great Recession and potential economic impacts from the COVID-19 crisis) that place strain on agencies when assessed values decline, particularly because these costs are not indexed to service demands, such as is the case with a fee-for-service model.

Parcel Taxes

Notwithstanding the failure of the Los Angeles County Fire District 911 Firefighter/Paramedic Emergency Response Measure ("Measure FD") in March 2020, CFPD continues to assess one additional parcel tax to fund operational costs in its jurisdiction, known as Measure E. According

to records from the County Auditor Controller⁴, parcel tax revenues totaled \$84,595,438, or nearly 10 percent of all tax revenue collected by CFPD.

The Measure E parcel tax is assessed on all taxable real property in CFPD boundaries with the exception of fee-for-service jurisdictions, the special tax is billed on the Annual Property Tax Bill under Detail of Taxes Due, Direct Assessments. Approved by the voters in 1997, Measure E tax proceeds pay for essential fire suppression and emergency medical services. The tax increases every year with the cost of living adjustments and is capped at a maximum annual increase of 2 percent. The special tax rate varies depending upon the property type and use, as shown in Figure 3.

While County Auditor-Controller records indicate three other parcel tax accounts for the communities of Azusa, Signal Hill, and unincorporated Wrightwood that is located within Los Angeles County, these are all part of the Measure E parcel tax. The Measure E revenue collected from Azusa annually is credited towards the city's annual fee since it is a fee-for-service jurisdiction.

⁴ Pursuant to AB 2109, agencies are to report parcel taxes to the State Controller, who in turn publishes this information for the general public. However, no such records were available on the State Controller's Parcel Tax Reporting website although officials at the County Auditor-Controller's office report that these reports were filed. Therefore, the information contained herein is from the County Auditor-Controller's office.

Figure 3: Measure E Parcel Tax Rates as of 2019

Land Use	Special Tax Rate	Special Tax Rate w/Sprinkler Credit
Single-Family Residential	\$70.10	N/A
Mobile Home in Park	\$35.05	N/A
Multi-Family Residential 2 or more units less than 4 stories	\$88.55 + \$0.0089 per sq. ft. over 1,555 sq. ft.*	\$88.55 + \$0.0086 per sq. ft. over 1,555 sq. ft.*
Non-Residential, Commercial/Industrial less than 4 stories	\$84.84 + \$0.0571 per sq. ft. over 1,555 sq. ft.*	\$84.84 + \$0.0550 per sq. ft. over 1,555 sq. ft.*
High Rise, 4 stories or more	\$103.29 + \$0.0698 per sq. ft. over 1,555 sq. ft.*	\$103.29 + \$0.0667 per sq. ft. over 1,555 sq. ft.*
Special Use (Refineries and Major Chemical Handlers)	\$129.11 + \$0.0871 per sq. ft. over 1,555 sq. ft.*	\$129.11 + \$0.0832 per sq. ft. over 1,555 sq. ft.*
Vacant Land - 2 acres or less	\$17.53	N/A
Vacant Land - more than 2 acres and less than or equal to 10 acres	\$23.13	N/A
Vacant Land - more than 10 acres and less than or equal to 50 acres	\$46.29	N/A
Vacant Land - more than 50 acres	\$70.10	N/A

Source: CFPD

* Capped at 100,000 square feet per parcel

Charges for Services

CFPD also generates funding from its Fee-for-Service cities that pay an annual fee based on the cost sharing agreement that was determined when the city agreed to annex into CFPD. In general, CFPD generates approximately \$211 million (18 percent) of its revenue from fee-for-service agreements with the 11 cities annexed into the district territory and La Habra, which is strictly a fee-for-service jurisdiction (not annexed) in Orange County. Each of these fee-for-service charges vary by jurisdiction, based on resources in each city, calls for service, and the network of nearby fire stations as specified in each contract.

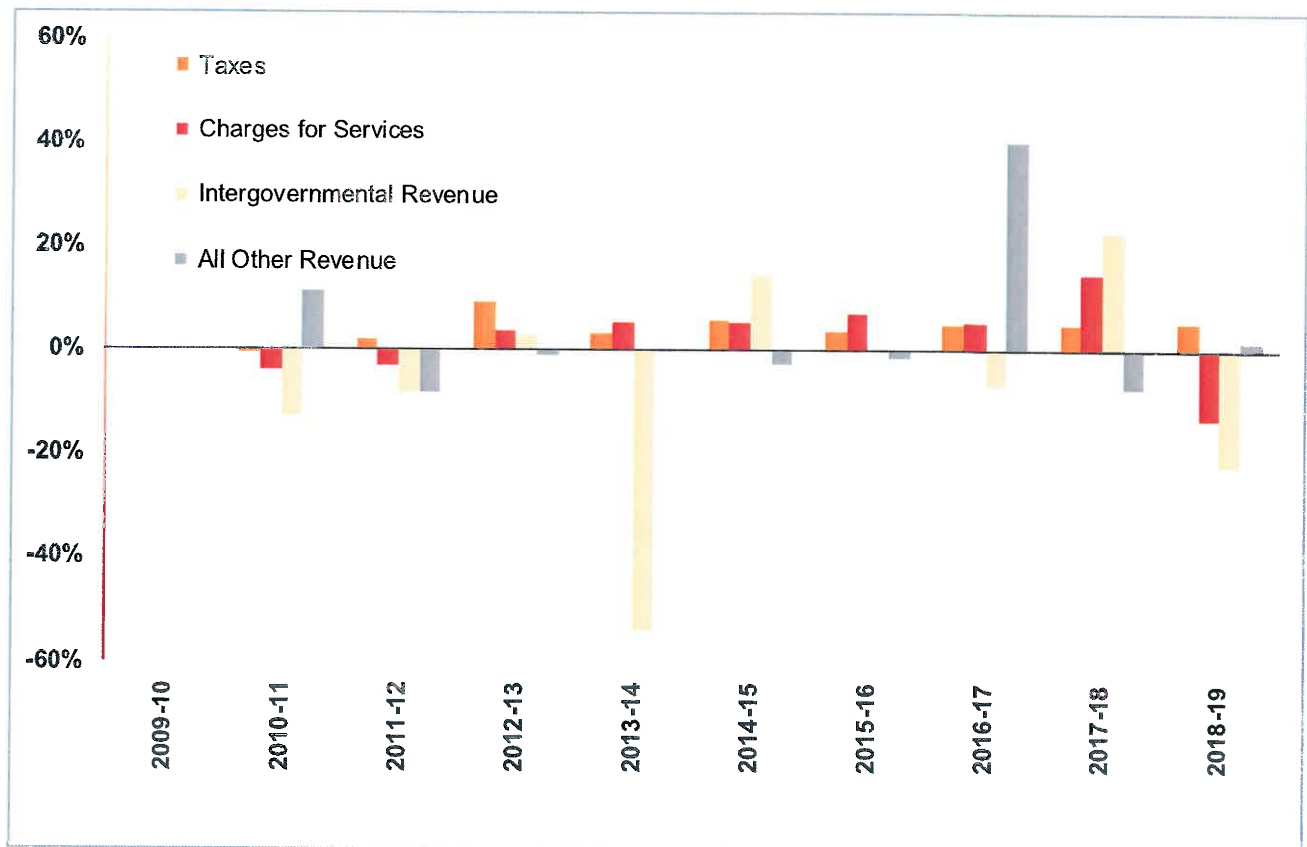
Despite the addition of Hermosa Beach to CFPD in 2017 to bring the total number of cities in Los Angeles County served under this model to 12, charges for services have increased by 33 percent over the last 10 years as compared to a 45 percent increase in CFPD taxes over the same time

period. CFPD advised RSG that the reason for the discrepancy between the increases in charges for service and CFPD taxes could be attributed in part to an adjustment in services as requested by some of the fee-for-service cities.

Intergovernmental Revenues

In general, intergovernmental revenues consist of Federal, State, and local reimbursements for disasters and mutual aid agreements. By their nature, these revenues tend to fluctuate the most as shown in Figure 4 below. As wildfires become more of a normal recurrence due to climate change, one can expect that these costs and (provided federal and state resources are not otherwise compromised) their corresponding reimbursements would increase in the future.

Figure 4: Changes in Major CFPD Revenues Year-to-Year



Measure FD (Implications of Failed March 2020 Ballot Measure)

Following support of the Board of Supervisors, the CFPD placed Ballot Measure FD on the March 3, 2020 ballot to provide additional funding for CFPD. Measure FD was a proposed additional parcel tax to be assessed on taxable real property located within the CFPD territory, excluding the 12 fee-for-service cities, Palos Verdes Estates, and Lynwood. After evaluating the needs of the service area, CFPD sought needed additional funding to replace fire equipment and modernize its current technology and equipment. Additionally, the increase in wildfires and large jump in the number of paramedic calls has led to a strain on department resources, triggering the need for additional firefighters and upgraded equipment.

If passed, Measure FD would have established a \$0.06 per square foot parcel tax to upgrade fire equipment and hire more firefighters, according to CFPD. It was estimated that the ballot measure would have generated an additional \$134 million annually for CFPD if approved.

The Measure was required to receive two-thirds of the vote to pass and take effect. According to the County Registrar-Recorder/County Clerk, the Measure received less than 53 percent of votes in support and failed to meet the required 2/3 voter approval threshold.

CFPD officials are currently working with the County CEO to refine a plan for addressing funding, equipment, and personnel needs; when ready, it will be discussed with the Board of Supervisors at public meetings.

DISTRICT OPERATING EXPENDITURES

Figure 5 shows the actual CFPD expenditures from 2016-17 through 2018-19, based on the County CAFR for these respective years. Total expenses amounted to \$1.12 billion in 2016-17 increasing to \$1.20 billion in 2018-19. For context, the 2019-20 budget estimates expenditures increasing to \$1.29 billion.

As shown in Figure 5, the overwhelming majority of CFPD expenditures are allocated to employee salaries and benefits.

Figure 5: Actual CFPD Expenditures based on Audited Financials

Expenditures	2016-17	2017-18	2018-19
Salaries and Employee Benefits	\$ 945,408,000	\$ 1,010,756,000	\$ 1,063,262,000
Services and Supplies	143,996,000	138,117,000	133,602,000
Other Charges	4,884,000	6,977,000	6,163,000
Capital Assets	24,733,000	20,809,000	2,524,000
Total Expenditures	\$ 1,119,021,000	\$ 1,176,659,000	\$ 1,205,551,000
Deficiency of Revenues over Expenditures	\$ (43,002,000)	\$ (23,412,000)	\$ (44,045,000)
Other Financing Sources (Uses)			
Sales of Capital Assets	\$ 263,000	\$ 265,000	\$ 115,000
Transfers In	9,669,000	2,202,000	39,272,000
Transfers Out	(12,114,000)	(3,500,000)	(5,756,000)
Appropriations for Contingencies	-	-	-
Changes in Fund Balance	45,785,000	3,090,000	30,163,000
Total Other Financing Sources (Uses)	\$ 43,603,000	\$ 2,057,000	\$ 63,794,000
Net Change in Fund Balance	\$ 601,000	\$ (21,355,000)	\$ 19,749,000
Beginning Fund Balance	\$ 21,168,000	\$ 21,769,000	\$ 414,000
Ending Fund Balance	\$ 21,769,000	\$ 414,000	\$ 20,163,000

Source: Los Angeles County CAFR for Fiscal Years 2016-17, 2017-18, and 2018-19

Because the CFPD financial statements contained in the CAFR are not detailed by function or budget unit, RSG also analyzed the 2019-20 budget which contains details of operating cost and positions by function. Figure 6 below presents a breakdown of the 10 budget units; the following section describes the activities of each of these functional units.

Figure 6: CFPD 2019-20 Budgeted Operating Expenses

Fire Department Budget Detail	Salaries & Benefits	Supplies & Services	Other	Total	Positions
Emergency Services	\$ 902,166,000	\$ 48,931,000	\$ 7,652,000	\$ 958,749,000	3,525
Emergency Medical Services Budget Unit	11,299,000	4,223,000	-	15,522,000	58
Lifeguard Budget Unit	54,386,000	3,048,000	-	57,434,000	294
Operations Budget Unit	836,481,000	41,660,000	7,652,000	885,793,000	3,173
Prevention Services	77,017,000	2,002,000	-	79,019,000	395
Health Hazardous Materials Budget Unit	23,497,000	605,000	-	24,102,000	144
Prevention Budget Unit	53,520,000	1,397,000	-	54,917,000	251
Business Services	116,715,000	105,660,000	26,156,000	248,531,000	775
Administrative Budget Unit	37,287,000	53,155,000	2,892,000	93,334,000	306
Executive Budget Unit	15,741,000	7,027,000	633,000	23,401,000	86
Financing Elements Budget Unit /1	-	-	20,191,000	20,191,000	-
Leadership & Professional Standards Unit	18,383,000	3,712,000	-	22,095,000	90
Special Services Budget Unit	45,304,000	41,766,000	2,440,000	89,510,000	293
Total 2019-20 Budget	\$ 1,095,898,000	\$ 156,593,000	\$ 33,808,000	\$ 1,286,299,000	4,695

Source: Consolidated Fire Protection District Fiscal Year 2019-20 Annual Budget and CFPD Staff

SERVICES PROVIDED BY CFPD

On average, CFPD has responded to an average of 427,187 calls annually over the three-year period between 2016-2018. Approximately 76 percent of responses are for EMS incidents with the remaining 24 percent including fire incidents, lifeguard incidents, and other various incidents, which include false alarms, mutual aid, hazardous materials responses, and miscellaneous incidents. As outlined below, the County is responsible for providing a variety of services, as well as serving a variety of terrain and landscape. The County is extremely diverse in regard to terrain, building type, diversity, living conditions, and density. As a result, the CFPD must be equipped and staffed for any type of response.

The Fire District Protection Law of 1987 (Health and Safety Code Section 13800 – 13970) (“Principal Act”) authorizes the formation of fire districts and the power to provide of certain services. Section 13862 of the Principal Act enumerates six (6) categories of these services, specifically:

1. Fire protection services.
2. Rescue services.
3. Emergency medical services.
4. Hazardous material emergency response services.
5. Ambulance services, pursuant to the Emergency Medical Services System and the Prehospital Emergency Medical Care Personnel Act, Health and Safety Code Division 2.5 (commencing with Section 1797).
6. Any other services relating to the protection of lives and property.

Since 2000, additional services outside these six areas in the Principal Act (referred to as latent powers) may be provided upon application and approval by LAFCO pursuant to CKH Section 56824.10. In consultation with LAFCO staff, RSG understands that LAFCO has not initiated a resolution of application for any latent services by CFPD; this MSR thus evaluates services

provided by CFPD within the context of the Principal Act and identifies any services that would require LAFCO approval.

Figure 7 provides an inventory of the services provided by CFPD and the corresponding Principal Act statutory reference that grants these powers to fire districts.

Figure 7: CFPD Fire Services Under Principal Act (Health and Safety Code Section 13862)

Principal Act Service	Provided?
Fire protection services.	Yes
Rescue services.	Yes
Emergency medical services.	Yes
Hazardous material emergency response services.	Yes
Ambulance services	No
Any other services relating to the protection of lives and property.	Yes
Other (Latent) Services	None

PRINCIPAL ACT SERVICES PROVIDED

Fire and Rescue

Fire and Rescue tasks involve, but are not limited to, commanding and coordinating responding units, operating fire equipment to extinguish fires, and searching for and rescuing trapped persons. CFPD adheres to the recognized standards set forth nationally by the NFPA and at a state level by CalFire. CFPD responded to an average of 8,385 fire incidents annually. The number of fire incidents accounts for approximately 2 percent of the total number of responses on an annual basis. The number of structure fires has been trending downward over previous decades as a result of better fire prevention and building activities; however, the number of wildfires has increased greatly in recent years.

Emergency Medical Services (EMS)

CFPD provides medical services to patients in the field who require immediate medical assistance and do not have the time or ability to get to a medical facility for treatment. The department

operates paramedic assessment engine companies and paramedic squads, each staffed with at least one paramedic firefighter who can perform Advanced Life Support (ALS) care for patients. CFPD does not transport any patients but will allow one of its responding paramedics to accompany the transporting ambulance company to the hospital in order to provide any ALS services that may not be provided by a Basic Life Support ambulance company. CFPD responds to an average of 323,981 EMS calls on an annual basis, which equates to approximately 76 percent of total responses by CFPD.

Figure 8 below presents CFPD's call volume in the areas of Fire and Rescue and Emergency Medical Services.

Figure 8: EMS and Related Incidents

Fire & Rescue, EMS	2016	2017	2018	Averages	%
Emergency Medical Responses	317,781	324,102	330,059	323,981	76%
Fire Incidents	8,267	8,315	8,574	8,385	2%
Other Incidents 1	81,585	61,268	54,239	65,697	15%
Lifeguard Incidents 2	30,533	28,322	28,516	29,124	7%
Total Incidents	438,166	422,007	421,388	427,187	100%

Source: CFPD 2018 Statistical Summary

1) Includes false alarms, mutual aid provided, Haz-Mat, and miscellaneous incidents

2) Includes ocean rescues, medical calls, boat rescues (distress), missing persons, oxygen therapy, and drownings

Health and Hazardous Materials / Other Services

CFPD participates in activities aimed at protecting public health and the environment from improper handling, storage, and disposal of hazardous materials. Hazardous materials specialists regulate facilities deemed to be using hazardous materials through regular inspections and by responding to any emergency hazardous materials incidents. The Health and Hazardous Materials Division participates in six environmental regulatory programs, including Hazardous Waste Generators, Hazardous Materials Handlers, Aboveground Storage Tanks, California Accidental Release Facilities, Uniform Fire Code Hazardous Materials Management Plans, and Underground Storage Tanks. The hazardous materials division responds to an average of 650 hazardous materials emergencies annually.

Figure 9 presents CFPD's call volume in what can be considered other areas, including Hazardous Materials, False Alarms, Mutual Aid Assistance, and Miscellaneous Incidents.

Figure 9: Other CFPD Incidents

Other Incidents	2016	2017	2018	Averages	%
False Alarms	25,439	23,370	23,887	24,232	37%
Mutual Aid Provided	2,409	2,804	1,919	2,377	4%
Haz-Mat	678	591	681	650	1%
Misc. Incidents	53,059	35,403	27,752	38,738	59%
Total Incidents	81,585	62,168	54,239	65,997	100%

Source: CFPD 2018 Statistical Summary

Education and Community Programs

Section 13875 of the Principal Act permits a fire district to prepare and disseminate information and operate educational programs, including but not limited to those which help prevent fire, eliminate life hazards, and prepare for medical emergencies. Under this authority, CFPD works to connect with members of the community it protects through classes and other events to help educate the public about fire and medical risks and how people can effectively mitigate those risks. Some of these events are aimed at educating the public on what to do in the event of a fire, how to reduce the risks of starting fires, CPR training, and explorer programs to help educate and train future firefighters.

Forestry and Fire Prevention Divisions

Section 13879 of the Principal Act permits a fire district to abate hazardous weeds and rubbish pursuant to Health and Safety Code Section 14875-14922. The Forestry Division is primarily responsible for brush clearance and fuel modification programs. This division conducts over 40,000 brush clearance inspections annually to reduce the risk of wildfires.

The Division is also responsible for annual review, revision, and implementation of the Los Angeles County Strategic Fire Plan, which is designed to minimize the costs and losses of

wildland fires by utilizing Geographic Information Systems (GIS) to identify communities at risk for wildland fires.

The Fire Prevention Division focuses on educating the community about the benefits of proper safety practices and identifying and eliminating all types of hazardous conditions, which pose a threat to life, the environment, and property. The division is under the command of an assistant fire chief and is divided into five regional units. These units are responsible for conducting new construction field inspections and plan checking, hazardous material inspections, and investigating fires that have occurred.

Pursuant to Sections 13870 through 13872.5, a fire district may issue a written order or citations to correct or eliminate fire or life hazards. Under this authority, the Fire Prevention Division completes plan check reviews and final inspections for new construction projects in high-fire-hazard areas ensuring adequate defensible space for residential and commercial structures. Personnel is also responsible for reviewing all environmental documents for CFPD ensuring compliance with the California Environmental Quality Act and monitors the implementation of the County's Oak Tree Ordinance, an ordinance that protects oak trees throughout the County. Other Services Related to the Protection of Lives and Property - Lifeguards

CFPD protects 72 miles of coastline, including 31 miles of sandy beaches, along the Pacific Coast of Los Angeles County and Catalina Island. On average, these beaches have accounted for an average annual beach attendance of 58,394,841 people. CFPD uses its workforce of 283 lifeguards to watch over beach attendees daily and provide them with services such as medical assistance, ocean rescues, distressed boat rescues, missing persons reports, and oxygen therapy. CFPD lifeguards respond to an average of 29,124 beach incidents annually, with 11,355 being ocean rescues, 15,979 medical responses, 418 distressed boat rescues, 1,131 missing persons, 238 oxygen therapy services, and 3 drownings.

Figure 10 below presents CFPD's call volume in the area of Lifeguard Services.

Figure 10: Lifeguard Incidents

Lifeguard Incidents	2016	2017	2018	Averages	%
Ocean Rescues	12,956	9,866	11,242	11,355	39%
Medical Calls	15,605	16,687	15,646	15,979	55%
Boat Rescues (Distress)	473	358	423	418	1%
Missing Persons	1,178	1,170	1,046	1,131	4%
Oxygen Therapy	317	241	155	238	1%
Drownings	4	-	4	3	0%
Total Incidents	30,533	28,322	28,516	29,124	100%
Beach Attendance	55,950,559	63,188,840	56,045,125	58,394,841	

Source: CFPD 2018 Statistical Summary

Other Services Related to the Protection of Lives and Property – Wildland Protection

Wildland protection includes any fire suppression services in areas where there are no structures or residents and the terrain is mostly brush and other vegetation. With the increase in wildfires in California, wildland protection has received increased attention to mitigate the fire threat to small areas before the fire spreads to engulf more area and begin to threaten structures and the lives of residents. CFPD provides wildland protection aid to other cities and counties around California when there is a large-scale wildfire that requires the assistance of a large firefighting force. There has been an average of 26,239 acres burned over the last three years in Los Angeles County. This figure has been trending upward recently with a total of 63,648 acres burned in 2018 alone. CFPD also staffs fire suppression camps that are responsible for wildfire suppression, maintenance of fire roads, and other miscellaneous projects concerned with wildfires.

Effective fire management entails the coordination among Federal, State, and local agencies. CalFire acts as the lead agency at the State level and has established Fire Hazard Severity Zones. These are ranked as Moderate, High and Very High. Much of the County is considered a Local Responsibility Area, meaning that fire services are carried out at the local level by a city or special district. The Angeles Forest is in the County and it is a Federal responsibility. The CFPD has structural fire protection responsibility in the forest.

As shown on Appendix 3, CalFire is responsible for oversight of several areas within the County, known as State Responsibility Areas (SRAs), but contracts with CFPD for service within its jurisdiction. This is the case for areas surrounding the Santa Monica Mountain Range, the Angeles National Forest and the Los Padres National Forest. Specific to this MSR, the City of West Covina and the City of La Verne contain areas noted as Very High Fire Hazard Severity according to CalFire.

Figure 11 presents CFPD's statistics in the areas of fire damage. Note that these figures include all types of fire damage and are not specific to Wildland Protection.

Figure 11: Wildfire and Structural Fire Incidents

Fire Statistics	2016	2017	2018	Averages
Acreage Burned	6,396	8,672	63,648	26,239
Fire Loss in Dollars				
Property or Structure	\$ 78,290,853	\$ 93,901,408	\$ 290,003,114	\$ 154,065,125
Vehicle Contents	18,064,728	18,675,078	22,270,615	19,670,140
Miscellaneous Property	22,955,959	1,468,072	1,412,559	8,612,197
Total Fire Loss	\$ 119,311,540	\$ 114,044,558	\$ 313,686,288	\$ 182,347,462

Source: CFPD 2018 Statistical Summary

Other Services Related to the Protection of Lives and Property – Air Support

CFPD maintains a fleet of eight helicopters and has access to contract aircraft that are available for leases during the wildfire season. These helicopters are used for paramedic transports in extreme situations where medical transport is needed immediately, hoist rescues, and wildland firefighting where the helicopters are used for collecting and dropping water and foam on wildfires. In 2018, CFPD's fleet of helicopters responded to 295 fires, provided 692 EMS transports, performed 128 hoist rescues, and dropped a total of 2,416,300 gallons of either foam or water.

Other Services Related to the Protection of Lives and Property – Dispatch

CFPD provides dispatch services for fire units from CFPD's Fire Command and Control Facility located at 1320 North Eastern Avenue, Los Angeles. Every dispatch staff member is a trained

Emergency Medical Dispatcher that is trained to provide lifesaving instructions over the phone while callers wait for the arrival of emergency units. All emergency vehicles are equipped with mobile data computers and automatic vehicle locators that allow for efficient communication and allocation of emergency units. Dispatch is an important division of the department as it plays an integral part in the department being compliant with NFPA response time standards.

PRINCIPAL ACT SERVICES NOT PROVIDED

Based on RSG's review and as mentioned on page 7, the CFPD does not provide ambulance services but instead relies on other agencies to perform these services, specifically DHS and incorporated cities.

LATENT SERVICES

Based on RSG's review of CFPD, the district does not provide any services outside the Principal Act authority and therefore no resolution of application for latent services is required.

CFPD PERFORMANCE STANDARDS

ISO RATING AMONG CFPD'S NINE DIVISIONS

As described on page 10, ISO provides ratings on a scale of 1 to 10 (with 1 being highest) to reflect the relative responsiveness and effectiveness of fire service, water supply, and other essential resources to suppress fires. On May 11, 2018, the Fire Chief issued a memorandum to each of the County Supervisors reporting on the most recent ISO rating for the nine (9) Divisions of CFPD. A summary of the report findings is presented in Figure 12 below and shows that all but one of the divisions (Division 2) achieved a second-highest rating of 2. Improvements in several Divisions are noted between the prior rating (1998).

Figure 12: CFPD ISO Ratings by Division, 2017

Division	County Unincorporated Area, Plus these Cities	Prior ISO Class (1998)	New ISO Class (2017)
Division 1	Carson, Gardena, Hawthorne, Lawndale, Lomita, Palos Verdes Estates, Rancho Palos Verdes, Rolling Hills, Rolling Hills Estates	3	2
Division 2	Azusa, Baldwin Park, Bradbury, Claremont, Covina, Duarte, Glendora, Hermosa Beach, San Dimas	3	3
Division 3	La Canada Flintridge, Santa Clarita	4	2
Division 4	Artesia, Bellflower, Cerritos, Hawaiian Gardens, Lakewood, La Mirada, Norwalk, Paramount, Pico Rivera, Signal Hill, Whittier	2	2
Division 5	Lancaster, Palmdale	2	2
Division 6	Cudahy, Huntington Park, Inglewood, Lynwood, Maywood, South Gate	2	2
Division 7	Agoura Hills, Calabasas, Hidden Hills, Malibu, West Hollywood, Westlake Village	4	2
Division 8	Diamond Bar, Irwindale, La Puente, Pomona, Walnut	2	2
Division 9	Bell, El Monte, Bell Gardens, Commerce, Rosemead, South El Monte, Temple City	3	2

Source: Chief Daryl L. Osby memorandum to Board of Supervisors dated May 11, 2018.

RESPONSE TIME STANDARDS AMONG CFPD STATIONS

CFPD has established internal standards for response to fire and EMS calls for service based on the population density, road network, and number of incidents surrounding each station. These densities are considered rural for a population density of less than 500 persons per square mile, suburban for a population density between 500 and 1,000 persons per square mile, and urban for a population density in excess of 1,000 persons per square mile. The CFPD standards either comply with or are more restrictive than the response-time standards established by NFPA, as described on page 10 of this MSR.

RSG analyzed these standards for all CFPD stations within their jurisdiction. While CFPD covers all types of territory including rural, suburban and urban, with nearly 4.3 million residents and an area of 3,298 square miles, the overall population density of the territory is approximately 1,296 persons per square mile, which is effectively an urban standard across the entire CFPD territory.

Appendix 3 presents a map of the 174 CFPD fire stations as well as the surrounding area within CFPD's drive time standard of 7-minutes from the station to a call for emergency medical service. Based on this data, 92 percent of the CFPD's 4.3 million residents live within 7-minutes of a fire station. While Appendix 3 may appear to show a much smaller portion of the area served by a local fire station, approximately one-quarter of the CFPD territory falls within State Responsibility Area and is very rural in nature.

FUTURE EXPANSION OF SPHERE TO ADDITIONAL CITIES

In recent years, there has been a dialogue to shift fire services to a regional approach rather than having individual cities be responsible for operating and maintaining effective fire and medical response services throughout California. The primary motivations for a city to abandon its own fire department in favor of a regional entity include resource availability, increased safety and response times, training resources for staff, joint purchasing, potential cost savings, and reduced personnel related obligations and reduced pension obligations a city might currently be facing or will face in the future. The regional approach model is not specific to fire services, and can be seen by police or sheriff operations, park and recreation districts, and water agencies.

Some of the perceived drawback of the regional model include the loss of oversight, the loss of cost control measures, and the overall equity for funding a regional model. In addition, some may express the concern that services such as plan checks or some of the more administrative aspects of a fire department may not be delivered at the current level.

This section of the MSR evaluates the potential of expanding the CFPD SOI to include six smaller Los Angeles County cities, which could increase the number of fee-for-service jurisdictions from the current total of 12, 11 by annexation and 1 by contract, to as many as 18.

JURISDICTIONS ANALYZED

Within the last approximately 18 months, 6 cities have expressed interest or considered an evaluation of annexing fire services to the CFPD. This includes the cities of La Verne, Manhattan Beach, Redondo Beach, San Gabriel, Vernon, and West Covina. As part of this evaluation process, CFPD undertook an internal feasibility study for each possible annexation to consider the implications of annexation.

LA VERNE

La Verne is a mixed-use city that is primarily residential, with an estimated 2019 population of 33,201 and 12,168 housing units. La Verne is located northeast of downtown Los Angeles and is



situated at the base of the San Gabriel Mountains, which brings an increased risk of wildfires, and also has State Route 210 that runs through the City and the Brackett Field Airport, which both bring the potential for increased call volume.

The City spans a total area of 8.43 square miles and is bordered by the City of San Dimas to the west, by the Cities of Claremont and Pomona to the east, by Pomona to the south, and by the unincorporated areas of the San Gabriel Mountains to the north.

City Fire Department Description

The City of La Verne was incorporated in 1906 and the La Verne Fire Department was formed in 1911 as a volunteer department and began to transform to into a professional fire department in the 1950's. La Verne participates in mutual aid agreements with both the CFPD and the United States Forest Service.

The Department is administered by a fire chief who oversees the department's fire operations division and fire prevention division. The fire chief is assisted by three battalion chiefs who help with day-to-day fire operations and a fire marshal who oversees the fire prevention division. The department currently has an ISO fire protection class rating of 3.

La Verne Fire Department is divided into three divisions: fire operations, fire prevention, and training. The department currently staffs three fire stations, fire prevention division, and training division with 36 full-time employees, 34 sworn and two non-sworn employees. The Department also has an apprentice firefighter program with approximately 15 personnel working as the fourth member on the engine company.

The Department provides its services out of three fire stations. Station 61, located at 2061 Third Street, serves as the department's headquarters and houses four fire apparatus, one paramedic assessment engine, one quint that is cross staffed by engine staff, one reserve engine, and one rescue ambulance that is staffed daily by five uniformed personnel. This station also houses one battalion chief, the deputy fire marshal, and the administrative offices. The Fire Department

La Verne Fire Department in Brief:

- 26% of General Fund Budget
- \$278 per capita for Fire services
- ISO Rating of 3

shares this facility with the La Verne Police Department. Station 62, located at 4785 Wheeler Avenue, houses one paramedic assessment engine that is staffed daily by 3 uniformed personnel. Station 63, located at 5100 Esperanza Drive, houses one rescue ambulance and is staffed daily by 2 uniformed personnel.

Fire Department Operating Budget

The City of La Verne Fire Department has an operating budget of approximately \$9.2 million in Fiscal Year 2019-20. Most of the budget is reserved for salaries and benefits equating to roughly \$8.2 million of the total budget. Figure 13 shows a steady increase in the Fire Department budget for Fiscal Years 2017-18, 2018-19 and 2019-20. Based on a recent feasibility study, CFPD has two potential options to staff La Verne's stations if the City decided to annex into CFPD. Option A is estimated to cost La Verne \$8,912,609 and option B is estimated to cost \$8,752,961.

Figure 13: Fire Department Expenditures, La Verne

Expenditures	2017-18 ¹	2018-19 ²	2019-20 ²
Salaries and Employee Benefits	\$ 7,486,053	\$ 7,710,982	\$ 8,165,257
Other Operating Costs	782,100	877,369	1,077,400
Total Expenditures	\$ 8,268,153	\$ 8,588,351	\$ 9,242,657

Source: City of La Verne Fiscal Year 2019-20 Annual Budget

1) 2017-18 figures represent actual expenditures by La Verne for Fire Protection

2) 2018-19 and 2019-20 figures are the budgeted amounts for the respective Fiscal Year

As shown on Figure 14, the department is almost primarily funded through the General Fund with an estimated \$7.3 million, and the remaining budgeted amount being recognized in the Paramedic Fund and the Proposition 172/Public Safety Fund.

Figure 14: Fire Department Revenues, La Verne

Revenues	2017-18 ¹	2018-19 ²	2019-20 ²
General Fund	\$ 7,331,653	\$ 7,627,321	\$ 8,242,757
Paramedic Fund	790,500	815,000	847,900
Proposition 172/Public Safety Fund	146,000	146,000	152,000
Total Revenues	\$ 8,268,153	\$ 8,588,321	\$ 9,242,657

Source: City of La Verne Fiscal Year 2019-20 Annual Budget

1) 2017-18 figures represent actual revenues received by La Verne for Fire Protection

2) 2018-19 and 2019-20 figures are the budgeted amounts for the respective Fiscal Year

Future Growth in City

Figure 15 shows actual population of La Verne for 2005, 2010, and 2015 and the estimated population growth that the City can expect through 2035. In order to forecast the future population, RSG looked at the population data provided by DOF as of January 1, of each year and Based on data received from the American Community Survey (“ACS”) ranging from 2012-2016, the median household income for La Verne is estimated to be \$78,385 annually.

Figure 15: Population Forecast, La Verne

Year	2015	2016	2017	2018	2019	2020	2025	2030	2035
Population	33,131	33,127	33,220	33,239	33,201	33,284	33,702	34,126	34,554

California is amid a housing crisis and there is a desperate need for the development of affordable housing units. It is a state mandate for local governments to build a pre-determined number of affordable units and this is referred to as the Housing Element and Regional Housing Needs Allocation (“RHNA”). As a part of RHNA, the California Department of Housing and Community Development (“HCD”) determines the number of affordable units that need to be built in every city. RHNA numbers are established in cycles. The upcoming 6th cycle will run from October 2021 through October 2029. In the upcoming cycle, HCD has determined that La Verne will need to build 1,269 new affordable units. La Verne currently has an estimated 12,168 housing units as of 2019 and the number of housing units will increase by approximately 10 percent by 2029 as a result of the 6th Cycle allocation.

CFPD Annexation Implications

CFPD provides fire suppression and emergency medical services to all the bordering cities and surrounding unincorporated areas, including the unincorporated portions of the City’s Sphere of Influence. Under Option A, Station 61 would staff an engine and a paramedic squad with 5 uniformed personnel, Station 62 would house one paramedic assessment engine staffed by 3 personnel, and CFPD would recommend that a private ambulance company staff a rescue ambulance that would be housed at Station 63. Option B would provide the same number of

staffing as Option A, but there would be no paramedic assessment ability at station 62 as it would only house an engine rather than a paramedic assessment engine.

CFPD currently staffs 16 fire stations within 5 miles of La Verne's borders and these stations house 25 fire apparatus that are staffed daily by 72 uniformed personnel. If La Verne were to annex into CFPD's SOI, CFPD would be able to draw upon a total of 18 fire stations, 28 fire apparatus, and 80 uniformed personnel to respond to incidents in La Verne and the surrounding areas. The private ambulance company would also be available to assist with any medical transports.

An advantage to expanding the SOI and annexing into the CFPD may be a reduction in the number of fire stations if redundancy is evident based on the location of nearby CFPD stations that may be within a CFPD's response-times, such as 7-minutes for an EMS call for service. Without taking into account other factors such as station capacity, calls for service, and other factors, 91 percent of La Verne's residents are within a 7-minute EMS response time distance of an existing CFPD fire station, as shown on Figure 16.

MANHATTAN BEACH

Manhattan Beach is a mixed-use, primarily residential, with an estimated 2019 population of 35,922 and 15,018 housing units. The City has two miles of beachfront along with a pier that attracts many visitors to the City, especially during the summer months.

The City of Manhattan Beach is in the southwest area of Los Angeles County. The City spans a total of 3.88 square miles and is bordered by the City of El Segundo to the north, the Cities of Hawthorne and Redondo Beach make up the eastern border, Redondo Beach and Hermosa Beach border the City to the south, and the western border of the City is made up of a 2 mile stretch of beachfront along the Pacific Ocean. The Cities of Hawthorne and Hermosa Beach are both border cities that have fire and emergency medical services that are currently being provided by CFPD and the Cities of El Segundo and Redondo Beach both provide their own fire and emergency medical services to their residents. Manhattan Beach's SOI does not include any unincorporated areas.

City Fire Department Description

The City of Manhattan Beach was incorporated in 1912, and the Manhattan Beach Fire Department was officially formed in 1923. The department began as a volunteer fire department that was run by a fire chief and has now grown into a professional fire department that has an operations division providing fire suppression and

emergency medical services, and a fire prevention division. The fire chief oversees all department activities with fire operations being overseen by three battalion chiefs and the fire prevention division is overseen by the fire marshal. The department currently has an ISO fire protection class rating of 2.

The department is run by a fire chief who oversees all fire department operations. The fire department currently staffs two fire stations with 31 full-time employees, 30 sworn and 1 non-sworn, and two part-time employees for a total of 33 employees.

Manhattan Beach Fire Department in Brief:

- 12% of General Fund Budget
- \$412 per capita for Fire services
- ISO Rating of 2

The Department provides its services out of two fire stations. Station 1, located at 400 15th Street, currently houses two firefighting apparatus and one command vehicle. This station also serves as the fire department headquarters and the facility is shared with the Manhattan Beach Police Department. Station 2 located at 1400 Manhattan Beach Boulevard, houses one firefighting apparatus. Station 2 is currently undergoing a remodel to modernize the facility and make it suitable to house female firefighters; construction is expected to be finished in fall 2020.

Manhattan Beach is part of the South Bay Regional Public Communications Authority that provides dispatching services to both the Manhattan Beach Fire Department and Police Department. The department has an automatic aid agreement with the Redondo Beach Fire Department and CFPD and has mutual apparatus and equipment loan agreements with the Redondo Beach Fire Department and the El Segundo Fire Department.

Fire Department Operating Budget

The City of Manhattan Beach Fire Department has an operating budget of approximately \$14.8 million in Fiscal Year 2019-20. Most of the budget is reserved for salaries and benefits equating to roughly \$11.8 million of the total budget. Figure 17 shows the steady increase in the Fire Department budget for Fiscal Years 2017-18, 2018-19, 2019-20. Based on a recent feasibility study, it is estimated that CFPD can carry out services at a cost of \$10,661,614 annually.

Figure 17: Fire Department Expenditures, Manhattan Beach

Expenditures	2017-18 ¹	2018-19 ²	2019-20 ²
Salaries and Employee Benefits	\$ 10,755,486	\$ 11,617,653	\$ 11,830,139
Materials and Utilities	1,148,997	1,434,818	1,568,764
Internal Services	625,691	1,007,717	1,007,476
Capital Projects and Equipment	36,678	125,788	10,000
Debt Service	384,186	386,332	386,219
Total Expenditures	\$ 12,951,038	\$ 14,572,308	\$ 14,802,598

Source: City of Manhattan Beach Fiscal Year 2019-20 Annual Budget

1) 2017-18 figures represent actual expenditures by Manhattan Beach for Fire Protection

2) 2018-19 and 2019-20 figures are the budgeted amounts for the respective Fiscal Year

As shown on Figure 18, the Department is almost exclusively funded through the General Fund with an estimated \$14.4 million, and the remaining budgeted amount being recognized from the City's Capital Improvement Fund.

Figure 18: Fire Department Revenues, Manhattan Beach

Revenues	2017-18 ¹	2018-19 ²	2019-20 ²
General Fund	\$ 12,566,852	\$ 14,185,976	\$ 14,416,379
Capital Improvement Fund	384,186	386,332	386,219
Total Revenues	\$ 12,951,038	\$ 14,572,308	\$ 14,802,598

Source: City of Manhattan Beach Fiscal Year 2019-20 Annual Budget

1) 2017-18 figures represent actual revenues received by Manhattan Beach for Fire Protection

2) 2018-19 and 2019-20 figures are the budgeted amounts for the respective Fiscal Year

Future Growth in City

Figure 19 shows actual population of Manhattan Beach for 2005, 2010, and 2015 and the estimated population growth that the City can expect through 2035. In order to forecast the future population, RSG looked at the population data provided by DOF as of January 1, of each year and calculated the compound annual growth rate from 2000 through 2019. The annual growth rate for Manhattan Beach was 0.31% and this growth rate was used to project the future populations. Manhattan Beach has experienced slow, steady growth over the past decade, with a few small decreases, and this trend can be expected to continue through 2035. Based on data received from ACS ranging from 2012-16, the median household income for Manhattan Beach is estimated to be \$144,868 annually.

In the upcoming RHNA cycle, HCD has determined that Manhattan Beach will need to build 791 new affordable units. Manhattan Beach currently has an estimated 15,018 housing units as of 2019 and the number of housing units will increase by approximately 5% by 2029 as a result of the 6th Cycle allocation.

Figure 19: Population Forecast, Manhattan Beach

Year	2015	2016	2017	2018	2019	2020	2025	2030	2035
Population	35,952	35,900	36,066	36,010	35,922	36,033	36,595	37,166	37,745

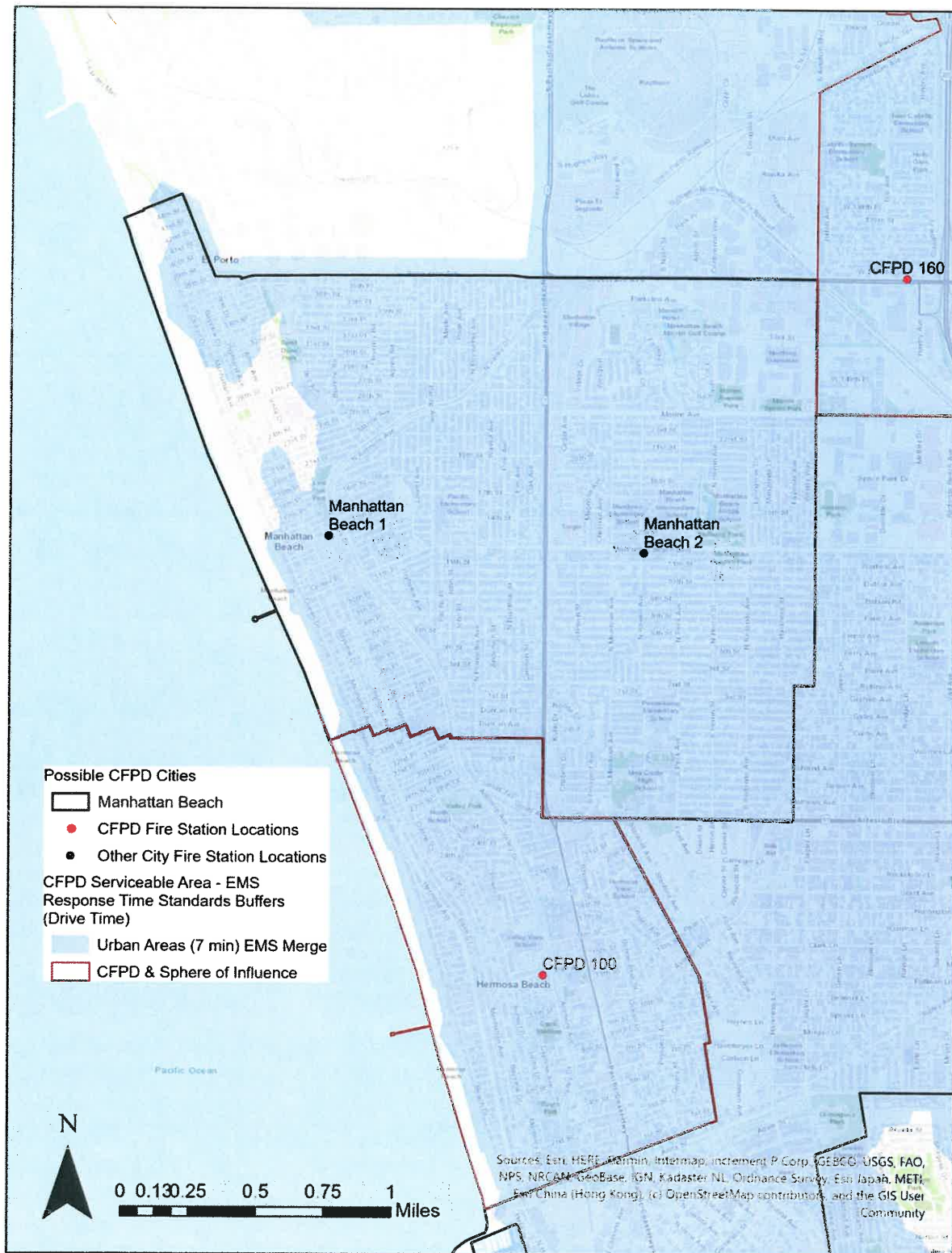
CFPD Annexation Implications

CFPD currently provides fire suppression and emergency medical services to the Cities of Hermosa Beach to the south and Hawthorne to the northeast. The remaining border cities are served by their respective local city fire department. Under the staffing proposal from the feasibility completed by CFPD, Station 1 would house a quint and a paramedic squad staffed by 6 uniformed personnel, and Station 2 would house a paramedic assessment engine staffed by 3 personnel. The battalion chief that is currently assigned to station 1 would no longer be stationed there, and the chief officer position would be staffed out of CFPD Station 161 in Hawthorne.

CFPD currently staffs 8 stations within 5 miles of Manhattan Beach's borders and these stations house 12 fire apparatus and 35 daily personnel. If Manhattan Beach were to annex in, CFPD would be able to draw upon 10 fire stations, 15 fire apparatus, and 44 daily staff to respond to incidents in the greater Manhattan Beach region.

As shown on Figure 20, much of Manhattan Beach lies within 7-minutes of an existing CFPD station. Based on RSG's analysis of population in the area, approximately 93 percent of Manhattan Beach residents would be within this EMS standard response time area.

Figure 20: CFPD Serviceable Areas, Manhattan Beach Area



REDONDO BEACH

Redondo Beach is a mixed-use city, primarily residential, with an estimated 2019 population of 68,473 and 31,101 housing units. The City has a stretch of sandy beaches and a pier that attracts many visitors daily, especially during the summer months.

The City of Redondo Beach is in the southwestern area of Los Angeles County. Redondo Beach is partially a coastal city that spans a total area of 6.3 square miles. The City is bordered by the Cities of Hawthorne and Lawndale to the north, the Cities of Lawndale and Torrance to the east, Torrance to the south, and the western border of the City is made up of the Pacific Ocean, the City of Hermosa Beach, and the City of Manhattan Beach. The bordering cities of Hawthorne, Hermosa Beach, and Lawndale all receive fire and emergency medical services from CFPD, while Torrance and Manhattan Beach currently provide fire and emergency medical services directly to their residents. Redondo Beach's SOI does not include any unincorporated areas.

City Fire Department Description

The City of Redondo Beach was incorporated in 1892 and the Redondo Beach Fire Department was developed the same year as a volunteer fire department. The department is run by a fire chief who oversees the departments fire operations division, fire prevention

division, and a community emergency response team. The fire chief is assisted with running the day-to-day operations by three division chiefs. The Redondo Beach Fire Department currently has an ISO fire protection class rating of 2.

The department currently staffs three fire stations and additional divisions with 66 full-time employees, 63 sworn employees, and one part-time employee.

The Department provides its services out of three fire stations. Station 1, located at 401 South Broadway, houses three fire apparatus and one command vehicle with a total daily staffing of 10. Station 2, located at 2400 Grant Avenue, houses three fire apparatus staffed daily by eight

Redondo Beach Fire Department in Brief:

- 24% of General Fund Budget
- \$412 per capita for Fire services
- ISO Rating of 2

employees. Station 3, located at 280 Marina Way, opened in 1980. A new portion of the station was built in 2012 and now houses a harbor patrol boat and a paramedic squad, with both units being cross staffed daily by two employees.

The Redondo Beach Police Department staffs and operates the City's dispatch center that provides call-taking and dispatch services 24 hours a day for both the Police and Fire departments. The department has been a part of the Interoperability Network of the South Bay ("INSB") that provides radio system coverage since 2016. The INSB provides radio system coverage to the cities of El Segundo, Gardena, Hawthorne, Hermosa Beach, Manhattan Beach, Redondo Beach, and Torrance. The department is also a part of automatic aid agreements with El Segundo, Manhattan Beach, and Torrance. Fire Station 3 is a shared facility that also acts as a station for CFPD's lifeguard division.

Fire Department Operating Budget

The City of Redondo Beach Fire Department has an operating budget of approximately \$23.3 million in Fiscal Year 2019-20. Most of this budget is reserved for salaries and benefits equating to roughly \$17.7 million of the total budget. Figure 21 below shows the steady increase in the Fire Department budget for Fiscal Years 2017-18, 2018-19 and 2019-20. Based on a recent feasibility study, it is estimated that CFPD can carry out services at a cost of \$15,011,749 annually under Option A and \$18,161,632 annually under Option B. The additional cost of Option B is a result of CFPD staffing one additional paramedic assessment engine at Station 2.

Figure 21: Fire Department Expenditures, Redondo Beach

Expenditures	2017-18 ¹	2018-19 ²	2019-20 ²
Salaries and Employee Benefits	\$ 15,357,182	\$ 16,527,193	\$ 17,686,514
Maintenance and Operations	606,945	702,594	548,585
Internal Service Fund Allocations	4,949,812	4,875,067	5,095,865
Capital Outlay	296,904	-	-
Total Expenditures	\$ 21,210,843	\$ 22,104,854	\$ 23,330,964

Source: City of Redondo Beach Fiscal Year 2019-20 Annual Budget

1) 2017-18 figures represent actual expenditures by Redondo Beach for Fire Protection

2) 2018-19 and 2019-20 figures are the budgeted amounts for the respective Fiscal Year

As shown on Figure 22 department is primarily funded through the General Fund with an estimated \$18.5 million, Harbor Tidelands in the amount of \$2.2 million, and the remaining budgeted amount being recognized from Intergovernmental Grants, Disaster Recovery, Harbor Uplands, and Solid Waste Funds.

Figure 22: Fire Department Revenues, Redondo Beach

Revenues	2017-18 ¹	2018-19 ²	2019-20 ²
General Fund	\$ 18,561,492	\$ 19,587,228	\$ 20,650,249
Intergovernmental Grants	48,000	48,000	48,000
Disaster Recovery	307,632	17,060	17,060
Harbor Tidelands	2,215,038	2,051,970	2,211,757
Harbor Uplands	-	175,659	184,445
Solid Waste	78,681	224,937	219,453
Total Revenues	\$ 21,210,843	\$ 22,104,854	\$ 23,330,964

Source: City of Redondo Beach Fiscal Year 2019-20 Annual Budget

1) 2017-18 figures represent actual revenues received by Redondo Beach for Fire Protection

2) 2018-19 and 2019-20 figures are the budgeted amounts for the respective Fiscal Year

Future Growth in City

Figure 23 shows actual population of Redondo Beach for 2005, 2010, and 2015 and the estimated population growth that the City can expect through 2035. In order to forecast the future population, RSG looked at the population data provided by DOF as of January 1, of each year and calculated the compound annual growth rate from 2000 through 2019. The annual growth rate for Redondo Beach was 0.42% and this growth rate was used to project the future populations. Redondo Beach has experienced slow, steady growth over the past decade, with a few small decreases, and this trend can be expected to continue through 2035. Based on data received from ACS ranging from 2012-16, the median household income for Redondo Beach is estimated to be \$103,782 annually.

Figure 23: Population Forecast, Redondo Beach

Year	2015	2016	2017	2018	2019	2020	2025	2030	2035
Population	68,463	68,424	68,438	68,361	68,473	68,761	70,217	71,704	73,223

In the upcoming RHNA cycle, HCD has determined that Redondo Beach will need to build 2,591 new affordable units. Redondo Beach currently has an estimated 30,101 housing units as of 2019 and the number of housing units will increase by approximately 8% by 2029 as a result of the 6th Cycle allocation.

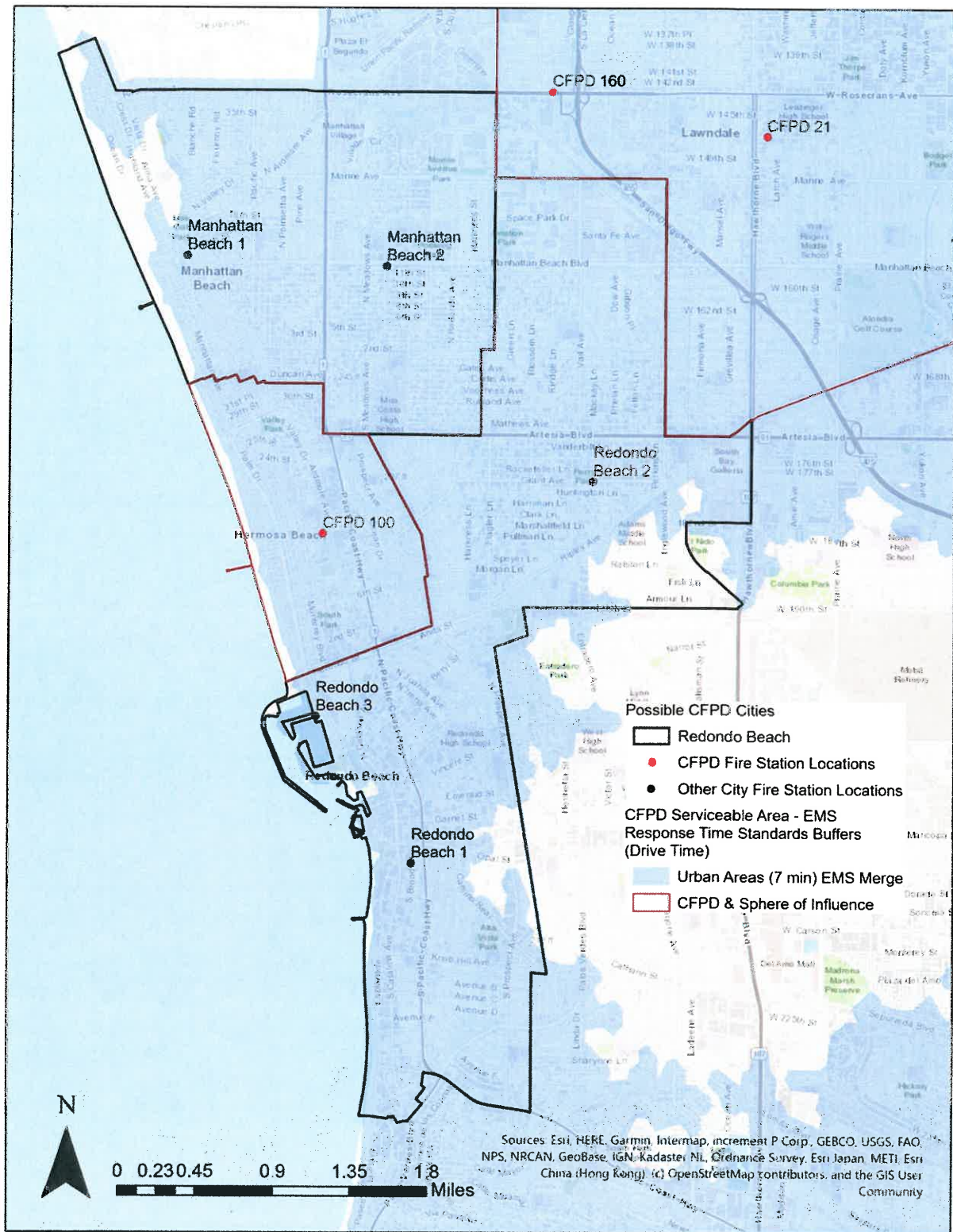
CFPD Annexation Implications

CFPD provides fire suppression and emergency medical services to the bordering Cities of Hermosa Beach and Hawthorne. The rest of the bordering cities receive fire services from city fire departments. CFPD has two options from its current proposal to provide fire services to Redondo Beach. Option A would assign an engine, a quint, and a paramedic squad with 9 personnel to Station 1, an engine and paramedic squad with 5 personnel to Station 2, and a harbor patrol squad with 2 personnel at Station 3. This would allow for a daily staff of 16 uniformed personnel. Option B would have the same staffing levels as Option A but would assign an additional engine to Station 2 with 3 personnel to bring the daily staffing of that station to 8 personnel and a total daily staffing of 19 personnel. Both CFPD proposals staff paramedics on each unit.

CFPD currently staffs 14 stations within 5 miles of Redondo Beach's border that house a total of 24 fire apparatus with a daily staff of 69 uniformed personnel. CFPD would be able to draw upon a total of 17 fire stations, 30 fire apparatus, and a daily staff of 85 personnel if Redondo Beach were to annex into CFPD and choose Option A to staff the Redondo Beach stations. Under Option B, CFPD would be able to call on the same 17 stations but would be able to use an additional engine assigned to Redondo Beach's Station 3 for a total of 31 apparatus and a staff of 88 to respond to incidents.

Approximately 91 percent of Redondo Beach residents, like their counterparts in Manhattan Beach and Hermosa Beach, live within 7-minutes of an existing CFPD fire station, as shown on Figure 24.

Figure 24: CFPD Serviceable Areas, Redondo Beach Area



SAN GABRIEL

San Gabriel is a primarily residential city that has an estimated 2019 population of 41,178 and 13,566 housing units.

The City of San Gabriel is located to the northwest of downtown Los Angeles. San Gabriel spans a total of 4.13 square miles. The City is bordered to the north by the City of San Marino, bordered by unincorporated areas of the County and the City of Rosemead to the east, bordered by Rosemead to the south, and is bordered by the City of Alhambra to the west. Interstate 10 runs along the southern border of San Gabriel. Rosemead and the unincorporated areas that border the east side of San Gabriel currently have fire and emergency medical services provided by CFPD and the Cities of Alhambra and San Marino both provide fire and emergency medical services directly to their residents. San Gabriel is a mixed-use community with much of the city being residential. The City of San Gabriel's SOI includes unincorporated areas located to the northeast of the city's official boundary; however, it must be noted that CFPD provides fire services to all unincorporated areas of the County.

City Fire Department Description

The fire department is run by a fire chief who oversees the department's fire operations division, fire prevention division, and ambulance services. The fire chief is supported by three battalion chiefs who support the day-to-day operations of the fire department. The City of San Gabriel currently has an ISO fire protection class rating of 3.

San Gabriel Fire Department in Brief:

- 22% of General Fund Budget
- \$219 per capita for Fire services
- ISO Rating of 3

The department currently staffs its two fire stations with a total of 36 full-time employees; 34 employees are sworn. The department provides its services out of two fire stations. Station 51, located at 1303 South Del Mar Avenue, houses two fire apparatus and one command vehicle with a daily staffing of six uniformed personnel. This station also has an emergency operations center and an apparatus/equipment storage building that can accommodate four engines. Station 52, located at 115 North Del Mar Avenue, houses one fire apparatus and a daily uniformed staff of

three. Both stations are currently undergoing renovations to accommodate a mixed gender workforce.

The San Gabriel Fire Department currently receives dispatching services from the Verdugo Fire Communications Center, which provides fire and EMS dispatch to 12 area fire departments. The department has automatic aid agreements with the 12 fire departments that also receive dispatch services from the Verdugo Fire Communications Center. San Gabriel makes its specialty units such as hazardous material and urban search and rescue apparatus on an as needed basis.

Fire Department Operating Budget

The City of San Gabriel Fire Department has an operating budget of approximately \$9.0 million in Fiscal Year 2019-20. Most of this budget is reserved for salaries and benefits equating to roughly \$7.2 million of the total budget. Figure 25 shows the steady increase in the fire department budget for Fiscal Years 2017-18, 2018-19 and 2019-20. Based on a recent feasibility study, it is estimated that CFPD can carry out services at a cost of \$6,835,199 annually under Option A or \$6,737,060 annually under Option B. The difference between these two amounts is that Option A staffs a Paramedic Assessment Engine at Station 52 and only staffs an Engine under Option B.

Figure 25: Fire Department Expenditures, San Gabriel

Expenditures	2017-18 ¹	2018-19 ²	2019-20 ²
Salaries and Employee Benefits	\$ 6,760,317	\$ 6,915,029	\$ 7,242,180
Operations	373,858	378,660	325,540
Contractual Services	347,931	314,765	316,950
Utilities	86,500	96,918	89,310
Allocations	1,083,226	896,226	1,034,580
Debt Service	-	-	7,700
Total Expenditures	\$ 8,651,832	\$ 8,601,598	\$ 9,016,260

Source: City of San Gabriel Fiscal Year 2019-20 Annual Budget

1) 2017-18 figures represent actual expenditures by San Gabriel for Fire Protection

2) 2018-19 and 2019-20 figures are the budgeted amounts for the respective Fiscal Year

The department is solely funded through the General Fund with an estimated \$9.0 million as of 2019-20, as shown in Figure 26.

Figure 26: Fire Department Revenues, San Gabriel

Revenues	2017-18 ¹	2018-19 ²	2019-20 ²
General Fund	\$ 8,651,832	\$ 8,601,598	\$ 9,016,260

Source: City of San Gabriel Fiscal Year 2019-20 Annual Budget

1) 2017-18 figures represent actual revenues received by San Gabriel for Fire Protection

2) 2018-19 and 2019-20 figures are the budgeted amounts for the respective Fiscal Year

Future Growth in City

Figure 27 shows actual population of San Gabriel for 2005, 2010, and 2015 and the estimated population growth that the City can expect through 2035. In order to forecast the future population, RSG looked at the population data provided by DOF as of January 1, of each year and calculated the compound annual growth rate from 2000 through 2019. The annual growth rate for San Gabriel was 0.18 percent and this growth rate was used to project the future populations. San Gabriel has experienced slow, steady growth over the past decade, with a few small decreases, and this trend can be expected to continue through 2035. Based on data received from ACS ranging from 2012-16, the median household income for San Gabriel is estimated to be \$54,015 annually.

Figure 27: Population Forecast, San Gabriel

Year	2015	2016	2017	2018	2019	2020	2025	2030	2035
Population	40,570	40,568	41,223	41,270	41,178	41,252	41,625	42,001	42,380

In the upcoming RHNA cycle, HCD has determined that San Gabriel will need to build 3,010 new affordable units. San Gabriel currently has an estimated 13,566 housing units as of 2019 and the number of housing units will increase by approximately 22 percent by 2029 as a result of the 6th Cycle allocation.

CFPD Annexation Implications

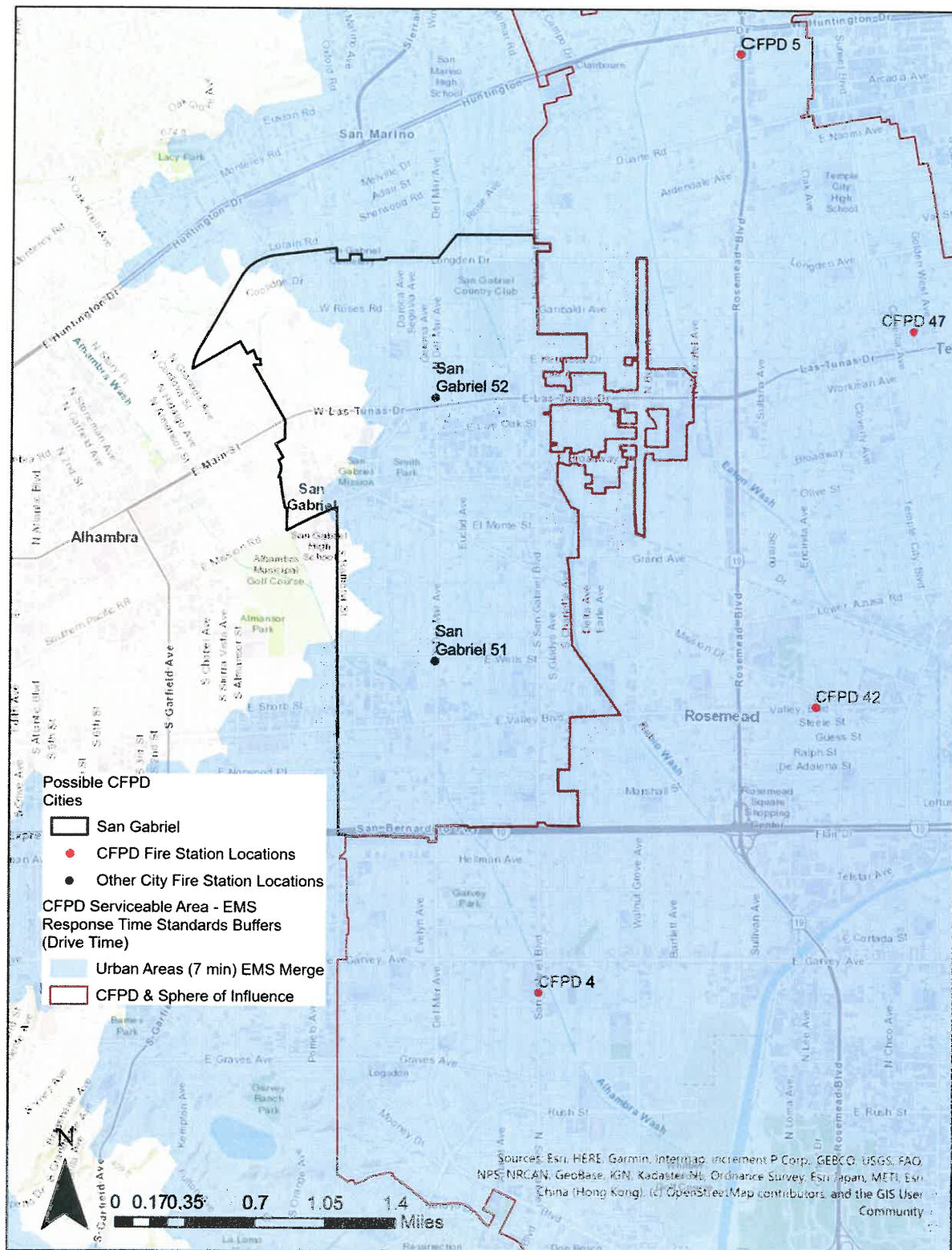
CFPD provides fire suppression and emergency medical services to the City of Rosemead to the south, Temple City abutting the eastern border, and the unincorporated areas in the eastern portion of the City of San Gabriel's SOI. The bordering Cities of Alhambra to the west and San

Marino to the north both currently receive in house services from each city's respective fire department. CFPD currently has 2 options for San Gabriel to choose from if it were to annex into CFPD's SOI. Option A calls for station 51 to house a paramedic assessment engine and a paramedic squad with 5 uniformed personnel and station 52 would house a paramedic assessment engine with a daily staff of 3. Both stations would have a daily staff of 8. Option B calls for the same staffing levels for Station 51 that were proposed under Option A but would staff Station 52 with an engine rather than a paramedic assessment engine. Option B would provide the same daily staffing level as Option A with 8.

CFPD currently staffs 11 fire stations within 5 miles of San Gabriel's city boundary that house 15 fire apparatus and 47 uniformed personnel. Under the proposed staffing levels from the feasibility study prepared for San Gabriel, CFPD would be able to draw from a total of 13 fire stations, 18 fire apparatus, and a daily staff of 55 to respond to incidents around San Gabriel.

RSG estimates that approximately 85 percent of San Gabriel residents live within a 7-minute response time area of an existing, nearby CFPD station, as shown on Figure 28.

Figure 28: CFPD Serviceable Areas, San Gabriel Area



VERNON

The City of Vernon is largely industrial with a very small residential population estimated at 301 residents and 75 existing housing units. The City houses an estimated 1,800 businesses that employ an estimated workforce of 55,000 people. Vernon is home to many industries, including manufacturing, storage warehouses, food distribution facilities, clothing design and distribution, truck repair facilities, railroad terminals and storage yards, freight delivery sites, office buildings, and restaurants.

The City of Vernon is located southeast of downtown Los Angeles. Vernon spans a total of 5.2 square miles. The City is bordered to the north and to the west by the City of Los Angeles, bordered by the Cities of Bell and Commerce to the east, and bordered by the Cities of Huntington Park and Maywood to the south. The City is almost entirely industrial and commercial with a very small residential population. Interstate 710 is located to the east of the City and directly runs through the eastern portion of the City boundary. The bordering Cities of Bell, Commerce, Huntington Park, and Maywood all have fire and emergency medical services provided by CFPD, and the City of Los Angeles provides its own fire and emergency medical services directly to its residents.

Vernon's SOI includes a small unincorporated island located in the center of the City located south of Bandini Bouvard along Downey Road to Exchange Road, as well as another unincorporated island further south along Downey Road, between Fruitland and Slauson Avenues, adjacent to a border it shares with the City of Maywood.

City Fire Department Description

The City of Vernon was incorporated in 1905 as the first exclusively industrial city in the southwestern United States. The Vernon Fire Department officially commenced operation in 1926. The department is administered by a fire chief who oversees all department activities including the fire operations division, training division, and fire prevention division. The fire

Vernon Fire Department in Brief:

- 29% of General Fund Budget
- \$58,000 per capita for Fire services
- ISO Rating of 1

chief is assisted in the day-to-day administration by an assistant fire chief and three battalion chiefs. The City of Vernon currently has an ISO fire protection class rating of one.

The Vernon Fire Department currently has a staff of 50 uniformed personnel, including the fire chief (who is currently in a temporary role, and who would not transfer to CFPD if Vernon annex into CFPD,) and 2 non-uniformed personnel.

The department provides its services out of four fire stations. Station 76, located at 3375 Fruitland Avenue, houses one fire apparatus and one command vehicle. The department staffs its stations in 3 shifts, A, B, and C; and the command vehicle is only staffed with a battalion chief on the A Shift and utilizes battalion chiefs from CFPD on the other two shifts. As a result of this, the daily uniformed staff for Station 76 is five uniformed personnel on A Shift days and 4 uniformed personnel on the B and C Shift days. Station 76 also serves as the department's training center with a classroom, training captain's office, and a four-story training tower. There is also a State Certified Rescue Systems 1 and a confined space training site. Station 77, located at 4301 Santa Fe Avenue, houses one fire apparatus with a daily staff of four uniformed personnel. Station 78, located at 2800 Soto Street, houses two fire apparatus staffed daily by five uniformed personnel. Station 79 located at 4530 Bandini Boulevard, houses one fire apparatus staffed daily with three uniformed personnel.

Vernon currently receives its dispatch services from CFPD. The City also participates in a mutual aid agreement with the cities of Compton, Downey, La Habra Heights, Long Beach, Montebello, and Santa Fe Springs, and it participates in an automatic aid agreement with CFPD and the City of Los Angeles.

Fire Department Operating Budget

The City of Vernon Fire Department has an operating budget of approximately \$17.6 million. Approximately half of this budget is reserved for salaries and benefits equating to roughly \$8.8 million of the total budget. Figure 29 shows the steady increase in the fire department for Fiscal Years 2017-18, 2018-19 and 2019-20. Based on a recent feasibility study, it is estimated that CFPD can carry out services at a cost of \$12,003,018 annually.



Figure 29: Fire Department Expenditures, Vernon

Expenditures	2017-18 ¹	2018-19 ²	2019-20 ³
Salaries and Benefits	\$ 17,641,037	\$ 17,576,579	\$ 8,847,915
Supplies and Services	703,597	1,112,453	8,447,176
Capital Outlay	301,800	577,031	365,800
Total Expenditures	\$ 18,646,434	\$ 19,266,063	\$ 17,660,891

Source: City of Vernon Fiscal Year 2019-20 Annual Budget

1) 2017-18 figures represent actual expenditures by Vernon for Fire Protection

2) 2018-19 and 2019-20 figures are the budgeted amounts for the respective Fiscal Year

3) 2019-20 budget assumed CFPD transition in mid 2019-20, which did not occur yet.

Total General Fund revenues to the Vernon fire department have averaged between \$17.7 and \$19.2 million as shown on Figure 30.

Figure 30: Fire Department Revenues, Vernon

Revenues	2017-18 ¹	2018-19 ²	2019-20 ²
General Fund	\$ 18,646,434	\$ 19,266,063	\$ 17,660,891

Source: City of Vernon Fiscal Year 2019-20 Annual Budget

1) 2017-18 figures represent actual revenues received by Vernon for Fire Protection

2) 2018-19 and 2019-20 figures are the budgeted amounts for the respective Fiscal Year

Future Growth in City

Figure 31 shows actual population of Vernon for 2005, 2010, and 2015 and the estimated population growth that the City can expect through 2035. In order to forecast the future population, RSG looked at the population data provided by DOF as of January 1, of each year and calculated the compound annual growth rate from 2000 through 2019. The annual growth rate for Vernon was 6.50 percent and this growth rate was used to project the future populations. Vernon is a unique case, because the entire city is mainly commercial and industrial with a very small residential population. The population of Vernon may stay constant over the next 15 years as the focus of City leadership is not to provide more residential housing. Based on data received from ACS ranging from 2012-16, the median household income for Vernon is estimated to be \$38,333 annually.

Figure 31: Population Forecast, Vernon

Year	2015	2016	2017	2018	2019	2020	2025	2030	2035
Population	123	302	302	302	301	321	440	603	826

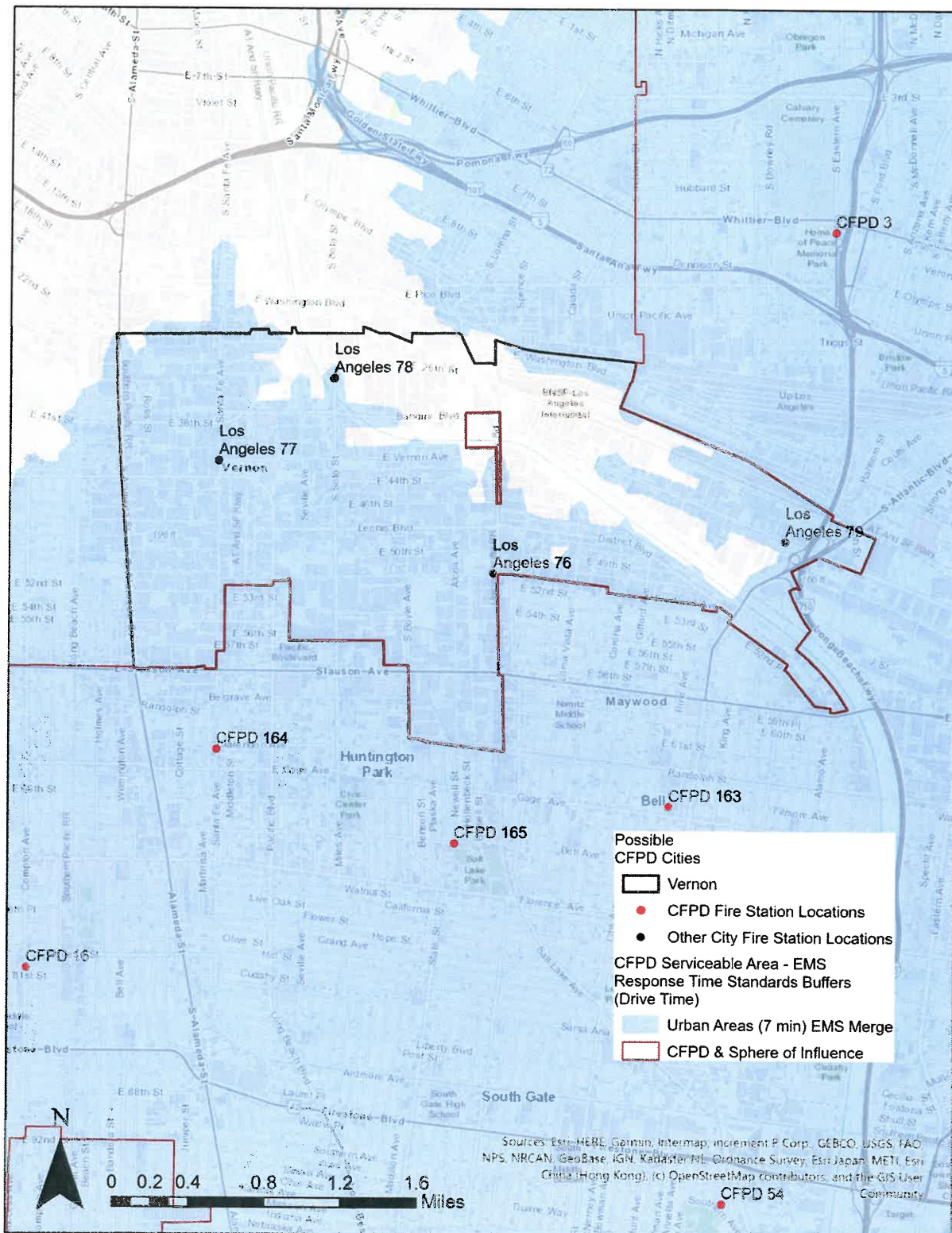
In the upcoming RHNA cycle, HCD has determined that Vernon will need to build 8 new affordable units. Vernon currently has an estimated 75 housing units as of 2019 and the number of housing units will increase by approximately 11 percent by 2029 as a result of the 6th Cycle allocation.

CFPD Annexation Implications

CFPD provides fire suppression and emergency medical services to the Cities of Huntington Park and Maywood to the south, and to the Cities of Bell and Commerce to the east. Los Angeles City Fire Department provides its services to the north and west of Vernon's borders. Under the current proposal from the feasibility study prepared by CFPD, Station 76 would house an engine, a paramedic squad, and a truck staffed daily by 9 personnel and Station 77 would house an engine with a daily staff of 4. Stations 78 and 79 would be closed if CFPD were to carry out fire services for the City of Vernon.

CFPD currently staffs 17 fire stations located within Vernon's border that house a total of 31 fire apparatus and a daily staff of 98 personnel. CFPD would be able to draw upon a total of 19 fire stations, 35 fire apparatus, and daily staff of 111 to respond to incidents in Vernon. As shown on Figure 32: CFPD Serviceable Areas, Vernon Area, approximately 77 percent of the land area and 89 percent of the resident population falls within a 7-minute response time of an existing CFPD station.

Figure 32: CFPD Serviceable Areas, Vernon Area



WEST COVINA

The City of West Covina is primarily residential and commercial that has an estimated 2019 population of 112,097 and 34,189 housing units. Retail merchandising is the City's principal business activity with Westfield West Covina, Westfield Eastland, Edwards Theater and Lakes Entertainment Center, Auto Plaza, and Restaurant Row being important locations. The City is also home to five medical facilities and one trauma center.

The City of West Covina is located to the east of downtown Los Angeles. West Covina spans a total of 16.04 square miles. The City is bordered to the north by the City of Covina and unincorporated area, the City of Walnut and unincorporated area to the east, Industry, La Puente, and unincorporated areas to the south, and the City of Baldwin Park and unincorporated area to the west. The City is primarily residential and commercial, with retail merchandising its principal business activity. Interstate 10 runs directly through the northern part of the City. All the bordering cities and unincorporated areas currently receive fire and emergency medical services from CFPD. West Covina's current Sphere of Influence contains unincorporated areas in the north, east, and southwest areas of the City.

City Fire Department Description

The City of West Covina was incorporated in 1923, and the West Covina Fire Department was created in 1951. The department is administered by a fire chief who oversees all department activities including the fire operations division and fire prevention division. The fire chief is assisted by three assistant fire chiefs who help run the day-to-day operations of the department. The City of West Covina currently has an ISO fire protection class rating of three.

West Covina Fire Department in Brief:

- 31% of General Fund Budget
- \$180 per capita for Fire services
- ISO Rating of 3

The department provides its services out of five fire stations. Station 1, located at 819 South Sunset Avenue, houses two fire apparatus and is staffed daily by five uniformed personnel. Station 2, located at 2441 East Cortez Street, houses two fire apparatus and one command unit

that is staffed daily by six uniformed personnel. Station 3, located at 1433 West Puente Avenue, houses one fire apparatus that is staffed daily by three uniformed personnel. Station 4, located at 1815 South Azusa Avenue, houses two fire apparatus staffed daily by five uniformed personnel. Station 5, located at 3650 East Shadow Oak Drive, houses one fire apparatus that is staffed daily by three uniformed personnel.

The City of West Covina has its own dispatch center that serves as the City's public safety answering point and provides dispatch services for the fire department, police department, and other city vehicles. The dispatch center is under the supervision of the West Covina Police Department. The department participates in the Area B Mutual Aid agreement and participates in an automatic aid agreement between the City and CFPD.

Fire Department Operating Budget

The City of West Covina Fire Department has an operating budget of nearly \$19.5 million in 2019-20. Figure 33 shows the steady increase in the fire department budget for Fiscal Years 2017-18, 2018-19 and 2019-20. The City of West Covina provided RSG with the total operating budget for FY 2019-20 but did not provide a breakdown of the operating budget by line item, therefore RSG stated the total operating budget in Figure 33. Based on a recent feasibility study, it is estimated that CFPD can carry out services at a cost of \$17,080,095 annually.

Figure 33: Fire Department Expenditures, West Covina

Expenditures	2017-18 ¹	2018-19 ²	2019-20 ²
Salaries and Benefits	\$ 16,672,604	\$ 17,419,535	\$ -
Supplies and Services	668,514	1,093,444	-
Allocated Costs	261,387	597,314	-
Total Expenditures	\$ 17,602,505	\$ 19,110,293	\$ 19,487,037

Source: City of West Covina Fiscal Year 2019-20 Annual Budget

1) 2017-18 figures represent actual expenditures by West Covina for Fire Protection

2) 2018-19 and 2019-20 figures are the budgeted amounts for the respective Fiscal Year.

The department is entirely funded by the City's General Fund, as shown in Figure 34.

Figure 34: Fire Department Revenues, West Covina

Revenues	2017-18 ¹	2018-19 ²	2019-20 ²
General Fund	\$ 17,602,505	\$ 19,110,293	\$ 20,136,381

Source: City of West Covina Fiscal Year 2019-20 Annual Budget

1) 2017-18 figures represent actual revenues received by West Covina for Fire Protection

2) 2018-19 and 2019-20 figures are the budgeted amounts for the respective Fiscal Year

Future Growth in City

Figure 35 shows actual population of West Covina for 2005, 2010, and 2015 and the estimated population growth that the City can expect through 2035. In order to forecast the future population, RSG looked at the population data provided by DOF as of January 1, of each year and calculated the compound annual growth rate from 2000 through 2019. The annual growth rate for West Covina was 0.15 percent and this growth rate was used to project the future populations. West Covina has experienced slow, steady growth over the past decade, with a few small decreases, and this trend can be expected to continue through 2035. Based on data received from ACS ranging from 2012-16, the median household income for West Covina is estimated to be \$71,217 annually.

Figure 35: Population Forecast, West Covina

Year	2015	2016	2017	2018	2019	2020	2025	2030	2035
Population	108,639	108,773	108,685	108,388	108,116	108,278	109,093	109,914	110,741

In the upcoming RHNA cycle, HCD has determined that West Covina will need to build 5,397 new affordable units. West Covina currently has an estimated 34,189 housing units as of 2019 and the number of housing units will increase by approximately 16 percent by 2029 as a result of the 6th Cycle allocation.

CFPD Annexation Implications

CFPD provides fire suppression and emergency medical services to all the cities and unincorporated areas surrounding West Covina. Under CFPD's current proposal, Station 1 would be closed, Station 2 would house a quint and paramedic squad staffed by 6 personnel, Station 3

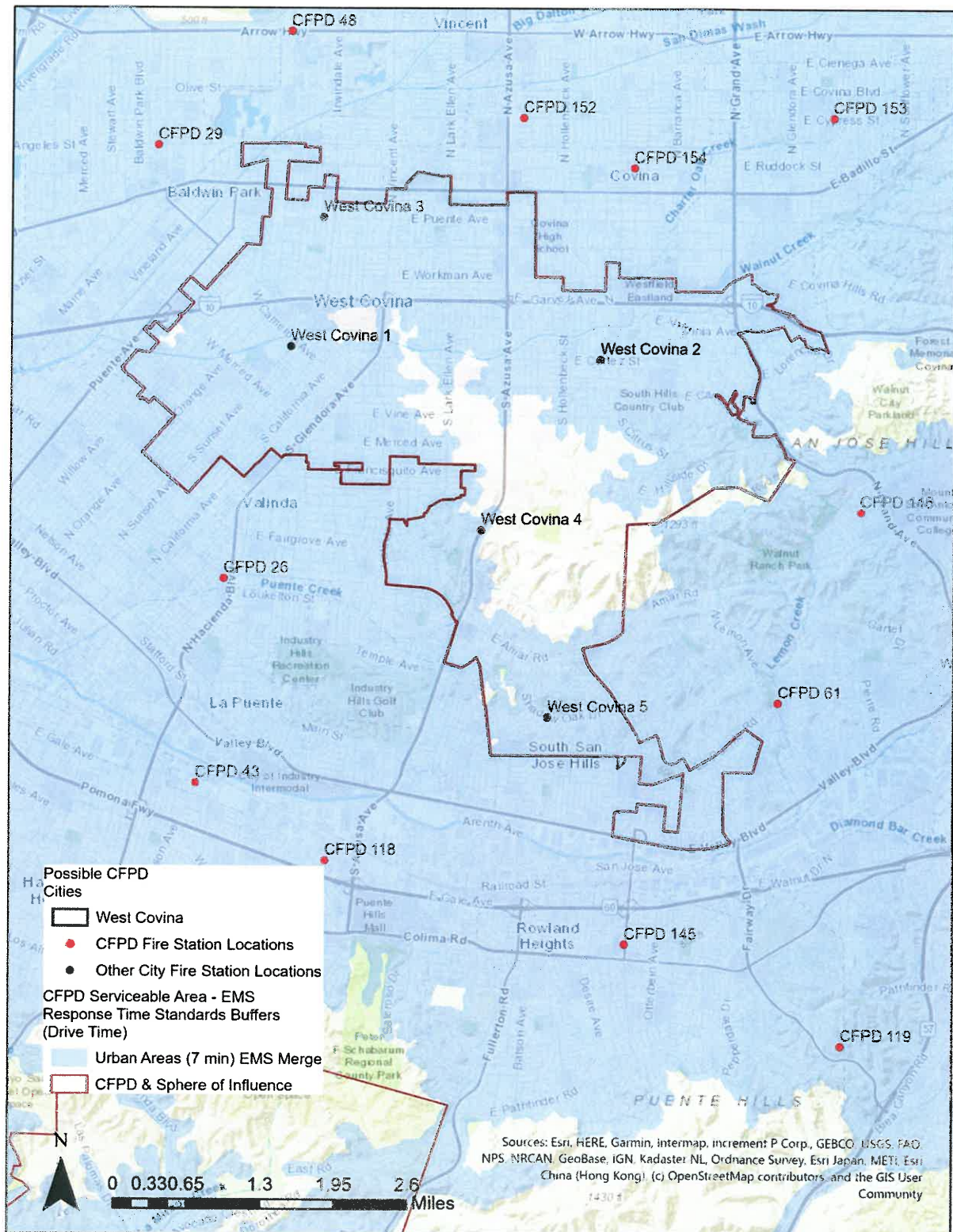
would house an engine and a paramedic squad with a daily staff of 5, Station 4 would have an engine and a paramedic squad with a daily staff of 5, and Station 5 would be closed.

CFPD currently staffs 24 stations within 5 miles of West Covina's border that house a total of 37 fire apparatus and 115 uniformed personnel. CFPD would be able to draw upon a total of 29 fire stations, 45 fire apparatus, and a daily staff of 137 uniformed personnel to respond to incidents near the West Covina.

As shown on Figure 36, most of the developed portions of West Covina are currently within a 7-minute response time of an existing CFPD fire station. RSG estimates that 87 percent of the resident population would be within this serviceable area.

Representatives of the CFPD and the City of West Covina are currently considering an alternate proposal, one in which the CFPD would provide structural fire protection to West Covina utilizing three fire stations. These discussions are in the preliminary stages and would ultimately require confirmation of adequate service and staffing levels, as well as quantifying all costs. In addition, the two parties would need to reach agreement on a contract in which West Covina became a fee-for-service city, and secure LAFCO approval to annex into the CFPD.

Figure 36: CFPD Serviceable Areas, West Covina Area



RECAP OF FUTURE SOI EXPANSION STUDY AREAS

This MSR evaluated 6 of the 30 Los Angeles County cities that currently do not receive fire service from CFPD for future expansion. Figure 37 below presents a summary of these cities current fire service costs and operations, as well as the percentage of the resident population that would be located within 7-minutes of an existing CFPD fire station nearby.

Figure 37: Summary of Fire Services for Cities Studies

City Evaluated	Budget	\$/Capita	% of General Fund	ISO Rating	City Stations	% of Residents Near CFPD Station
La Verne	\$ 9,242,657	\$278	26%	3	3	91%
Manhattan Beach	14,802,598	\$412	12%	2	2	93%
Redondo Beach	23,330,964	\$340	24%	2	3	91%
San Gabriel	9,016,260	\$219	22%	3	2	85%
Vernon	17,660,891	\$58k	29%	1	4	89%
West Covina	20,136,381	\$180	31%	3	5	87%

Note: Percent of residents near CFPD station represents population within 7 minutes of an existing CFPD station.

TRANSITIONING TO FEE FOR SERVICE AND ANNEXATION

Upon LAFCO's completion of the MSR and SOI update, the aforementioned cities and CFPD may choose to pursue an annexation. Appendix 5 outlines the steps in the major steps in the annexation process undertaken by the parties. Commonly, several issues arise in the transition of fire services from a local (municipal) fire department to CFPD (or for that matter, any other successor agency). The most common issues include pension and other post-employment benefits ("OPEB"), controlling future cost increases on a fee-for-service model, and repair and facility replacement costs.

PENSION TRANSITION

Pension liability makes up a large portion of any public agency's budget and unfunded liabilities are one of the largest stressors on future financial decisions made by public agencies. In the

context of annexation to CFPD, a sworn city employee transferring to CFPD would become a member of the Los Angeles County Employees Retirement Association (LACERA) on the first day of the month following the transfer of service to CFPD. The transferring city employee would leave his or her retirement contributions on deposit with California Public Employees' Retirement System (CalPERS) and establish reciprocity with LACERA. Reciprocity allows for a person to move from one retirement system to another without losing the benefits the individual has earned. The retirement liability that had been accrued by the city employee during his or her time as a city employee would remain as a liability for the city and would not be transferred to CFPD. CFPD would then be responsible for the retirement contributions of the new employee for the time that the person remains under employment by CFPD. At the time of retirement, the reciprocal member would receive retirement benefits from both agencies based on the benefits of reciprocity. Any service time within the CalPERS system or other reciprocal system is not used to determine the amount the County will contribute towards the members' retiree health insurance premiums. For a sample of the contract language related to pension transition, refer for Appendix 2.

ANNUAL COST INCREASE CAPS

Typically, the cost to provide fire services increases annually. This is no different for the fee-for-service cities or those cities with their own municipal fire departments. This may lead to uncertainty for cities that wish to annex into CFPD as the individual city loses a certain level of cost control when its fire services are contracted out. As a result, there is an annual payment cap that is put in place when a city becomes a Fee-for-Service city. In order to provide some ability for cities to forecast future costs, the annual payment cap provision is as follows:

- There will be a four percent (4 percent) payment cap in place for the first five years of the agreement. This payment cap only applies to the city's annual fee payment (salaries, benefits, and overhead costs) and does not apply to any additional costs such as conversion costs or capital improvement projects.
- In the sixth year of the agreement, the payment cap would be the average of the preceding four years' percentage increases in the annual fee and then add one percent to that. For

the seventh year and each year after, the payment cap is the average of the immediately preceding five years' percentage increase plus one percent.

- In any year that the City's annual fee payment exceeds the preceding years payment amount, plus the applicable payment cap, payment of the excess amount would be deferred to a subsequent fiscal year when the increase in the annual fee payment for that fiscal year over the preceding fiscal year is less than the payment cap. The excess amount would be repaid by the City in any subsequent fiscal year to the extent the City's annual fee payment increase in that fiscal year is less than the excess amount for that fiscal year.

CAPITAL REPLACEMENT AND REPAIR

When CFPD succeeds a municipal fire department, the city and CFPD negotiate a succession plan for any fire equipment or capital to ensure that ownership, maintenance, and replacement needs are addressed. After an initial feasibility study, CFPD would evaluate the condition and useful life of fire apparatus and capital facilities and propose plan for transitioning responsibility and cost to the city. This can include the city being asked to pay for replacement facilities or repairs or having CFPD take this on itself.

ANNEXATION

Upon the completion of an agreement for provision of fire services, LAFCO may entertain an application for annexation to effectuate the transition to CFPD. The CFPD requires a prospective fee-for-service city to annex into the CFPD prior to receiving services.

COMPARISON TO LARGER FIRE DEPARTMENTS AND DISTRICTS

Using State Controller data for fiscal year 2018 (the most recent data available for comparison), RSG analyzed revenues and expenditures on a per capita basis for comparison to CFPD. While no fire agency in California is as large as CFPD, the next largest agencies in California include fire departments in the City of Los Angeles, the City/County of San Francisco, the Orange County Fire Authority, and the Sacramento Metropolitan Fire District.

For context, RSG used total expenditures of \$1,186,253,825 from CFPD's report to the State Controller for fiscal year 2017-18, which are \$6.1 million (0.5 percent) more than the actual expenditures provided to RSG. Based on the State Controller reported figures, CFPD expended on average \$277 for each of the 4,276,079 residents of its service area in that year. As compared to CFPD, these four largest fire agencies do not provide lifeguard, hazardous materials oversight, or forestry and fire warden duties that CFPD provides within its jurisdiction.

Figure 38 provides a brief statistical profile of CFPD and the four peer fire departments and districts studied in this MSR; profiles of these peer agencies are described below.

Figure 38: Profile of Peer Fire Agencies Reviewed

Peer Agencies	LAFD	SFFD	OCFA	SMFD	CFPD
Agency Type	City Department	City/County Department	Joint Powers Authority	Independent Special District	Dependent Special District
2018 Expenditures (Actuals)	\$ 1,005,673,790	\$ 360,559,204	\$ 403,482,405	\$ 212,028,877	\$ 1,186,253,825
Population Served	4,040,079	883,869	1,982,715	756,782	4,276,079
Expenditures Per Capital	\$ 249	\$ 408	\$ 203	\$ 280	\$ 277
Total Stations (as of May 2020)	106	45	79	41	174
Personnel	3,500	1,668	1,054	not available	
ISO Rating (if available)	1	2	1-4	not available	
Unique Services (if any)	Contract Svcs for City of San Fernando		County, 24 Cities	County, 2 Cities	County, 58 Cities + La Habra

Source: Agency websites

LOS ANGELES FIRE DEPARTMENT

The Los Angeles Fire Department (“LAFD”) of the City of Los Angeles had 2018 operating expenditures of \$1,005,673,790⁵ and a population of 4,040,079 as of January 2019. This is equivalent to \$249 per capita for a somewhat smaller range of services as compared to CFPD. As a department within the City of Los Angeles, revenues cannot be isolated for the fire services alone. The City of Los Angeles is funded primarily by a combination of Property Tax and Sales and Use Tax. According to the City of Los Angeles Comprehensive Annual Financial Report (Year ended June 30, 2019), the LAFD had approximately \$700 Million in expenditures.

LAFD is the second largest Fire Department in the County behind CFPD. Between CFPD and LAFD, this makes up approximately 80 percent of all service being provided to County residents. LAFD operates 106 neighborhood fire stations located across the Department’s 469 square-mile jurisdiction. In addition to Fire Suppression and EMS, LAFD has several specialized service areas including Homeland Security & Arson, Urban Search and Rescue, Hazardous Materials, Air Operations, Dive Team, Mobile Medics, and Fire Communication. LAFD is made up of approximately 3,500 sworn and civilian members and maintains a fleet of five fire boats, six helicopters, numerous ambulances, truck companies, engine companies and other specialized equipment.

LAFD currently maintains an ISO rating of 1 as of October 2016, as reported on their website.

SAN FRANCISCO FIRE DEPARTMENT

The San Francisco Fire Department (“SFFD”) of the City and County of San Francisco had 2018 operating expenditures of \$360,559,204 and a population of 883,869 as of January 2019. SFFD

⁵ Source: State Controller’s Office, 2018 data. LAFD data includes fire and emergency medical services expenditures which were reported separately.

expended on average \$408 per resident, though this community does see a relatively high increase in business and leisure travelers relative to the size of the City, which may explain why the cost appears to be relatively high. Like LAFD, because SFFD is a department of a City, no revenue breakdown can be provided. Again, the City and County of San Francisco is funded primarily by a combination of Property Tax and Sales and Use Tax. According to the City and County of San Francisco Comprehensive Annual Financial Report (Year ended June 30, 2019), the SFFD had approximately \$375 Million in expenditures.

The City and County of San Francisco Fire Department ("SFFD") is the one of the largest Fire Department in Northern California and serves approximately 1.5 Million residents. SFFD operates 51 fire stations located across the Department's 49 square-mile jurisdiction. The Department also staffs 3 Airport Division locations. In addition to Fire Prevention and Investigation, SFFD has several Divisions including Support Services, Training, EMS, Airports and Homeland Security. SFFD is made up of approximately 1,668 sworn and civilian employees. SFFD's resources consist of 43 Engine companies, 19 Truck companies, a fleet of Ambulances, 2 Heavy Rescue Squad units, 2 Fireboats, and multiple special purpose units.

SFFD maintains an ISO rating of 2 as reported in 2005.

ORANGE COUNTY FIRE AUTHORITY

Orange County Fire Authority ("OCFA") a joint powers authority provides special district and fee-for-service fire protection services to unincorporated Orange County and 24 incorporated cities, had 2018 operating expenditures of \$403,482,405 and a population totaling 1,982,715 as of January 2019. On average, OCFA expended \$208 per capita for fire and EMS services in 2018, the lowest of the peer group reviewed, although they do not provide the same range of services as CFPD. The primary source of revenue is made up by Property Tax. According to the Orange County Fire Authority Financial Report (Year ended June 30, 2019), the OCFA had approximately \$412 Million in expenditures.

Personnel costs comprised approximately 84 percent of the total expenditures of OCFA, comparable to the 85 percent in CFPD in the same year. Revenues differ however, as CFPD relies more heavily on property and special taxes, while OCFA has measurably higher levels of revenues from charges for services and intergovernmental transfers (which include from fee-for-service jurisdictions). Like CFPD, OCFA has grown by adding additional fee-for-service cities since its formation several years ago.

The Orange County Fire Authority (OCFA) provides services across 24 cities and all unincorporated areas in Orange County across its 575.72 square-mile jurisdiction. OCFA is made up of 1,051 firefighters that staff out of 79 stations along with 154 OCFA Reserve Firefighters working at 10 stations. The agency provides several specialized services to the community including Community Risk Prevention, response to all fires, Medical Aids, Rescues, Hazardous Material incidents, Wildland Fire, Aircraft Fire and Rescue services to John Wayne Airport, and other miscellaneous emergencies.

OCFA has seven (7) divisions reporting ISO ratings of 1 to 4, according to a report on their website from 2014.

SACRAMENTO METROPOLITAN FIRE DISTRICT

Sacramento Metropolitan Fire District ("SMFD"), the second largest fire special district in California to CFPD, provides services to the cities of Citrus Heights and Rancho Cordova as well as all of unincorporated Sacramento County with 2018 operating expenditures of \$212,028,877 and a service area population of 756,782 as of January 2019. This is equivalent to \$280 per capita for SMFD services. At roughly one-fifth the size of CFPD and serving only two incorporated (fee-for-service) cities, SMFD shares only the fact that it too is a special district with CFPD. The primary source of revenue is made up by Property Tax. According to the Sacramento Metropolitan Fire District Comprehensive Annual Financial Report (Year ended June 30, 2019), SMFD had approximately \$215 Million in expenditures.

Metro Fire operates 41 fire stations that are located across the department's 359 square-mile service area. In addition to fire suppression and EMS, Metro Fire also provides specialized services such as Air Operations, Hazardous Materials, Swiftwater Rescue, Homeland security, and Technical Rescue. Metro Fire is made up of approximately 676 sworn and civilian members and maintains a fleet of approximately 360 pieces of equipment.

Information on Metro Fire's ISO rating was not readily available on their website.

MSR DETERMINATIONS

As a large agency, CFPD could be expected to deliver fire services on a more efficient basis in terms of both cost and manpower, but over the last decade, despite growing property tax revenues and an increase in the number of fee-for-service cities (that pay 100 percent of their cost for service), the ability of CFPD to maintain this is increasingly challenging. To be clear, there can be no denying that fire services are often best provided by agencies that have the scale and resources to respond, particularly with the increase in wildfires, EMS incidents, and long-term pension obligations that any fire agency faces.

At the same time, Los Angeles County continues to add population, thereby increasing the need for more emergency medical services that constitute most of the calls for service. A lack of operational funds, particularly due to the failure of special tax Measure FD in March 2020, raises concerns about the current model, despite the fact that it may still offer a superior and less costly fire prevention service to other agencies in the County. Finally, both the public and CFPD would benefit with the implementation of more transparency and budgeting best practices.

Requisite CKH determinations for this MSR are presented by topic below:

POPULATION, GROWTH, AND HOUSING

To determine population and growth estimates, RSG utilized data obtained from the California Department of Finance (DOF). This MSR provides revised population estimates as of January 1, 2018, and provisional population estimates as of January 1, 2019, for the state, counties, and cities and includes a calculation of annual percent growth.

To determine the future population projections, RSG looked at historical trends dating back to 2000 based on Department of Finance data. This data was used to calculate the compound annual growth rate for the period of 200 through 2019. The compound annual growth rate was then used to project the population from 2000 through 2035. The annual growth rate for CFPD's

SOI is 0.38 percent, which is very close to the annual growth rate for all Los Angeles County, which was calculated at 0.39 percent.

Based on historical data and future projections, it can be assumed that CFPD provides service to approximately 40 percent of the County of Los Angeles residents. This also is the anticipated trend moving forward because the Los Angeles Fire Department and the Long Beach Fire Department serve an additional 43 percent of the County's population and any significant increases in population served would be due to annexations into CFPD.

The table and charts below outline the population count and comparisons from the CFPD Sphere of Influence to the County population count. As Figure 39 details, the population growth for the CFPD Sphere of Influence is relatively similar to that of the County, assuming no additional cities annex in to CFPD. This is important to consider in determining the feasibility of CFPD to take on more population and area, and the fact that CFPD population growth is like that of the greater Los Angeles County.

Figure 39: Population Forecast, CFPD Territory and Los Angeles County

Year	2015	2016	2017	2018	2019	2020	2025	2030	2035
Countywide	10,155,753	10,185,851	10,226,920	10,254,658	10,253,716	10,293,705	10,496,004	10,702,279	10,912,608
CFPD Only	4,094,154	4,096,024	4,097,007	4,098,794	4,096,325	4,111,891	4,190,613	4,270,842	4,352,607

DISADVANTAGED UNINCORPORATED COMMUNITIES IN CFPD SOI

As part of the MSR, RSG considered the impact of the SOI related to Disadvantaged Unincorporated Communities. A Disadvantaged Unincorporated Community (“DUC”) is defined as an area of inhabited territory located within an unincorporated area of a county in which the annual median household income is less than 80 percent of the statewide median household income. State law considers an area with 12 or more registered voters to be an inhabited area. LAFCO designated the DUCs in the County using 2016 ACS Census data, meaning that any unincorporated area where the median household income is less than \$54,191⁶.

For a comprehensive overview of the DUCs, please see maps in Appendix 6.

As the only fire service provider in unincorporated Los Angeles County, CFPD serves all the County DUCs. These DUCs are located throughout the San Gabriel Valley, the Gateway Region, the High Desert, the Los Angeles Basin, and one near Santa Clarita. Because DUCs are exclusive to unincorporated areas, annexation of any incorporated city into the CFPD SOI would not impact any DUCs.

PRESENT AND PLANNED CAPACITY OF FACILITIES

The CFPD holds an extensive amount of equipment, apparatuses, and assets that it uses and maintains to carry out services. Figure 40 outlines equipment and apparatuses used in areas including Emergency Operations, Reserve Equipment, Lifeguards, Air and Wildland, and Forestry.

⁷ Source: LAFCO DUC Map, data from 2012-16 American Communities Survey (ACS) 5-Year Summary, Bureau of the Census, US Department of Commerce.

Figure 40: CFPD Equipment Inventory

Emergency Operations		Air and Wildland	
Battalions	22	Facilities	4
Fire Stations	174	Aircraft Mechanics	18
Engine Companies		Helicopters	
Type I	171	Bell 412	5
Type III (OES)	5	Firehawk	5
Type VI	34	Fire Suppression Camps	
Truck Companies		Paid	4
Light Forces	4	Correctional	5
Quints	25	Fire Suppression Crews	
Paramedic Units		Paid	4
Air Squads	3	Correctional	24
Assessment Engines	27	Dozers	10
Assessment Quint/Light Force	2	Dozer Transport Trucks	10
Engines	6	Fuel-Tender	1
Squads	71	Heli-Tenders	9
Hazardous Materials Squads	4	Heavy Equipment	19
USAR Squads	2	Lifeguard Division	
Emergency Support Teams	3	Lifeguard Stations	24
Swift Water Rescue Units	5	Lifeguard Towers	159
Fire Boats	2	Beach Patrol Vehicles	58
Foam Units	4	Rescue Boats	8
Mobile Air/Light Units	4	Paramedic Rescue Boats	2
Water Tenders	14	Baywatch Paramedic Squads	2
Reserve Equipment		Forestry Division	
Engines	58	Forest Tree Nurseries	5
Trucks/Quints	10	Plants Distributed	17,322
Squads	31		
Battalion SUVs	21		

Source: CFPD 2018 Statistical Analysis

The failure of Measure FD raises concerns about the quality and usefulness of equipment and facilities. A May 2018 study commissioned by the County Board of Supervisors highlighted many serious operational needs of CFPD, and as later cited by the Board in December 2019:

- *“Local firefighters and paramedics are using decades old equipment.*
- *20-year-old fire engines and rescue vehicles frequently break down and are costly to repair and maintain.*

- *The Fire District's antiquated 30-year-old 9-1-1 communications system is incompatible with modern wireless and digital systems; this poses challenges for paramedics who need to communicate directly with emergency rooms while transporting patients, and does not provide global positioning system mapping, a critical tool to reduce response times.*
- *Up-to-date equipment is needed, including thermal image cameras used to locate and rescue children, the elderly, and people with disabilities who are particularly vulnerable during fires, floods and earthquakes."*

FINANCIAL ABILITY OF CFPD TO PROVIDE SERVICES

In March 2017, CFPD released a report including a five-point strategic plan that addressed the operational and management focus of the district. An update to the strategic plan has not been posted to the CFPD's website since that time.

The five elements include the following:

1. Fiscal Sustainability;
2. Exemplary Services;
3. Workforce Development;
4. Operational Effectiveness; and
5. Emergency Preparedness.

STRATEGIC PLAN

Goal 1 - Fiscal Sustainability

Ensure we provide the best possible value for the taxpayers' dollar by continuously evaluating the Los Angeles County Fire Department's use of funds and resources, as well as legal risk.

Goal 2 - Exemplary Services

Enrich the lives of Los Angeles County residents by providing innovative, caring and exemplary emergency services, as well as identifying organization-wide opportunities to better support the emergency responders who deliver them.

Goal 3 - Workforce Development

Enhance workforce development through proactively investing in education, training, safety and wellness, resulting in an effective workforce that is accountable at all levels.

Goal 4 - Operational Effectiveness

Achieve operational effectiveness and transform fundamental facilities and systems to support evolving service delivery for the people we serve, the County and our workforce.

Goal 5 - Emergency Preparedness

Enhance emergency preparedness by anticipating catastrophic emergencies and maximizing opportunities to measurably improve community emergency preparedness through public education and life-enriching programs that communicate our value.



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Among the priorities of the CFPD strategic plan was addressing revenue challenges. For some time, CFPD has faced revenue shortfalls that constrain its ability to provide service. This was among the reasons why CFPD sought the Board of Supervisors support to put Measure FD on the March 2020 ballot. According to the December 3, 2019 Board motion from Supervisor Barger, *“...more funding is needed to hire and train additional firefighter/paramedics and replace aging safety gear, communications tools and lifesaving rescue equipment.”*

RESERVE PLANNING FOR FIRE SERVICES

According to the 2018-19 CAFR, the County maintains a “Rainy Day” fund (established in 2009 in response to the Great Recession) of approximately 10 percent of revenues to cover unforeseen fiscal challenges in the General Fund or other departments, although it does not appear that as a dependent special district CFPD has any dedicated portion of this fund. According to CFPD management, CFPD reserves are funded from prior year carryovers and if deployed for capital or other expenditures, require a budget approval prior to the use of such funds.

Moreover, it does not appear that CFPD has established an equipment or capital replacement fund to address operational needs of for district services. The lack of funding for a public safety capital has been raised before the CFPD's governing body, the County Board of Supervisors. On August 15, 2013, the Board of Supervisors received an audit report⁷ from the County Auditor Controller that made several findings about the fiscal health of CFPD with respect to capital asset purchases, including the following:

“Understandably, Fire provides critical services, and must be able to purchase fixed assets and equipment when needed. However, Fire may be able to minimize or avoid deficits through

⁸ Review of the Consolidated Fire Protection District Budget and Financial Position for Fiscal Year 2011-12, Los Angeles County Auditor Controller. http://file.lacounty.gov/SDSInter/auditor/audit_reports/198787_2013-08-15ReviewoftheConsolidatedFireProtectionDistrictBudgetandFinancialPositionforFiscalYear2011-12_BoardAgendaItem45_September4_2012_.pdf

strategic timing of its acquisition of fixed assets and capital improvements, consideration of potential market-based financing options to pay for these acquisitions, and decisions of how to use its Fund Balance, Designations, and/or ACO funds to smooth the cyclical impact of economic downturns.”

It further went on to recommend that *“Fire needs to work with the CEO to refine its existing plans for fixed assets and capital improvement needs, including consideration of financing alternatives that will meet the District's requirements, while minimizing deficits.”*

Upon review, one major theme was apparent – the need for capital purchases and long-term infrastructure needs. As the Audit office noted in 2013, CFPD’s routine/ongoing operating revenues exceeded operating expenditures by \$9.6 million. However, decisions to purchase needed fixed assets and equipment generated an additional \$20.9 million of expenditures, resulting in an \$11.3 million deficit.

The report also notes that, understandably, CFPD provides critical services, and must be able to purchase fixed assets and equipment when needed. However, the report also notes that CFPD may be able to minimize or avoid deficits through strategic timing of its acquisition of fixed assets and capital improvements, consideration of potential market-based financing options to pay for these acquisitions, and decisions of how to use its Fund Balance, Designations, and/or ACO funds to smooth the cyclical impact of economic downturns.

It is unclear to RSG whether such a refinement to CFPD practices has occurred, particularly since funding for replacement of these assets has been done on a pay-as-you-go basis, as CFPD does not have an established equipment replacement policy or practice that measures prorates replacement costs over the useful life of assets, unlike some best performing local agencies. Moreover, there is reasonable concern whether fiscal challenges may lie ahead for CFPD given: 1) the failure of Measure FD in March 2020 upon which CFPD stated an acute need for funding for capital (as well as personnel), and 2) the unknown economic and fiscal consequences of the COVID-19 pandemic.

More recently, in December 2019, the Supervisor Barger's motion to place Measure FD on the ballot raised similar concerns about the financial capacity of CFPD to maintain necessary emergency equipment. In consultation with CFPD, following the rejection of ballot Measure FD, a funding mechanism and strategy is still to be identified.

Finally, the County's LACERA retirement obligations should not be ignored even though CFPD is a dependent special district and not (at least directly) responsible for fulfilling pension and OPEB liabilities. According to the June 30, 2019 actuarial report, LACERA reports total unfunded liabilities of over \$17 billion. Recently the County has been using surplus funds to pay down this liability, but clearly much is left to be done. This is not a unique issue to any county or public agency, but the resilience of the County and CFPD is tied to a long-term solution to its pension crisis.

OPPORTUNITIES FOR SHARED FACILITIES

CFPD operates under a regional approach of providing emergency services to the cities it serves and unincorporated areas of the County. This gives CFPD the ability to use its overall size and economy of scale to draw from many different facilities and different types of emergency apparatus in the area where an incident has occurred. This regional approach also allows for CFPD to more efficiently respond to large, complex, or simultaneous incidents that require a large amount of apparatus, personnel or specialty apparatus for incidents involving hazardous materials or urban search and rescue.

Most cities have mutual or automatic aid with neighboring agencies that allow for cities to draw upon the resources of other departments. Mutual aid is a voluntary exchange of resources. However, there is usually a lag time in dispatching these additional units causing longer response times and leading to increased risk for citizens involved and the personnel who are waiting on additional units to arrive. The regional approach allows for large amounts of units to be dispatched simultaneously to reduce response times and increase the likelihood that firefighters will be able to manage incidents effectively and reduce safety risks and property loss.

As an example, CFPD dispatchers utilize standardized response profiles that allows them to immediately dispatch the appropriate number of resources to incidents without having to assess the scene before requesting more resources from aid agreements.

In addition to resources including personnel and apparatuses, there is the potential option for shared facilities related to fire stations. On a case by case basis, a given station could potentially be closed due to neighboring stations providing an adequate level of service. This could also be the case for a station that receives minimal activity. This in turn could reduce costs by reducing capital improvement obligations as well as staffing a station that may not be necessary.

Currently, CFPD has mutual aid agreements with every independent fire department in the County, apart from the City of Torrance Fire Department. These mutual aid agreements allow for CFPD to call upon other agencies to provide support at incidents when applicable. These agreements also allow for independent departments to call upon CFPD to provide support when there are large scale incidents that the department cannot handle on its own. The mutual aid agreements are often utilized, drawing in resources and staff from CFPD to smaller agencies.

Going forward with the increase in wildfires expected due to climate change, the sustainability of the current mutual aid model has come into question without additional ongoing funding, according to the December 2019 Board motion: *“(CFPD’s) mutual aid system is no longer reliable. Today’s fast-moving, historically large wildfires are unpredictable and dangerous. We cannot count on firefighters from other areas helping in the event of disaster, since large wildfires often threaten other parts of California at the same time that they threaten our area.”*

In a follow-up discussion with CFPD management, CFPD cited two reasons why mutual aid agreements are less reliable today. First, they contend that statewide many fire agencies have not recovered from the last recession and are still working with scaled-back resources that reduce the statewide capacity overall. Second, weather conditions in the state have increased the frequency of major wildfire incidents, such that resources in one part of the state that may have been less necessary locally during an otherwise rainy season are now in demand locally due to more incidents of fire and less rainfall. One recent example of this was the lack of mutual aid

resources available during the Woolsey fire in Ventura and Los Angeles Counties, because the Camp fire in Northern California was still very active.

ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS

As cities annex into CFPD, it is important for staffing levels to be modified and appropriate to ensure the continued support that a city should expect. Moreover, when comparing information made available to the general public on the CFPD website to those of both peer agencies and the smaller city-run fire departments that may be annexed into CFPD, we noted significant discrepancies in voluntary disclosure.

For example, records of average response times, a common metric employed by many public agencies to inform taxpayers and stakeholders of the effectiveness of emergency operations, were readily available on budget or websites for most department and districts although no such data could be obtained easily by RSG in the preparation of this MSR. With GIS analysis, RSG was able to estimate that approximately 92 percent of resident population of CFPD lives within the district's 7-minute response time standard for emergency medical services, but the general public would normally not have the ability to perform this analysis. No information was available on the CFPD's website about the four existing parcel taxes approved by the voters that benefit CFPD, which we felt was unfortunate and potentially confusing to stakeholders or voters that would consider future special tax measures (such as Measure FD).

PERTINENT LITTLE HOOVER COMMISSION SPECIAL DISTRICT REPORT FINDINGS

As part of the review of CFPD and this MSR, RSG reviewed the Little Hoover Commission's 2017 report titled Special Districts: Improving Oversight and Transparency. While many of the Little Hoover Commission's findings may be concluded to be applicable to addressing the legacy of numerous and extraordinarily small and underfunded special districts, we believe best practices can be taken from the conclusions of this report, particularly as CFPD expands into smaller cities. Specifically, we can make the following observations about CFPD framed in two recommendations (Numbers "1" and "19) of the Little Hoover Commission's recommendations:

1. The Legislature (governing body) should require every special district to have a published policy for reserve funds, including the size and purpose of reserves and how they are invested – this should include a published policy for reserve funds, including the size and purpose of reserves and how they are invested. *RSG noted that CFPD's website did not appear to be intuitive or user-friendly.*
2. Every special district should have a website. Key components should include:
 - Services provided. *RSG noted that CFPD did little to explain the function of FFW services that are provided countywide, outside of the boundaries of the District, as well as its performance standards and metrics. Furthermore, a strategic plan that addresses the County's plan for ensuring these standards are maintained was not readily available nor posted on the CFPD's website. RSG also noted that the CFPD website did not disclose its most recent (2017) ISO rating, despite that it was shared via a memo to each County Supervisor in May 2018 and noted some improvements in performance. Fire chiefs are able to obtain their ISO rating report at no cost, while the general public must pay for this report from ISO.*
 - Governance structure of the district, including election information and the process for constituents to run for board positions. *RSG found that while the relationship to the Board of Supervisors may be self-evident to some, the process for raising concerns about Fire services or standards as well as avenues for citizen oversight is not clear to the general public, particularly for those in incorporated cities.*
 - Compensation details – total staff compensation, including salary, pensions and benefits, or a link to this information on the State Controller's website. *Compensation information for CFPD was not available on their website, nor is it available on the State Controller's transparency website (<https://publicpay.ca.gov>).*
 - Budget (including annual revenues and the sources of such revenues, including without limitation, fees, property taxes and other assessments, bond debt,

expenditures and reserve amounts). *As stated earlier, much of this information was vague, outdated, or incomplete.*

- Reserve fund policy. *CFPD claims that they do not have any reserve or equipment replacement or replenishment fund. As the concern over the condition of critical public safety equipment was raised in the December 2019 Board Motion for Measure FD, RSG believes that more disclosure about the lack of funding for infrastructure and policies and practices for addressing should be more easily attainable by a member of the public.*
- Most recent annual financial report provided to the State Controller's Office, or a link to this information on the State Controller's website. *RSG did not locate parcel tax reports, required by Assembly Bill 2109 on the State Controller website, though the County Auditor Controller was able to provide copies of these reports to RSG when asked.*
- Link to the Local Agency Formation Commission and any state agency providing oversight. *No such information was available on the CFPD website.*

TRANSPARENCY PRACTICES AMONG LARGER FIRE AGENCIES

After this review, RSG analyzed accessible information across four Fire agencies, including the City of Los Angeles Fire Department, Orange County Fire Authority (OCFA), the City and County of San Francisco Fire Department, and Sacramento Metropolitan Fire Department. During this review, RSG found information including financial and operational data, to be more accessible while reviewing the OCFA and the City of Los Angeles Fire Department. SFFD and Sac Metro provided information that was relatively easy to obtain.

It is also important to note that OCFA and Sac Metro have "tabs" on their websites titled "Transparency" which provide valuable information and data. As outlined above, transparency was a key recommendation when assessing a given special district. CFPD notified RSG that it has been working with a vendor since September 2018 to revamp CFPD's website, and CFPD

just announced the update in a recent press release. While much of the content of the website is improved, additional information is recommended to address many of the transparency issues that were cited earlier.

SOI RECOMMENDATIONS

At least three of the six cities studied (Vernon, West Covina, and San Gabriel) have been identified as having significant fiscal challenges on the State Auditor's review and ranking of California Cities in 2019. All three ranked in the top 20 among over 400 cities in California as facing fiscal distress due to reserve, revenue, and/or debt issues. These challenges likely remain, particularly due to the COVID-19 crisis. In fact, West Covina recently declared a fiscal emergency. On a per capita, basis, West Covina's fire budget was relatively small, but still represents a substantial portion of their General Fund budget.

Annexation is not triggered by expanding the CFPD SOI to these cities, but it does avail the cities and LAFCO the ability to more quickly react to the fiscal needs local government must face to deliver services, particularly nondiscretionary services like fire and emergency medical services, efficiently and effectively. This is not a matter of simply having sufficient personnel or fire stations, as our preliminary research shows that the relationship between the number of fire stations does not necessarily improve a city's ISO rating. In fact, since all six cities would be able to demonstrate that most of their residents could be served by existing CFPD stations, this circumstance does suggest that the CFPD, cities, and LAFCO should evaluate annexation and savings through redundancy where it is appropriate to do so.

For these reasons, RSG is recommending that LAFCO expand the CFPD SOI to include all six cities at this time. Certainly, CFPD has to determine if and when they are prepared to take on additional services, respond to the failure of Measure FD to bolster the viability of the pre-Prop 13 cities it currently serves, and also look at improving efficiencies and transparency to be comparable to what many Californians can expect from a fire protection agency, much like its peers such as LAFD and OCFA.

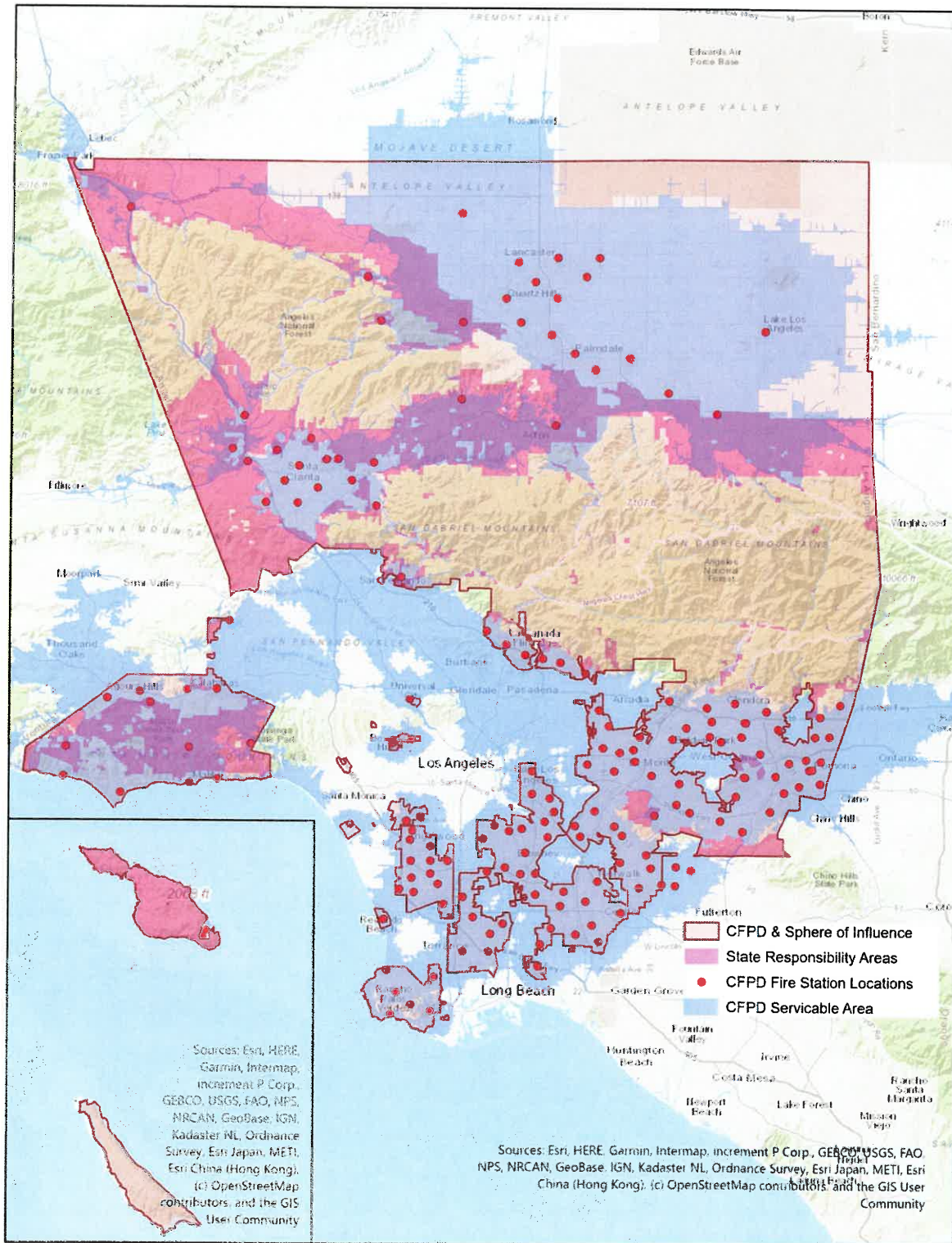
The Commission originally adopted an SOI for the CFPD in 1983, and the Commission most recently amended the SOI for the CFPD in 2017. The CFPD currently has an SOI that is a “Coterminous SOI,” as defined in the “Sphere of Influence Policy” adopted by the Commission (November 13, 2019), a Coterminous SOI is an SOI “that includes the same physical territory as the jurisdictional boundaries of that city or special district.” Adding these six cities to the CFPD SOI would change the SOI to a “Larger Than SOI,” as defined in the “Sphere of Influence Policy,” a Larger Than SOI “includes territory that is larger than the jurisdictional boundary of the subject city or special district.

APPENDICES



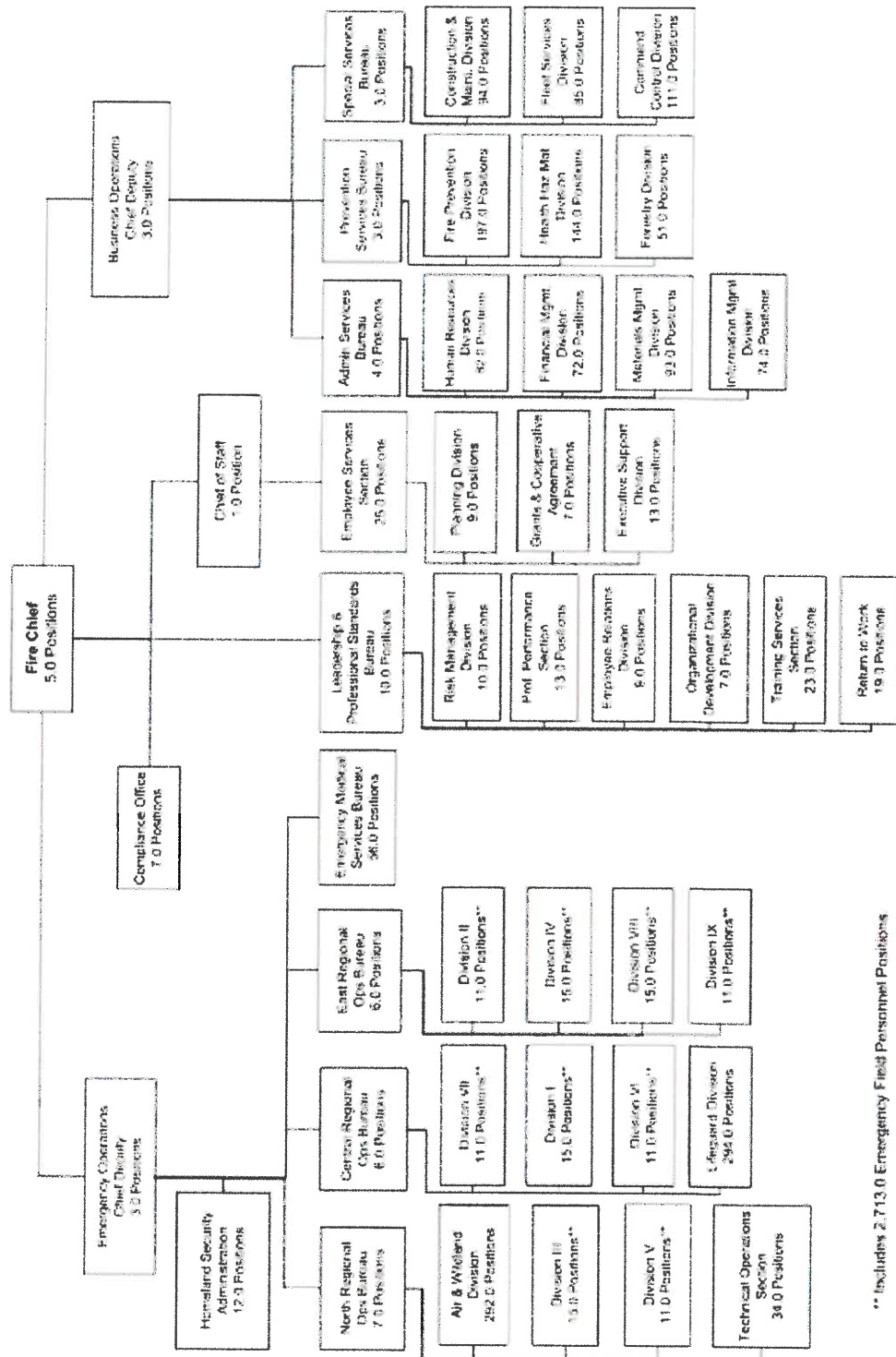
1) Six (6) agencies that were studied for possible inclusion into SOI in this MSR.

APPENDIX 3: CFPD FIRE STATIONS AND STANDARD EMS RESPONSE TIMES



APPENDIX 4: CFPD ORGANIZATIONAL CHART

FIRE DEPARTMENT DARYL L. OSBY, FIRE CHIEF FY 2019-20 Recommended Budget Positions = 4,692.0

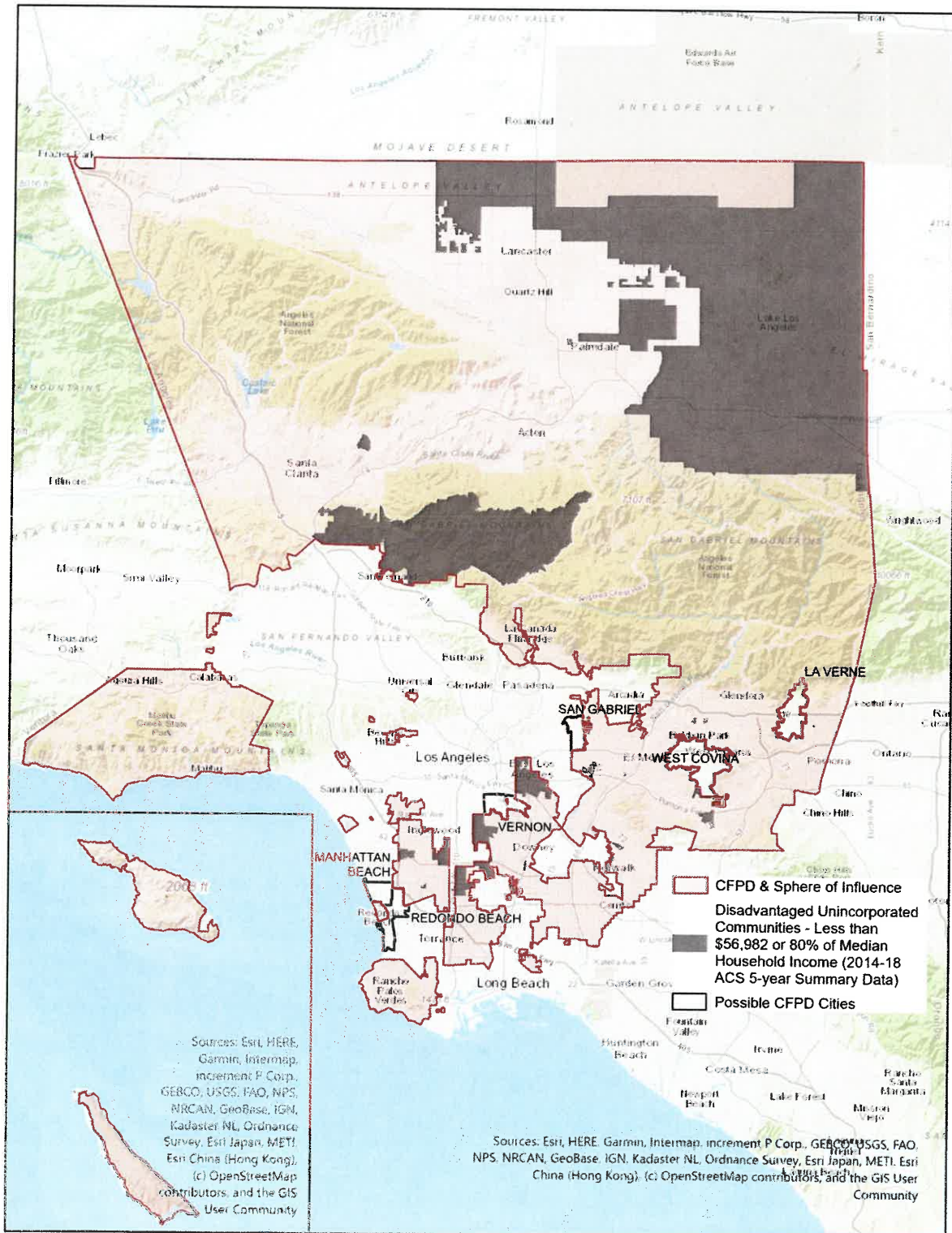


** Includes 2,713.0 Emergency Field Personnel Positions

APPENDIX 5: CFPD ANNEXATION PROCESS

1. The City Council of a potential fee-for-service city votes to request a proposal from CFPD for the provision of fire, EMS, and related services.
2. CFPD prepares the preliminary feasibility study to outline CFPD's proposed staffing to provide services, the estimated annual cost to the city, and an evaluation of the city's financial solvency to pay for fire services. The feasibility study must be authorized by the Los Angeles County Board of Supervisors and then it is sent to the city.
3. If the city decides to proceed, the city and CFPD would enter negotiations for annexation into CFPD. The City would be required to sign a Reimbursement Agreement that ensures payment to CFPD of its cost for evaluating the city fire department's facilities, apparatus, and equipment to determine potential one-time costs of conversion to CFPD Operation.
4. CFPD would then request that the Local Agency Formation Commission (LAFCO) to conduct a Municipal Service Review (MSR) for a sphere of influence (SOI) update that is necessary as a result of the annexation into CFPD.
5. Upon successful negotiations the city would sign an annexation agreement and adopts a \$0 Joint Property Tax Transfer Resolution. CFPD submits to the Board of Supervisors a Resolution Making Application to LAFCO, \$0 Joint Property Tax Transfer Resolution, Negative Declaration, and legal Description. Upon Board approval, CFPD then submits these items to LAFCO.
6. Upon completion of the MSR and approval of the Board Resolution, LAFCO adopts an amended SOI, holds a public hearing, and approves the annexation.
7. LAFCO then records the annexation on the date requested, notifies the County Engineer, County Assessor, the CFPD Fire Chief, and the State Board of Equalization upon completion of annexation procedures. The city then must adopt an ordinance to use CFPD's Fire Code and an ordinance for CFPD to be the administering agency for hazardous materials programs, if applicable.

APPENDIX 6: DISADVANTAGED UNINCORPORATED COMMUNITIES ("DUCS")





Staff Report

July 8, 2020

Agenda Item No. 7.b.

**Annexation No. 2020-03 to the Consolidated Fire Protection District of Los Angeles County
(Vernon)**

PROPOSAL SUMMARY:

Size of Affected Territory:	3,300± acres
Inhabited/Uninhabited:	Inhabited
Applicant:	Consolidated Fire Protection District of Los Angeles County (CFPD)
Resolution:	June 23, 2020
Application Filed with LAFCO:	June 1, 2020
Certificate of Filing:	June 15, 2020
Location:	The affected territory is generally located west of the intersection of Interstate 710 and Bandini Blvd.
City/County:	City of Vernon
Affected Territory:	The affected territory includes the entire City of Vernon and consists of industrial, commercial, and residential land. The Los Angeles River runs right through the City of Vernon. The topography is flat.
Surrounding Territory:	The Cities of Los Angeles, Commerce, Maywood, Bell and Huntington Park surround the affected territory.
Landowner(s)/Real Party/ Parties of Interest:	There are multiple owners of record.
Registered Voters:	104 registered voters as of May 26, 2020.
Purpose/Background:	The purpose of this annexation is for the entire City of Vernon to receive fire protection, emergency medical, and related services from the Consolidated Fire Protection District of Los Angeles County.

Jurisdictional Change(s):	The jurisdictional change that will result from this proposal is the annexation of the City of Vernon to the Consolidated Fire Protection District of Los Angeles County.
Within SOI:	No. Approval of the Sphere of Influence Update is a pre-requisite to approval of this item. Should your Commission not provide approval of Agenda item 7.a., this item will be taken off-calendar for today's hearing.
Public Hearing:	Pursuant to Government Code Section 56658(h), and upon issuing a Certificate of Filing, the Executive Officer set the proposal for public hearing and gave published notice thereof, within the required ninety (90) days.
California Environmental Quality Act (CEQA) Clearance:	The proposal is categorically exempt from the provisions of CEQA pursuant to State CEQA Guidelines Section 15320 because it consists of a change in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised. A Categorical Exemption was adopted by the Los Angeles County Board of Supervisors acting as the governing body for CFPD, as lead agency, on June 23, 2020.
Additional Information:	None

CERTIFICATE OF FILING

Pursuant to Government Code § 56020.6, a Certificate of Filing (COF) is “the document issued by the Executive Officer that confirms an application for a change of organization or reorganization has met submission requirements and is accepted for filing.”

Upon reviewing the proposal for completeness, and pursuant to the requirements of Government Code § 56658, the Executive Officer issued the COF to the applicant on June 15, 2020. In conjunction with the issuance of the COF, the Executive Officer set the public hearing date/date of consideration as Wednesday, July 8, 2020.

FACTORS TO BE CONSIDERED PURSUANT TO GOVERNMENT CODE 56668:

a. Affected population, territory and adjacent areas:

The existing population is 209 residents as of January 1, 2018. The population density is 15.79 persons per acre.

The estimated future population is 209 residents (no anticipated change).

The affected territory is 3,300+/- acres/5.2+/- miles. The affected territory is the entire City of Vernon and consists of industrial, commercial, and residential land. There are no proposed/future land use changes due to this proposal.

The assessed valuation is \$6,083,555,787 as of April 27, 2020.

The per capita assessed valuation is \$29,107,922.

On June 23, 2020, the County adopted a negotiated tax exchange resolution; all other involved public agencies have adopted a corresponding property tax transfer resolution.

The topography of the affected territory is flat.

The Los Angeles River traverses the City of Vernon from north to south.

There are no drainage basins on or near the affected territory.

The affected territory is surrounded by populated areas on all sides.

The affected territory is likely to experience no growth in the next ten years. The adjacent areas are likely to experience modest growth in the next ten years.

b. Governmental Services and Controls:

The affected territory includes the entire City of Vernon which requires organized governmental services.

The present cost and adequacy of government services and controls in the area are acceptable. The probable effect of the proposed action and of alternative courses of action on the cost and adequacy of services and controls in the affected territory and adjacent areas is minimal. The Consolidated Fire Protection District of Los Angeles County will be able to maintain consistent staffing levels at a slight reduction in annual costs to the City.

c. *Proposed Action and Alternative Actions:*

The proposed action will have no effect on adjacent areas. The proposed action will have no effect on mutual social and economic interests. The proposal has no impact on the governmental structure of the County.

The effect of alternate actions is for the City of Vernon to continue to provide its own fire protection, emergency medical and related services. The effect of alternate actions on mutual social and economic interests and on the local governmental structure of the County is minimal. Both agencies have mutually agreed for Consolidated Fire Protection District of Los Angeles County to assume fire protection, emergency medical and related services under "Agreement for services by and between the Consolidated Fire Protection District of Los Angeles County and the City of Vernon."

d. *Conformity with Commission Policies on Urban Development and Open Space Conversion Policies:*

There are no conformance issues because the Commission has not adopted any policies relative to providing planned, orderly, efficient patterns of urban development.

There is no prime agricultural land within or adjacent to the affected territory. The proposal conforms with the objectives in Government Code Sections 56377(a) and 56377(b).

e. *Agricultural Lands:*

There are no effects on agricultural lands, as defined. None of the land within the affected territory is currently used for the purpose of producing an agricultural commodity for commercial purposes, land left fallow under a crop rotational program, or land enrolled in an agricultural subsidy or set aside program. According to the California Department of Conservation, Division of Land Resource Protection, none of the land within the affected territory is subject to a Land Conservation Act (aka "Williamson Act") nor in a Farmland Security Zone (California Land Conservation Act 2012 Status Report).

f. *Boundaries:*

The boundaries of the affected territory have been clearly defined by the applicant, conform to lines of assessment or ownership, and have been reviewed and approved by LAFCO's GIS/Mapping Technician.

The Consolidated Fire Protection District of Los Angeles County is a fire protection district. The proposed annexation to Consolidated Fire Protection District of Los Angeles County is therefore subject to the provisions of its principal act, which is the Fire Protection District Law of 1987, also known as the Bergeson Fire District Law (Health and Safety Code Section 13800 *et seq.*). Pursuant to Health and Safety Code Section 13810, "[a]ny territory, whether

incorporated or unincorporated, whether contiguous or noncontiguous, may be included in a district.”

The affected territory in this proposed change of organization or reorganization is contiguous to the existing boundaries of the District, and the proposal complies with the contiguity provisions of the Fire Protection District Law of 1987 (Health and Safety Code Section 13810).

Health and Safety Code Section 13811 states:

“Territory which has been classified as a state responsibility area may be included in a district, except for commercial forest lands which are timbered lands declared to be in a state responsibility area. The executive officer of the local agency formation commission shall give mailed notice of the commission’s hearing on any proposal to include a state responsibility area in a district, whether by annexation or formation, to the Director of Forestry and Fire Protection. The commission may approve the proposal. Upon inclusion of a state responsibility area in a district, whether by formation or annexation, the state shall retain its responsibility for fire suppression and prevention on timbered, brush, and grass-covered lands. The district shall be responsible for fire suppression and prevention for structures in the area and may provide the same services in the state responsibility area as it provides in other areas of the district.”

Health and Safety Code Section 13811 does not apply because the affected territory in this proposed change of organization or reorganization has not been classified as a state responsibility area.

As a special district annexation, the proposal has no impact on existing city-county boundaries, nor does it create islands or corridors of unincorporated territory.

g. Regional Transportation Plan:

The Southern California Associated Governments (SCAG) adopted its 2016-2040 Regional Transportation Plan (RTP) and Sustainable Communities Strategy (SCS) pursuant to Government Code Section 65080. The closest highway to the annexation is part of the RTP and SCS’s State Highway improved program. The Closest highway in the RTP/SCS is Interstate 710, which traverses the affected territory north to south.

h. Consistency with Plans:

The proposal is consistent with the existing City of Vernon General Plan designations.

The affected territory is not within the boundaries of any Specific Plan.

Pre-zoning is not a requirement for a special district proposal.

i. Sphere of Influence:

The affected territory is not within the Sphere of Influence of the Consolidated Fire Protection District of Los Angeles County. Approval of the Sphere of Influence Update is a

pre-requisite to approval of this item. Should your Commission not provide approval of Agenda item 7.a., this item will be taken off-calendar for today's hearing.

j. *Comments from Public Agencies:*

Staff received a comment on June 23, 2020; Carlos R. Fandino, Jr. (City Administrator of the City of Vernon) sent a letter to the Commission in support of the proposed annexation (attached).

k. *Ability to Provide Services:*

The District currently provides fire protection services to over 2.3 million parcels of land (7,257,278± acres) throughout Los Angeles County. The annexation would add 1,683 parcels (3,300± acres) to its service area. The District has indicated that it has the ability to provide fire protection, emergency medical, and other related services to the affected territory once the annexation is complete.

l. *Timely Availability of Water Supplies:*

There are no known issues regarding water supply or delivery.

m. *Regional Housing Needs:*

As a special district annexation, the proposal will not affect any city, nor the county, in achieving their respective fair shares of the regional housing needs as determined by the Southern California Association of Governments (SCAG).

n. *Comments from Landowners, Voters, or Residents:*

Staff did not receive any significant comments from landowners, voters, or residents.

o. *Land Use Designations*

The proposal is consistent with the existing City of Vernon General Plan designations.

The proposal is consistent with the existing City of Vernon zoning designations.

p. *Environmental Justice:*

The proposal makes no representations on exclusions of peoples of any race, culture, and/or income with respect to the location of public facilities and public services.

There are no Disadvantaged Unincorporated Communities (DUCs) within or adjacent to the affected territory.

q. *Hazard Mitigation Plan:*

The County of Los Angeles All-Hazard Mitigation Plan (approved February 13, 2019) establishes the County's emergency policies and procedures in the event of a disaster and addresses allocation of resources and protection of the public in the event of an emergency.

The Safety Element of the General Plan for the City of Vernon (approved December 3, 2007) addresses reduction of the potential risk of death, injuries, and economic damages resulting from natural and man-made hazards.

The affected territory is not within a Very High Fire Hazard Zone pursuant to maps published by the California Department of Forestry and Fire Protection (Cal Fire). The affected territory is not within the maps that identify state responsibility area. Both the County of Los Angeles All-Hazard Mitigation Plan and the Safety Element of the General Plan include information relating to mitigation and management of wildfire and fire hazard severity zones.

ADDITIONAL INFORMATION/OTHER MATTERS (RELEVANT TO THE PROPOSAL):

None

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CLEARANCE:

The proposal is categorically exempt from the provisions of CEQA pursuant to State CEQA Guidelines Section 15320 because it consists of a change in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised. In addition, there are no cumulative impacts, unusual circumstances, nor other limiting factors that would make the exemption inapplicable based on the proposal records.

PUBLIC HEARING NOTICE:

Newspaper Notice: LAFCO is required to provide notice of the public hearing “in one or more newspapers of general circulation within each affected county, affected city, or affected district,” pursuant to Government Code §56153, and notice “shall be commenced at least 21 days prior to the date specified in the notice for the public hearing,” pursuant to Government Code §56154. LAFCO published a hearing notice in the Daily Commerce on June 15, 2020 that meets the requirements of Government Code § 56157(h).

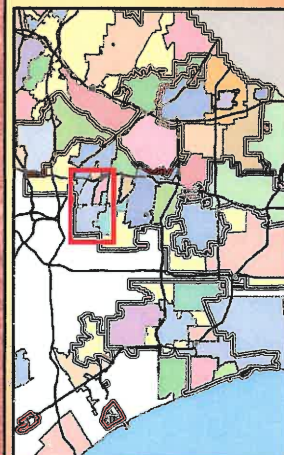
Mailed Notice: Because the number of notice otherwise required to be mailed exceeds 1,000 notices, mailed notice is not required, pursuant to Pursuant to Government Code § 56157(h).

CONCLUSION:

Staff recommends approval of the proposal as a logical and reasonable extension of the Consolidated Fire Protection District of Los Angeles County which will be for the interest of landowners and/or present and/or future inhabitants within the district and within the annexation territory.

RECOMMENDED ACTION:

1. Open the public hearing and receive testimony on the annexation;
2. There being no further testimony, close the public hearing;
3. Adopt the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving Annexation No. 2020-03 to the Consolidated Fire Protection District of Los Angeles County; and
4. Pursuant to Government Code Section 57002, set August 12, 2020, at 9:00 a.m. or the Commission's next available meeting date consistent with the protest provisions, in Room 381-B of the Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, California, 90012, as the date, place, and time for Commission protest proceedings.



**RESOLUTION NO. 2020-00RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES
MAKING DETERMINATIONS APPROVING
"ANNEXATION NO. 2020-03 TO THE CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS
ANGELES COUNTY (VERNON)"**

WHEREAS, the Consolidated Fire Protection District of Los Angeles County (District) adopted a resolution of application to initiate proceedings, which was submitted to the Local Agency Formation Commission for the County of Los Angeles (Commission), pursuant to, Division 3, Title 5, of the California Government Code (commencing with section 56000, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000), for annexation of territory herein described to the District, all within the City of Vernon; and

WHEREAS, the proposed annexation consists of approximately 3,300± acres of inhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 2020-03 to the Consolidated Fire Protection District of Los Angeles County (Vernon)"; and

WHEREAS, a description of the boundaries and map of the proposal are set forth in Exhibits "A" and "B", attached hereto and by this reference incorporated herein; and

WHEREAS, the principal reason for the proposed annexation is for the District to provide fire protection, emergency medical, and related services to the City of Vernon; and

WHEREAS, the Executive Officer has reviewed the proposal and submitted to the Commission a written report, including his recommendations therein; and

WHEREAS, the Executive Officer has given notice of the public hearing pursuant to Government Code Sections 56150-56160, 57025, and 57026, wherein the public hearing notice was published in a newspaper of general circulation in the County of Los Angeles on June 15,

2020, which is at least 21 days prior to the public hearing; and

WHEREAS, on July 8, 2020, after being duly and properly noticed, this proposal came on for hearing, at which time this Commission heard and received all oral and written testimony, objections, and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to this proposal and the report of the Executive Officer; and

WHEREAS, pursuant to Government Code Section 57002, the Commission set the protest hearing for August 12, 2020 at 9:00 a.m., at the Los Angeles County Board of Supervisors Hearing Room, Kenneth Hahn Hall of Administration Room 381-B, located at 500 West Temple Street, Los Angeles, California, 90012.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Commission finds that this annexation is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15320 because it consists of a change in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised. In addition, there are no cumulative impacts, unusual circumstances, nor other limiting factors that would make the exemption inapplicable based on the proposal records.
2. A description of the boundaries and map of the proposal, as approved by this Commission, are set forth in Exhibits "A" and "B", attached hereto and by this reference incorporated herein.

3. The affected territory consists of 3,3000± acres, is inhabited, and is assigned the following short form designation:

"Annexation No. 2020-03 to the Consolidated Fire Protection District of Los Angeles County (Vernon)".

4. Annexation No. 2020-03 to the Consolidated Fire Protection District of Los Angeles County (Vernon is hereby approved, subject to the following terms and conditions:

- a. The District agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding against LAFCO and/or its agents, officers and employees to attack, set aside, void or annul the approval of LAFCO concerning this proposal or any action relating to or arising out of such approval.
- b. The effective date of the annexation shall be the date of recordation of the Certificate of Completion with the Los Angeles County Registrar-Recorder/County Clerk.
- c. Recordation of the Certificate of Completion shall not occur prior to the conclusion of the 30-day reconsideration period provided under Government Code § 55895.
- d. All fees due to LAFCO, the County of Los Angeles (including, but not limited to, fees owed to the County Assessor and/or the Registrar-Recorder/County Clerk), and the State of California Board of Equalization; shall be paid by the Applicant, in full, prior to LAFCO's filing the Certificate of Completion. Failure to pay any

and all fees due to LAFCO, the County of Los Angeles, and the State Board of Equalization, within one year of the Commission approval of this change of organization/reorganization, will result in the change of organization/reorganization being terminated pursuant to Government Code §57001 unless, prior to expiration of that year, the Commission authorizes an extension of time for that completion.

- e. The territory so annexed shall be subject to the payment of such service charges, assessments or taxes as may be legally imposed by the District.
- f. The regular County assessment roll shall be utilized by the District.
- g. The affected territory will be taxed for any existing general indebtedness, if any, of the District.
- h. Annexation of the affected territory described in Exhibits "A" and "B" to the District.
- i. The map and geographic description of the affected territory shall comply with all requirements of LAFCO, the Los Angeles County Registrar-Recorder/County Clerk, and the State of California Board of Equalization. If LAFCO, the Los Angeles County Registrar-Recorder/County Clerk, and/or the State of California Board of Equalization require changes, the map and geographic description shall be revised and all associated costs shall be the responsibility of the applicant.
- j. Except to the extent in conflict with "a" through "i", above, the general terms and conditions contained in Chapter 2 of Part 5, Division 3, Title 5 of the California Government Code (commencing with Government Code Section

57325) shall apply to this annexation

5. Pursuant to Government Code Section 57002, the Commission hereby sets the protest hearing for August 12, 2020 at 9:00 a.m. and directs the Executive Officer to give notice thereof pursuant to Government Code Sections 57025 and 57026.
6. The Executive Officer is hereby authorized and directed to mail copies of this resolution as provided in Government Code Section 56882.
7. Pursuant to Government Code 56883, the Executive Officer may make non-substantive corrections to this resolution to address any technical defect, error, irregularity, or omission.

PASSED AND ADOPTED this 08th day of July 2020.

MOTION:

SECOND:

AYES:

NOES:

ABSTAIN:

ABSENT:

MOTION PASSES: 0/0/0

**LOCAL AGENCY FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES**

**Paul A. Novak, AICP
Executive Officer**



CITY ADMINISTRATION
4305 Santa Fe Avenue, Vernon, California 90058
Telephone (323) 583-8811

June 23, 2020

Local Agency Formation Commission (LAFCO) for the County of Los Angeles
80 South Lake Ave., Suite 870
Pasadena, CA 91101

Dear Honorable Chair Gladbach and Commissioners,

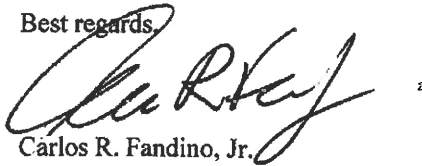
At its May 19, 2020 meeting, Vernon's City Council approved a fully vetted services agreement with the Consolidated Fire Protection District of Los Angeles County ("LA County Fire") for the provision of Fire Prevention, Paramedic, and Incidental Services. Two years in the making, this approval marked a pivotal moment for the City as it concluded its thorough and extensive task of determining a Fire Services model that would address its unique needs.

The decision to transition the Vernon Fire Department to LA County Fire was weighed heavily and followed an intense collaboration amongst staff, the incorporation of concerns of the business and residential community, lengthy negotiations with LA County Fire and Fire labor groups, and a logical, methodical approach to the City's evaluation process. Contracting services with LA County Fire is representative of management's commitment to streamline costs and increase efficiencies in City operations, and is aligned with Vernon's overall goal to secure its long-term financial footing.

With LAFCO's approval of Vernon's annexation to the Consolidated Fire Protection District of Los Angeles County, the City will effectuate a positive change that significantly impacts its economic trajectory. By stabilizing a large percentage of its general fund spend, Vernon's community of businesses and residents will benefit now, and into the future.

Thank you in advance for your support.

Best regards,



Carlos R. Fandino, Jr.
City Administrator

Exclusively Industrial

Staff Report

July 8, 2020

Agenda Item No. 7.c.

Out-of-Agency Service Agreement No. 2020-04 for the City of La Verne

PROPOSAL SUMMARY:

This is a proposal for the Commission to approve an out-of-agency service agreement for the City of La Verne ("City") to provide water service outside of its jurisdictional boundary to 25 parcels near the City of La Verne, pursuant to Government Code Section 56133(c).

COMMISSION AUTHORITY (GOVERNMENT CODE SECTION 56133):

The Commission shall consider any proposals for an out-of-agency service extension, either pursuant to Government Code Section 56133(b), if a future change of organization or reorganization is anticipated, or pursuant to Government Code Section 56133(c), to respond to an existing or impending threat to the health or safety of the public or the residents of the affected territory. Section 56133(c) further provides that any authorization must be consistent with adopted policy and that the following requirements must be met: (1) the entity applying for approval has provided the commission with documentation of a threat to the health and safety of the public or the affected residents; and (2) the Commission has notified any alternate service provider including any water corporation that has filed a map and a statement of its service capabilities with the commission.

PURPOSE/BACKGROUND:

The proposed out-of-agency service agreement would allow the City of La Verne to continue to provide water service outside its jurisdictional boundary.

The City of La Verne currently provides water service to over 5,480± acres of territory within the city limits and 520± acres outside its jurisdictional boundary.

In 2015, the City of La Verne and Local Agency Formation Commission ("LAFCO") identified the parcels receiving water services outside the City's boundary and placed them into two categories: 1. those parcels to which the City provided water service prior to 2001; and 2. those parcels to which the City established water service on January 1, 2001 or later. All "pre-2001" parcels pre-date the requirements of Government Code Section 56133 that the City obtain LAFCO approval for an out-of-agency service agreement. All "parcels to which La Verne established water service on January 1, 2001 or later," are required to comply with Government Code Section 56133, and the City is required to obtain an out-of-agency service agreement through LAFCO. On March 15, 2016, Executive Office Paul Novak confirmed this information in a letter to the City.

The City of La Verne filed an application requesting the approval of an out-of-agency service agreement to add 24± acres, including all of the identified parcels outside of City limits to which the City established water service on January 1, 2001 or later. The City has indicated it will be able to provide water service to all of the parcels included in this proposal, but at this time annexation is not an option, pursuant to applicable law, because all but two parcels are non-contiguous to the City. The City is currently reaching out to owners of the two contiguous parcels to see if annexation is a possibility in the future.

LOCATION:

The affected territory is generally north and west of the City of La Verne.

SPHERE OF INFLUENCE:

The affected territory is partially outside of the City of La Verne's Sphere of Influence ("SOI"). This approval authorizes water service beyond the City's SOI in accordance with the State Law provisions in the Act relative to out-of-agency service agreements.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CLEARANCE:

The proposal is categorically exempt from the provisions of CEQA pursuant to State CEQA Guidelines Section 15320 because it consists of a change in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised. In addition, there are no cumulative impacts, unusual circumstances, nor other limiting factors that would make the exemption inapplicable based on the proposal records.

ANALYSIS:

For the Commission to approve the provision of city service outside of a city's jurisdiction and sphere of influence by an out-of-agency service agreement under subdivision (c) of Government Code Section 56133, three requirements must be met:

- The proposal must be consistent with adopted Commission policy. (Government Code § 56133(c).)

This proposal is consistent with existing Commission Policy ("Requesting an Out-of-Agency Service Extension or Exemption Pursuant to Government Code Section 56133 and 56134") last revised on March 9, 2016, a copy of which is attached.

- The applicant requesting out-of-agency service approval must provide the Commission with documentation of a threat to the health and safety of the public or the affected residents. (Government Code § 56133(c)(1).)

To meet this requirement, the City of La Verne provided an email dated June 22, 2020, a copy of which is attached, which documents a threat to public health and safety for the affected residents.

- The Commission must notify any alternate service provider. (Government Code § 56133(c)(2).)

Notice of Public Hearing/Proceedings were provided to the City of La Verne and Golden State Water Company and published in a newspaper of general circulation in the County of Los Angeles on June 15, 2020. To date, staff has not received any comments from any alternate service providers.

COMMENTS FROM PUBLIC AGENIES, LANDOWNERS, OR REGISTERED VOTERS:

Staff received a comment from Elizabeth Taddeo, landowner, via email requesting clarification of the proposal.

CONCLUSION:

Staff has reviewed the documentation relating to a threat to public health and safety provided by the City and concludes that it supports a recommendation approving the out-of-agency service agreement request pursuant to Government Code section 56133(c).

RECOMMENDED ACTION:

1. Open the public hearing and receive testimony on the out-of-agency service agreement;
2. There being no further testimony, close the public hearing; and
3. Adopt the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving Out-of-Agency Service Agreement No. 2020-04 for the City of La Verne; and
4. Direct the Executive Officer to revise LAFCO's City of La Verne map to indicate that water service to the affected parcels outside of City limits are served by the City of La Verne, and document these parcels for reference.



CITY OF LA VERNE

CITY HALL

3660 "D" Street, La Verne, California 91750-3599
www.cityoflaverne.org

June 29, 2020

Mr. Paul Novak, Executive Officer
 Local Agency Formation Commission for the County of Los Angeles
 80 S. Lake Avenue, Suite 870
 Pasadena, CA 91101

Re: City of La Verne Out of Agency Service Agreement No. 2020-04

Dear Mr. Novak:

The above referenced annexation request includes consideration of additional parcels that currently receive water service from the City of La Verne, yet are located beyond the City's corporate boundaries. Each also obtained water service after January 1, 2001.

The City of La Verne respectfully requests the Commission's consideration to authorize the extension of water service to the subject properties in accordance with Government Code Section 56133, based upon the following:

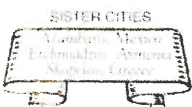
- The City's water distribution system serving these properties has been operating long before 2001 and provides the same service to adjacent properties (those connected prior to 2001).
- No alternate providers have facilities within a reasonable distance, contrary to the City's availability.
- The lack of continued water service to these properties will impact the health and safety of the existing residents and potentially elevate fire danger in the area.
- The City of La Verne and Golden State Water Company, which serves our neighboring cities of San Dimas and Claremont, have had a long standing, although unwritten, understanding regarding our mutual water service boundaries.

We appreciate the Commission's review and consideration. If you should have any questions or require further information, please feel free to contact Candice Bowcock or me Monday through Thursday between 8:00 a.m. and 6:00 p.m. at 909-596-8741.

Respectfully,


 Daniel W. Keesey
 Asst. City Manager/Public Works Dir.

General Administration 909/596-8726 • Water Customer Service 909/596-8744 • Community Services 909/596-8700
 Public Works 909/596-8741 • Finance 909/596-8716 • Community Development 909/596-8706 • Building 909/596-8713
 Police Department 909/596-1913 • Fire Department 909/596-5991 • General Fax 909/596-8737



**RESOLUTION NO. 2020-00RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES
MAKING DETERMINATIONS APPROVING
"OUT-OF-AGENCY SERVICE AGREEMENT NO. 2020-04 FOR THE CITY OF LA VERNE"**

WHEREAS, proceedings for this out-of-agency service agreement were initiated by the City of La Verne (City), which was submitted to the Local Agency Formation Commission for the County of Los Angeles (Commission), pursuant to, Division 3, Title 5, of the California Government Code (commencing with section 56000, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000), for water service extension of territory herein described to the City, all within the County of Los Angeles; and

WHEREAS, the proposed out-of-agency service agreement consists of approximately 24± acres of inhabited territory and is assigned the following distinctive short-form designation: "Out-of-Agency Service Agreement No. 2020-04 for the City of La Verne"; and

WHEREAS, a map of the proposal are set forth in Exhibits "A", attached hereto and by this reference incorporated herein; and

WHEREAS, the principal reason for the proposed out-of-agency service agreement is for the City of La Verne to continue to provide water service outside its jurisdictional boundary; and

WHEREAS, the Executive Officer has reviewed the proposal and submitted to the Commission a written report, including his recommendations therein; and

WHEREAS, the Executive Officer has given notice of the public hearing pursuant to Government Code Sections 56150-56160, 57025, and 57026, wherein the public hearing notice

was published in a newspaper of general circulation in the County of Los Angeles on June 15, 2020, which is at least 21 days prior to the public hearing, and said hearing notice was also mailed to all required recipients by first-class mail on or before the date of newspaper publication; and

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Commission finds that this out-of-agency service agreement is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15320, because it consists of a change in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised. In addition, there are no cumulative impacts, unusual circumstances, nor other limiting factors that would make the exemption inapplicable based on the proposal records.
2. A map of the proposal, as approved by this Commission, is set forth in Exhibit "A", attached hereto and by this reference incorporated herein.
3. The affected territory consists of 24± acres, is inhabited, and is assigned the following short form designation:

"Out-of-Agency Service Agreement No. 2020-04 for the City of La Verne".
4. The Commission finds that the proposal is consistent with adopted Commission policy that there is a documented threat to the health and safety of the public or the affected residents and that the Commission has notified all alternate

service providers and received no comments, all as set forth in Government Code Section 56133(c).

5. Out-of-Agency Service Agreement No. 2020-04 for the City of La Verne is hereby approved, subject to the following terms and conditions:

- a. The City of La Verne agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding against LAFCO and/or its agents, officers and employees to attack, set aside, void or annul the approval of LAFCO concerning this proposal or any action relating to or arising out of such approval.
- b. Unless a request for reconsideration pursuant to Government Code § 55895 is received, the effective date for this out-of-agency service agreement request shall be August 10, 2020.
- c. The City of La Verne may provide water service outside its jurisdictional boundary and Sphere of Influence.
- d. Service extension of the affected territory described in Exhibit "A".
- e. The City shall notify LAFCO of any material changes (including termination) to its contract with the residents.
- f. Except to the extent in conflict with "a" through "e", above, the general terms and conditions contained in Chapter 2 of Part 5, Division 3, Title 5 of the California Government Code (commencing with Government Code Section 57325) shall apply to this out-of-agency service agreement.

6. The Executive Officer is hereby authorized and directed to mail copies of this resolution as provided in Government Code Section 56882.
7. Pursuant to Government Code 56883, the Executive Officer may make non-substantive corrections to this resolution to address any technical defect, error, irregularity, or omission.

PASSED AND ADOPTED this 08th day of June 2020.

MOTION:

SECOND:

AYES:

NOES:

ABSTAIN:

ABSENT:

MOTION PASSES: 0/0/0

**LOCAL AGENCY FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES**

**Paul A. Novak, AICP
Executive Officer**

Staff Report

July 8, 2020

Agenda Item No. 9.a.

Sativa Water System – Quarterly Updates

Background:

Pursuant to Condition 9.x of Dissolution No. 2018-09 of the Sativa County Water District, the County of Los Angeles (County) has continued to provide the Commission with quarterly written reports regarding the status of County operations of the Sativa Water System.

Status:

The Los Angeles County Department of Public Works provided separate quarterly updates on March 26, 2020, and June 18, 2020. Significant highlights of these updates are:

1. Sativa's water meets all Primary Drinking Water Standards and is safe to drink. Customer complaints regarding brown water have dropped to zero.
2. With respect to Sativa Well No. 5, the County has installed a new well liner and filter pack inside the existing well casing to stabilize the well structure, and a new pump and motor have been installed.
3. Construction of the Lucien Waterline Project is complete, resulting in the replacement of 1,200 feet of damaged pipeline segment along Lucien Street. This project removes a chokepoint in the Sativa Water System, and has improved water distribution flow and reliability, especially for customers east of the Metro Blue Line.
4. The interconnection with Liberty Utilities is completed and functioning. Liberty has proposed to increase Sativa's water rate from \$590 per acre foot to \$3,050 per acre foot of water purchased, and the County has responded with a counterproposal of \$845 per acre foot of water purchased. Further discussions are temporarily hampered by the current COVID-19 pandemic and the closure of County and Liberty offices to the public.
5. The State Water Resources Control Board (SWRCB) provided the County \$1.77 million in grant funds, and SCWRB staff is recommending increasing that amount to \$2.6 million due to unforeseen infrastructure problems with Well No. 5 (final approval is pending before the Board).
6. Staff of the State Department of Water Resources (DWR) is recommending that the County be awarded ninety-percent (90%) of the County's \$2.25 million grant request to install a manganese treatment system at Well No. 5. A final funding award is expected by the end of July, 2020.

7. The evaluation committee reviewing proposals determined that Suburban Water Systems had the highest-combined score of both the written proposals and interviews of all five bidders. Suburban Water Systems was scored highest based in part upon the following:
- Reducing Sativa customer water rates immediately, maintaining those reduced rates for three years, and thereafter adjusting to the current rate in the closest existing service area;
 - Investing significant capital into improving Sativa's deteriorating water system assets;
 - Providing an experience transition team;
 - Maintaining a staff presence in Sativa's local office; and
 - Conducting extensive public outreach.

On March 31, 2020, the Los Angeles County Board of Supervisors authorized DPW staff to negotiate a sale agreement with Suburban Water Systems. Should negotiations prove successful, DPW anticipates agendaizing a proposed sale agreement for a Board of Supervisors meeting in August of 2020. Should the Board of Supervisors approve the sale agreement, Suburban Water Systems would then need to apply to the CPUC for approval to take over the operation of Sativa.

Should the Commission have any questions about the Sativa Water System, a representative of the Los Angeles County Department of Public Works is expected to be available by telephone for today's meeting.

Staff Recommendation:

Staff recommends that the Commission:

1. Receive and file the Sativa County Water District Status Report.



MARK PESTRELLA, Director

COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
 ALHAMBRA, CALIFORNIA 91803-1331
 Telephone: (626) 458-5100
<http://dpw.lacounty.gov>

ADDRESS ALL CORRESPONDENCE TO:
 P.O. BOX 1460
 ALHAMBRA, CALIFORNIA 91802-1460

March 26, 2020

IN REPLY PLEASE

REFER TO FILE: WW-0

TO: Paul Novak, Executive Director
 Local Agency Formation Commission

FROM: *for* Mark Pestrella *Angel H. George-Moody*
 Director of Public Works

SATIVA WATER SYSTEM
QUARTERLY REPORT ENDING MARCH 2020

In accordance with Resolution No. 2019-00RMD of the Local Agency Formation Commission for the County of Los Angeles, attached is the fourth quarterly report on the County of Los Angeles' temporary management of the Sativa Water System.

Please address any questions regarding this report or other matters concerning the Sativa Water System to Deputy Director, Daniel J. Lafferty. Mr. Lafferty can be reached at (626) 458-4012 or dlaff@pw.lacounty.gov.

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Attach.

**Sativa Water System
LAFCO Quarterly Report
December 19, 2019, to March 26, 2020**

On March 19, 2019, the Local Agency Formation Commission for the County of Los Angeles (LAFCO) adopted a resolution dissolving the Sativa Los Angeles County Water District (Sativa) and putting the County of Los Angeles (County) in place as the successor agency. This report summarizes notable actions taken by the County during the fourth quarter of its temporary management of the Sativa Water System.

PROVISIONS OF RETAIL WATER SERVICE

The County continues to provide water service to Sativa's 7,000 customers and oversee day-to-day management of the water system.

Water Quality Testing

State-mandated water quality testing of Sativa's water continued during this reporting period. Certified tests continued to show that Sativa's water meets all Primary Drinking Water Standards and is safe to drink.

Financial Audit

The County completed a financial audit of Sativa covering the period of July 1, 2017, through June 30, 2018. This period was prior to the County's appointment as Interim Administrator by the State of California. An independent auditor found that Sativa had limited supporting documents (i.e., purchase orders, invoices, receipts, etc.) and lacked internal financial controls (i.e., procedures for handling cash, approval of checks, etc.). Consistent with County policy and procedures, the audit was forwarded to the County's attorneys who provided it to law enforcement.

Staffing

As of the end of this reporting period, one of the original six Sativa employees remains employed by the County. The employee is a field staff.

Lawsuits

Prior to the County becoming the Sativa Interim Administrator, a few Sativa customers filed a class action lawsuit in the Superior Court, *Martha Barajas, et al. v. Sativa LA County Water District, et al.*, regarding the water quality and other claims. On April 29, 2019, after the County became the successor agency, the County was named a defendant in the class action lawsuit. The Special District Risk Management Authority, a risk pool joint powers agency, has accepted the County's tender for a defense and indemnification under a reservation of rights. The Special District Risk Management

Authority is also defending and indemnifying Sativa in this lawsuit. No trial date has been set. The Court has taken under submission and has not yet ruled on a motion by the plaintiffs to certify the class (find that the group of potential plaintiffs in the case has been appropriately defined). Regarding the merits of this lawsuit, we believe the County has a strong defense because Health and Safety Code Section 116687 provides immunity from liability for water quality issues to the Interim Administrator and successor agency.

CAPITAL IMPROVEMENTS

Significant improvements to Sativa's water quality and system resilience were achieved during the prior reporting period. The County is now preparing design plans for additional repairs and upgrades to the Sativa Water System.

Interconnection with Liberty Utilities

Construction of the interconnection with Liberty Utilities (Liberty) was completed on July 29, 2019. The interconnection was turned on and Sativa began receiving water on July 30, 2019. The interconnection provides Sativa with a continuous, uninterrupted supply of water that exceeds the maximum demand from Sativa. Per the terms of the agreement negotiated between the County and Liberty, Liberty provides water to Sativa "at cost"; there is no additional mark up for profit.

On January 22, 2020, Liberty submitted a written request to the County to update the current Interim Water Service Agreement with Sativa. Liberty indicated that their request is a result of their need to disclose the existing interconnection with Sativa to the California Public Utilities Commission (CPUC). Liberty maintains that the original agreement was meant for emergency water service and not for long-term "at cost" water supply at the expense of their customers. Liberty is proposing a significant increase to Sativa's water rate from \$590 per acre-foot to \$3,050 per acre-foot. Public Works has responded to Liberty's request with a counter proposal totaling \$845 per acre-foot of water purchased. A future meeting is being scheduled to discuss this further.

Current System Water Quality

Following the completion of the flushing program on August 10, 2019, water quality in Sativa's distribution system improved significantly. County staff continue to observe safe and clean water throughout the system and verified brown water complaints have dropped to zero. Sativa customers report clear, clean water flowing from their taps.

Current and Upcoming Repairs and Upgrades

Sativa has numerous critical infrastructure issues, including narrow diameter pipes that limit the volume of water that can be delivered to customers, chokepoints that restrict water circulation, and aged wells that must be temporarily taken offline so that maintenance and repairs can be completed. The County is pursuing a series of grant-funded projects to improve the state of Sativa's infrastructure.

Sativa – Lucien Waterline Project

This project consists of installing 1,200 feet of 8-inch pipe along Lucien Street from Oleander Avenue to Largo Avenue to replace a damaged pipeline under the Metro Blue Line tracks. The damaged pipeline creates a chokepoint in the distribution system and greatly restricts water circulation. The new pipeline will significantly improve water distribution throughout the Sativa Water System. The County started construction of this project on February 10, 2020, and it is scheduled to be completed April 2020.

Sativa Well No. 5 Rehabilitation Project

In December 2019, the County completed video inspection and water quality testing at five different depths of Sativa's Well No. 5. The video inspection and preliminary testing revealed significant structural damage, including a partial collapse of the well's gravel filter pack, causing the well to produce mud instead of filtered groundwater. Additionally, water quality samples confirmed the presence of high levels of manganese within the well, especially at depths below 500 feet. The County is currently installing a new liner and filter pack inside the existing well casing to stabilize the well structure. After the new liner and filter pack are installed, the well will be properly redeveloped to produce clean water without danger of collapsing. The bottom of the well will be blocked at 500 feet to reduce extraction of water with high levels of manganese. However, even with this well-depth modification, the manganese levels will likely remain higher than the Maximum Contaminant Level. Well No. 5 will also be reequipped with a new pump, well piping, and motor. This work is expected to be completed by July 2020.

Additional grant-funded projects currently in the planning stages include:

- Electrical/Mechanical Replacements at Well Sites: \$175,000 – Completely replace all electrical systems and mechanical equipment used to pump water from Sativa's two wells.
- Chlorination System Conversion: \$60,000 – Replace or rebuild Sativa's chlorination system to be safer and more secure.
- Supervisory Control and Data Acquisition System: \$120,000 – Install technology at Sativa's wells to allow remote monitoring and remote control of operations.
- Design and installation of Manganese Treatment System for Well No. 5: \$2.25 million.

GRANTS

The County pursued grant funding from the California State Water Resources Control Board (State Water Board) for Sativa's most critical infrastructure challenges. After a series of negotiations, the State Water Board provided the County \$1.77 million in grant funds to address these issues. After discovering the unforeseen structural issues with Well No. 5, the County requested an additional \$500,000, which is currently under consideration by the State Water Board with a favorable outlook. Per the terms of the grant agreement, the County is to perform this work and then invoice the State Water

Board for eligible expenditures. The grant agreement does not require grant funds to be repaid should the County transfer ownership of Sativa to a nonpublic entity.

The State Water Board grant is expected to cover all work outlined in the Current and Upcoming Repairs Section, excluding the manganese treatment system.

California Department of Water Resources – Manganese Removal Grant

In addition to grant funding from the State Water Board, the County has partnered with the Water Replenishment District of Southern California to pursue grant funds for a manganese treatment system. The County has applied for \$2.25 million in Proposition 1 funding through the California Department of Water Resources' Integrated Regional Water Management Program. The grant proposal has been well received by the California Department of Water Resources. A final determination on project funding is expected in Spring 2020.

In the event a permanent water service provider for Sativa is identified and ownership is transferred prior to the completion of grant work, the County will work with involved parties to ensure the grant work is completed and grant funds are not lost.

COMMUNITY ENGAGEMENT

Building trust with Sativa's customers is one of the County's highest priorities. In addition to improving customer service, the County is working on building trust through sharing information with customers and improving transparency of decision-making processes. During this rating period, the County continued to meet with community leaders in small groups and one-on-one settings. Community leaders have indicated they are very satisfied with the improvement in water quality and the level of customer service provided by the County. Moving forward, their highest priorities are ensuring the permanent service provider will not increase water rates or reduce the level of customer service.

Community Meetings

The County held a community meeting on February 19, 2020, at the George Washington Elementary School to update the residents of the Sativa Water System on the current status of the sale of the water system and the transition plan to a permanent water service provider. Bilingual invitation flyers were mailed a week in advance and bilingual robocalls were also deployed 2 days before to remind customers of the community meeting. Spanish translation of speaker presentation materials was also provided. The presentation to Sativa customers focused on highlighting the completed and ongoing work by the County to improve the water quality and system reliability of the Sativa Water System and providing an update on the efforts to find a permanent water service provider. The customers were given a description of the ongoing Request for Proposals (RFP) process, including that Suburban Water Systems is the current highest-rated proposer pending negotiations with the County. The County also provided Sativa customers with an overview of the next steps in the selection process. The message was well received

by the audience of approximately 20 Sativa residents who appeared to be supportive of the steps the County is taking. Customers were reassured that the County's selection of a permanent service provider for Sativa remains driven by Sativa's top concerns of low water rates, great customer service, and clean water.

BOARD OF SUPERVISORS ACTIONS

No actions were agendized for the Board of Supervisors' consideration during the reporting period. Public Works expects to request the Board of Supervisors' approval to negotiate with Suburban Water Systems on March 31, 2020.

IDENTIFICATION OF A PERMANENT WATER SERVICE PROVIDER (RFP PROCESS)

In accordance with AB 1577 (Gipson), the County is carrying out an RFP process to identify a permanent service provider for the Sativa Water System. The County, with consideration of suggestions made by Sativa customers, developed scoring criteria to evaluate proposals. Based on the feedback received from Sativa customers, the community's expectation from a permanent water service provider are low water rates, great customer service, and clean water. The RFP and scoring criteria were structured to address these top three priorities of the Sativa community. An RFP Evaluation Committee comprised of four drinking water system experts from the County and a representative from LAFCO used the scoring criteria to evaluate proposals and recommend a permanent service provider. This recommendation will be presented to the Board of Supervisors for their consideration.

Update on the RFP Process

The RFP for the transfer or sale of the Sativa Water System was published on September 11, 2019. Two mandatory prebid meetings were held for interested parties. A total of six prospective bidders attended the meetings, including five privately-owned water companies (investor-owned utilities) and one public agency. Members of the Sativa community attended the second mandatory prebid meeting and shared their priorities for Sativa's future service provider, the most important being to avoid an increase in water rates and prioritize customer service.

Proposals were due on November 12, 2019. Five proposals were received:

- California American Water
- Central Basin Municipal Water District
- Liberty
- Golden State Water
- Suburban Water Systems

The Evaluation Committee reviewed and scored these proposals. Interviews with each of the proposers were then conducted on December 2, 2019. Suburban Water Systems had the highest-combined score of both the written proposal and interview.

Suburban Water Systems was scored highest based on several key areas, including plans to:

- Reduce Sativa customers' water rates immediately upon acquisition and keep these reduced rates for 3 years before adjusting them to current rates in their closest existing service areas.
- Maintain staffing presence in Sativa's local office.
- Conduct extensive outreach to customers, neighboring cities, and other public entities.
- Make a significant financial investment into Sativa's deteriorating water system assets.
- Provide an experienced transition team that understands the tasks, steps, and critical transition issues.
- Show a well-documented track record of ensuring water quality, complying with water reporting requirements, responding to emergencies, and providing excellent customer service.

On February 9, 2020, the County updated LAFCO's Board of Commissioners on the selected bidder and next steps in the selection process.

On March 31, 2020, the recommendation will be presented to the Board of Supervisors for their consideration and to request authority to begin negotiations to prepare a Sale Agreement with Suburban Water Systems.

The estimated schedule for the remaining elements of the RFP process is as follows:

- Board of Supervisors approval to negotiate a Sale Agreement and Transition Plan with Suburban Water Systems: March 31, 2020
- Negotiations with Suburban Water Systems and drafting of Sale Agreement and Transition Plan: June 2020
- Board of Supervisors approval of Sale Agreement and Transition Plan: August 2020
- Transfer to Suburban Water Systems: Late 2020 to mid-2021.

The County will continue grant funded infrastructure repairs and upgrades during the transfer of ownership process. The County will work with the selected water service provider to ensure grant work is completed and grant funds are not lost.

CPUC APPROVAL OF A PERMANENT WATER SERVICE PROVIDER (IF APPLICABLE)

Upon successful negotiations of a Sale Agreement with Suburban Water Systems to become Sativa's permanent service provider, Suburban Water Systems will be required to submit an application to the CPUC requesting approval to take over the operation of Sativa. The CPUC approval process could last up to 18 months.



MARK PESTRELLA, Director

COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
 ALHAMBRA, CALIFORNIA 91803-1331
 Telephone: (626) 458-5100
<http://dpw.lacounty.gov>

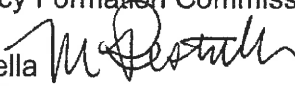
ADDRESS ALL CORRESPONDENCE TO:
 P.O. BOX 1460
 ALHAMBRA, CALIFORNIA 91802-1460

June 18, 2020

IN REPLY PLEASE

REFER TO FILE: WW-0

TO: Paul Novak, Executive Director
 Local Agency Formation Commission

FROM: Mark Pestrella 
 Director of Public Works

SATIVA WATER SYSTEM
QUARTERLY REPORT ENDING JUNE 2020

In accordance with Resolution No. 2019-00RMD of the Local Agency Formation Commission for the County of Los Angeles, attached is the fifth quarterly report on the County of Los Angeles' temporary management of the Sativa Water System.

Please address any questions regarding this report or other matters concerning the Sativa Water System to Deputy Director, Daniel J. Lafferty. Mr. Lafferty can be reached at (626) 458-4012 or dlaff@pw.lacounty.gov.

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Attach.

**Sativa Water System
LAFCO Quarterly Report
March 26, 2020, to June 19, 2020**

On March 19, 2019, the Local Agency Formation Commission for the County of Los Angeles (LAFCO) adopted a resolution dissolving the Sativa Los Angeles County Water District (Sativa) and putting the County of Los Angeles in place as the successor agency. This report summarizes notable actions taken by the County during the fifth quarter of its temporary management of the Sativa Water System.

PROVISIONS OF RETAIL WATER SERVICE

The County continues to provide water service to Sativa's 7,000 customers and oversee day-to-day management of the water system.

Water Quality Testing

State-mandated water quality testing of Sativa's water continued during this reporting period. Certified tests continued to show that Sativa's water meets all Primary Drinking Water Standards and is safe to drink.

Financial Audit

The County completed a financial audit of Sativa covering the period of July 1, 2017, through June 30, 2018. This period was prior to the County's appointment as Interim Administrator by the State of California. An independent auditor found that Sativa had limited supporting documents (i.e., purchase orders, invoices, receipts, etc.) and lacked internal financial controls (i.e., procedures for handling cash, approval of checks, etc.). Consistent with County policy and procedures, the audit was forwarded to the County's attorneys who provided it to law enforcement. The County's Auditor-Controller prepared a financial audit for Fiscal Year 2018-19, which was published on December 2019. The next Financial Audit for Sativa will be prepared by the County's Auditor-Controller for Fiscal Year 2019-20, and it is expected to be published in December 2020.

Staffing

As of the end of this reporting period, one of the original six Sativa employees remains employed by the County. The employee is a field staff.

Lawsuits

Prior to the County becoming the Sativa Interim Administrator, a few Sativa customers filed a class action lawsuit against Sativa in the County's Superior Court of California, *Martha Barajas, et al. v. Sativa LA County Water District, et al.*, seeking damages based

on alleged water quality issues. On April 29, 2019, after the County became the successor agency, the County was named a defendant in the class action lawsuit. The Special District Risk Management Authority (SDRMA), a risk pool joint powers agency, accepted the County's tender for a defense and indemnification under a reservation of rights. The SDRMA is also defending and indemnifying Sativa in this lawsuit. The Court has defined the plaintiff class as Sativa customers from March 2017 to March 2018. No trial date has been set. The class has agreed to dismiss the County for a waiver of costs. The action will proceed against Sativa. Inasmuch as the County previously administered Sativa and is the successor agency following Sativa's dissolution, we are acting as the point of contact with defense counsel in regard to the action against Sativa. It is not clear under existing law whether the class may sue and obtain a verdict against Sativa, an entity that has been dissolved. It is possible that the Court will determine that SDRMA must pay for any judgment against Sativa to the extent the judgment reflects damages and an amount within the scope and limits of SDRMA's coverage for Sativa. The County, as the administrator and successor agency, would be immune from liability for the causes of action alleged in the class action pursuant to the immunity conferred by Health and Safety Code Section 116687. As such, it was not unexpected that the class agreed to dismiss the County. The same immunity under Section 116687 would apply to any receiving agency and, therefore, we do not anticipate that the class would amend their action to name a receiving agency as a defendant.

CAPITAL IMPROVEMENTS

Significant improvements to Sativa's water quality and system resilience were achieved during this reporting period. The County continues to plan for additional improvements to the Sativa Water System.

Interconnection with Liberty Utilities

Construction of the interconnection with Liberty Utilities (Liberty) was completed on July 29, 2019. The interconnection was turned on and Sativa began receiving water on July 30, 2019. The interconnection provides Sativa with a continuous, uninterrupted supply of water that exceeds the maximum demand from Sativa. Per the terms of the agreement negotiated between the County and Liberty, Liberty provides water to Sativa "at cost"; there is no additional mark up for profit.

On January 22, 2020, Liberty submitted a written request to the County to update the current Interim Water Service Agreement with Sativa. Liberty indicated their request is a result of their need to disclose the existing interconnection with Sativa to the California Public Utilities Commission (CPUC). Liberty maintains that the original agreement was meant for emergency water service and not for long-term "at cost" water supply at the expense of their customers. Liberty is proposing a significant increase to Sativa's water rate from \$590 per acre foot to \$3,050 per acre foot. On February 5, 2020, the County responded to Liberty's request with a counterproposal totaling \$845 per acre foot of water purchased. Due to the current COVID-19 pandemic and closure of both Liberty and County offices to the public, no further discussions or meetings have

taken place on this issue. In the meantime, Sativa's Groundwater Well Rehabilitation Project by Public Works has advanced and it is scheduled to be completed by June 30, 2020. The completion of the rehabilitation work will potentially enable Sativa's main groundwater well (Well No. 5) to go back in service. The County will reevaluate its water supply portfolio and need for Liberty water after Well No. 5's new water extraction capacity and water quality levels, including manganese levels, are known. Liberty is aware of our ongoing improvements and is also waiting for the outcome of our Well No. 5 Rehabilitation Project to determine the next steps regarding the use of the interconnection.

Current System Water Quality

Following the completion of the flushing program on August 10, 2019, water quality in Sativa's distribution system improved significantly. County staff continue to observe safe and clean water throughout the system and verified brown water complaints have dropped to zero. Sativa customers report clear, clean water flowing from their taps.

Current and Upcoming Repairs and Upgrades

Sativa has numerous critical infrastructure issues, including narrow diameter pipes that limit the volume of water that can be delivered to customers, chokepoints that restrict water circulation, and aged wells that must be temporarily taken offline so that maintenance and repairs can be completed. The County is pursuing a series of grant-funded projects to improve the state of Sativa's infrastructure.

Sativa – Lucien Waterline Project

This project consisted of installing 1,200 feet of 8-inch pipe along Lucien Street from Oleander Avenue to Largo Avenue to replace a damaged pipeline under the Metro Blue Line tracks. The County started construction of this project on February 10, 2020, and completed it on June 9, 2020, for a total project cost of approximately \$750,000. The damaged pipeline created a chokepoint in the distribution system and greatly restricted water circulation. The new pipeline has improved water distribution flow and reliability throughout the Sativa Water System, especially to customers east of the Metro Blue Line.

Sativa Well No. 5 Rehabilitation Project

In December 2019, the County completed video inspection and water quality testing at five different depths of Sativa's Well No. 5. The video inspection and preliminary testing revealed significant structural damage, including a partial collapse of the well's gravel filter pack, causing the well to produce mud instead of filtered groundwater. Additionally, water quality samples confirmed the presence of high levels of manganese within the well, especially at depths below 500 feet. The County has installed a new well liner and filter pack inside the existing well casing to stabilize the well structure. A new pump and motor have also been installed and the well is now being tested and

redeveloped to produce clean water without danger of collapsing. New discharge piping will be installed, and the bottom of the well will be blocked at 500 feet to reduce extraction of water containing high levels of manganese. However, even with this well-depth modification, the manganese levels will likely remain higher than the Maximum Contaminant Level and will need to be blended with water from Well No. 3 and Liberty until a manganese treatment system is installed. Well No. 5 rehabilitation work is expected to be completed by June 30, 2020, for an estimated total cost of \$650,000.

Additional grant-funded projects currently in the planning stages include:

- Electrical/Mechanical Replacements at Well Sites: \$175,000 – Completely replace all electrical systems and mechanical equipment used to pump water from Sativa's two wells.
- Chlorination System Conversion: \$60,000 – Replace or rebuild Sativa's chlorination system to be safer and more secure.
- Supervisory Control and Data Acquisition System: \$120,000 – Install technology at Sativa's wells to allow remote monitoring and remote control of operations.
- Design and installation of a manganese treatment system for Well No. 5: \$2.25 million.

GRANTS

The County pursued grant funding from the California State Water Resources Control Board (State Water Board) for Sativa's most critical infrastructure challenges. After a series of negotiations, the State Water Board provided the County \$1.77 million in grant funds to address these issues. After discovering the unforeseen structural issues with Well No. 5, the County requested an additional \$500,000, which is currently under consideration by the State Water Board with a very favorable outlook. On April 9, 2020, State staff indicated they were recommending a grant funding increase from \$1.77 to \$2.6 million due to unforeseen infrastructure problems with Sativa's Well No. 5. Upon approval of the additional funding, the State Water Board will prepare an amended grant agreement for signature by the County. Per the terms of the current grant agreement, the County is to perform this work and then invoice the State Water Board for eligible expenditures. The grant agreement does not require grant funds to be repaid should the County transfer ownership of Sativa to a nonpublic entity.

The State Water Board grant is expected to cover all work outlined in the Current and Upcoming Repairs and Upgrades Section, excluding the manganese treatment system.

California Department of Water Resources – Manganese Removal Grant

In addition to grant funding from the State Water Board, the County has partnered with the Water Replenishment District of Southern California to pursue grant funds for a manganese treatment system for Sativa's Well No. 5. The County applied for \$2.25 million in Proposition 1 funding through the California Department of Water Resources' (DWR) Integrated Regional Water Management Program. The grant

proposal was well received by DWR. On May 4, 2020, DWR released the Draft Recommended Funding List for four funding areas, including Los Angeles, for the Proposition 1 Round 1 Integrated Regional Water Management Implementation Grant Solicitation. The recommended funding list for the Los Angeles area includes a funding recommendation for more than 90 percent of the requested amount for Sativa's Well No. 5 manganese treatment system. These funding recommendations were subject to a public review and comment period ending on May 28, 2020. Following the review of public comments, resolution of conditional award status, and final DWR approval; a final list of awards will be released, and each recipient will be notified. Final funding awards are expected by late July 2020.

In the event a permanent water service provider for Sativa is identified and ownership is transferred prior to the completion of grant work, the County will work with involved parties to ensure the grant work is completed and grant funds are not lost.

COMMUNITY ENGAGEMENT

Building trust with Sativa's customers is one of the County's highest priorities. In addition to improving customer service, the County has continued to work on building trust through sharing information with customers and improving transparency of decision-making processes. Due to the COVID-19 pandemic, the County's Board of Supervisors closed all County buildings to the public, including the Sativa office, on March 16, 2020. During this reporting period, no community outreach engagements were conducted in compliance with the County's Safer at Home order. However, County staff continued to run the Sativa office and operate the water system while complying with social distance and all other State and local Health and Safety Guidelines. The County has continued to deliver excellent customer service to Sativa customers through the current health crisis.

IDENTIFICATION OF A PERMANENT WATER SERVICE PROVIDER

In accordance with AB 1577 (Gipson), the County conducted a Request for Proposal (RFP) process to identify a permanent service provider for the Sativa Water System. The County, with consideration of suggestions made by Sativa customers, developed scoring criteria to evaluate proposals. Based on the feedback received from Sativa customers, the community's expectation from a permanent water service provider are low water rates, great customer service, and clean water. The RFP and scoring criteria were structured to address these top three priorities of the Sativa community. An RFP Evaluation Committee comprised of four drinking water system experts from the County and a representative from LAFCO used the scoring criteria to evaluate proposals and recommend a permanent service provider.

Update on the RFP Process

The RFP for the transfer or sale of the Sativa Water System was published on September 11, 2019. Two mandatory pre-bid meetings were held for interested parties. A total of six prospective bidders attended the meetings, including five privately owned

water companies (investor-owned utilities) and one public agency. Members of the Sativa community attended the second mandatory pre-bid meeting and shared their priorities for Sativa's future service provider, the most important being to avoid an increase in water rates and prioritize customer service.

Proposals were due on November 12, 2019. Five proposals were received:

- California American Water
- Central Basin Municipal Water District
- Liberty
- Golden State Water
- Suburban Water Systems

The Evaluation Committee reviewed and scored these proposals. Interviews with each of the proposers were then conducted on December 2, 2019. Suburban Water Systems received the highest-combined score of both the written proposal and interview. Suburban Water Systems was scored highest based on several key areas, including plans to:

- Reduce Sativa customers' water rates immediately upon acquisition and keep these reduced rates for 3 years before adjusting them to current rates in their closest existing service areas.
- Maintain staffing presence in Sativa's local office.
- Conduct extensive outreach to customers, neighboring cities, and other public entities.
- Make a significant financial investment into Sativa's deteriorating water system assets.
- Provide an experienced transition team that understands the tasks, steps, and critical transition issues.
- Show a well-documented track record of ensuring water quality, complying with water reporting requirements, responding to emergencies, and providing excellent customer service.

On February 9, 2020, the County updated LAFCO's Board of Commissioners on the selected bidder and next steps in the selection process.

The estimated schedule for the remaining elements of the RFP process is as follows:

- Negotiations with Suburban Water Systems and drafting of Sale Agreement and Transition Plan: August 2020
- Board of Supervisors approval of Sale Agreement and Transition Plan: October 2020
- Transfer to Suburban Water Systems: Late 2020 to mid-2021.

The County will continue grant funded infrastructure repairs and upgrades during the transfer of ownership process. The County will work with the selected water service provider to ensure grant work is completed and grant funds are not lost.

BOARD OF SUPERVISORS ACTIONS

On March 31, 2020, through delegated authority by the Board of Supervisors, the County's Chief Executive Office authorized the Director of Public Works or his designee, on behalf of and in administration of the dissolved Sativa Los Angeles County Water District, to execute an Exclusive Negotiations Agreement with, and to conduct negotiations for the sale of the dissolved Sativa Los Angeles County Water District to Suburban Water Systems, the highest-ranked proposer from the proposals submitted to Public Works on November 12, 2019. If a sale agreement cannot be satisfactorily negotiated with the highest-ranked proposer, the Director of Public Works or his designee are authorized to terminate the negotiations and execute an Exclusive Negotiations Agreement and conduct negotiations with the subsequent highest-ranked proposer. On April 14, 2020, Supervisor Mark Ridley-Thomas sent the attached letter to the Director of Public Works thanking the Public Works team for restoring high-quality water service to Sativa's customers and its ongoing efforts to transition the water system to a permanent operator that will be responsible for delivering clean and safe water to its customers. Additionally, Supervisor Ridley-Thomas urged the Director of Public Works, as the negotiations with Suburban Water Systems proceed, to prioritize the financial impact to Sativa customers and take all appropriate actions to ensure Sativa customers' rates stay within market levels compared to communities of similar income levels and that customers are shielded from any unnecessary or significant long-term rate increases.

CPUC APPROVAL OF A PERMANENT WATER SERVICE PROVIDER (IF APPLICABLE)

Upon successful negotiations of a Sale Agreement with Suburban Water Systems to become Sativa's permanent service provider, Suburban Water Systems will be required to submit an application to the CPUC requesting approval to take over the operation of Sativa. The CPUC approval process could last up to 18 months.

Staff Report

July 8, 2020

Agenda Item No. 10.a.

Legislative Update

SB 625 (Bradford): Introduced by Senator Steven Bradford on May 26th, SB 625 is intended to address outstanding issues at the Central Basin Municipal Water District (CBMWD). The bill would:

- Remove Central Basin's existing board of directors,
- Cancel the November 2020 election;
- Appoint the Water Replenishment District of Southern California (WRD) as the receiver over CBMWD;
- Provide more time for the CBMWD to comply with statutory deadlines to continue an existing parcel tax (preserving \$3.1 million in on-going funds);
- Direct LAFCO to prepare an MSR emphasizing "governance structure" options for a new CBMWD board of directors.

The Assembly approved SB 625 (70-2) on June 15, 2020. As of the writing of this report (June 26, 2020), SB 625 is now before the Senate, at the Senate Rules Committee, and awaiting assignment to a committee.

Commission Position: **SUPPORT** (June 10th Meeting)

Staff Recommendation:

1. Receive and Receive and file the Legislative Update.

Executive Officer Report

July 8, 2020

Agenda Item No. 13.a.

The Executive Officer hereby reports the following:

- **Commission Schedule:** Staff notes the following schedule items:
 - Municipal Service Review (MSR)/Sphere of Influence (SOI) Updates are tentatively scheduled as follows:
 - Santa Clarita Valley Water Agency (SCVWA) on August 12, 2020;
 - Agoura Hills-Calabasas-Hidden Hills-Westlake Village on September 9, 2020.
 - Formation of the Inglewood Transportation Management Community Services District on September 9, 2020.
- **Staff Schedule:** As of the writing of this report (Thursday, June 25th) all LAFCO staff are primarily working remotely, in furtherance of County of Los Angeles “Safer at Home order for Control of COVID-19.” In consultation with the Chair and legal counsel, the Executive Officer and Deputy Executive Officer have notified staff of a return to work for staff on a part-time basis, beginning the week of July 6th. Management is formulating a schedule to minimize the number of people in the office concurrently, as well as establishing policies and protocols to protect the health and safety of all employees.
- **CALAFCO Quarterly Report:** Enclosed is a copy of the June 2020 CALAFCO Quarterly Report.

Staff Recommendation:

1. Receive and file the Executive Officer Report.

EXECUTIVE OFFICE



BOARD OF SUPERVISORS

CELIA ZAVALA
EXECUTIVE OFFICERCOUNTY OF LOS ANGELES
EXECUTIVE OFFICE
BOARD OF SUPERVISORSKENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 383
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MEMBERS OF THE BOARD

HILDA L. SOLIS

MARK RIDLEY-THOMAS

SHEILA KUEHL

JANICE HAHN

KATHRYN BARGER

June 24, 2020

TO: Each Department/District Head

FROM: Celia Zavala
Executive Officer

SUBJECT: REMOTE BOARD MEETING DATES THROUGH SEPTEMBER

This is to inform you that the remote Board meetings will continue to be held every other week through September 1, 2020 until further notice. Special Closed Session Meetings will also continue to be scheduled every other week as needed. Upcoming dates are as follows:

Tuesday, July 7, 2020 (Regular Meeting)
 Tuesday, July 14, 2020 (Special Closed Session)
 Tuesday, July 21, 2020 (Regular Meeting)
 Tuesday, July 28, 2020 (Special Closed Session)
 Tuesday, August 4, 2020 (Regular Meeting)
 Tuesday, August 11, 2020 (Special Closed Session)
 Tuesday, August 18, 2020 (Meeting Cancelled)
 Tuesday, August 25, 2020 (Meeting Cancelled)
 Tuesday, September 1, 2020 (Regular Meeting)

We will notify your office accordingly of any changes.

CZ:KM:mr

News from the Board of Directors

CALAFCO QUARTERLY

June 2020



A message from the Executive Director

So much has changed in our world since the last Quarterly Report in February of this year. Each of us have dealt personally with changes and health matters related to the COVID-19 pandemic; we've professionally dealt with

keeping LAFCo business going while striving to keep ourselves, each other and our communities healthy and safe; and been faced with understanding and responding to the fiscal fallout of the pandemic and the recent calls for racial and social justice...it can all overwhelm us if we let it.

This Quarterly Report will begin differently. We are highlighting the good news in our CALAFCO family first, followed by Association updates. Happy reading!

Welcome New LAFCo Family Members

We welcome two new babies to the CALAFCO family!

San Mateo LAFCo Mgmt. Analyst Rob Bartoli and his wife Michelle welcomed (10 days early) **Luca Robert Bartoli** on March 30, 2020. Luca weighed in at 7 lbs., 11 oz. The family is all well, healthy and enjoying the comforts of home.



Not to be outdone, Napa LAFCo Executive Officer Brendon Freeman and family welcomed **Noah Campos Freeman** into the world on April 6, 2020. Noah tipped the scales at 8 lbs., 11 oz. upon his release from quarantine. Mom Isabel, Noah and Dad are all doing fine. Although neither set of parents are getting much sleep right now!

Congratulations to the Freemans and Bartoli's on bringing two future LAFCo EOs into the world!

Congratulations on Upcoming Retirements

We want to congratulate two long-time LAFCo leaders on their upcoming retirements. Their contributions to CALAFCO and to LAFCos statewide are far too numerous to list here. Needless to say, they both leave huge shoes to fill and will be greatly missed. We wish them both all the best in their retirement!

After a distinguished near 20-year career with Sonoma LAFCo, Asst. EO **Carole Cooper** is retiring at the end of June. Carole spent 12 years on the CALAFCO Legislative Committee and was the recipient of the CALAFCO Project of the Year Award as part of the team that revised the definition section of CKH, and received the Outstanding LAFCo Professional Award.



San Luis Obispo LAFCo EO **David Church** is also calling it time to retire. David has been with his LAFCo for almost 19 years and will be retiring in July. David also spent a number of years contributing to CALAFCO on the Legislative Committee and as the Deputy EO representing the coastal region for four years. David received several CALAFCO Achievement Awards including the Mike Gotch Courage & Innovation in Local Government Leadership Award and the Outstanding LAFCo Professional Award.



LAFCos in the News

Tuolumne LAFCo Adds Special Districts

For the first time since 2012, special districts have been added to a LAFCo! CALAFCO acknowledges the hard work of **Tuolumne LAFCo** and congratulates them on adding special districts to their LAFCo. This is no easy feat and their process was a long one. We will learn more about it from EO **Quincy Yaley** in our next edition of *The Sphere*. As of today, 31 of the 58 LAFCos have special district representation. Way to go Tuolumne LAFCo!

Santa Clara LAFCo Receives Award for Communication and Outreach Plan

Earlier this month, **Santa Clara LAFCo** received the American Planning Association - California Northern Chapter's "Award of Excellence - Communication Initiative" for their communication and outreach plan. The APA highlighted the plan as one of the outstanding winners for its "fresh ideas that are transferable to other communities and represent guidebooks toward a more inclusive, accessible and equitable planning future."

Los Angeles LAFCo Receives Award of Excellence

In May, the Los Angeles Chapter of the American Planning Association awarded it's "Award of Excellence: Hard Won Victories" for "Rescuing the Sativa Water System" to **LA LAFCo**, the County of Los Angeles, and the SWRCB for their collaborative work on the Agency.

CALAFCO congratulates **Tuolumne**, **Santa Clara** and **Los Angeles** LAFCos on their achievements!



News from the Board of Directors

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June 2020

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CALAFCO BOARD UPDATE

The CALAFCO Board met February 21 and May 1. Here is a summary of the actions taken by the Board at these respective meetings.



February 21

As a follow up to the December 2019 meeting, the Board continued the discussion of transitioning the two primary contractors to employees to comply with AB 5. In executive session, the Board accepted the retirement announcement of Executive Director Pamela Miller, developed a recruitment plan and timeline and discussed the transition.

The Board considered the Tulare LAFCo proposed dues structure. After much discussion, they unanimously approved the convening of an ad hoc committee sometime in the summer to once again look at the dues structure that was adopted by the membership in October 2019. It is likely that this ad hoc committee will also include several member LAFCos outside of the Board.

Other actions the Board took at this meeting included:

- ✓ Reconfirmed no CPI increase (pursuant to Bylaws) for the FY 2020-21 LAFCo dues;
- ✓ Approved a request from Contra Costa LAFCo to prepare and file an amicus brief
- ✓ Conducted the annual dashboard review of the 2019 Strategic Plan objectives; and
- ✓ Accepted a series of reports including the 2020 conflict of interest filings, quarterly financial and investment reports, and the legislative report.

May 1

After careful consideration, the Board adopted a balanced budget for FY 2020-21. There are several notable differences in this budget as compared to past budgets, including:

- The Annual Conference revenue and expenses were adjusted for a smaller attendance and for a break-even model due to the pandemic;
- We are now budgeting for employer expenses such as employer's insurance, payroll services and payroll taxes, workers' compensation and overtime for the Administrator which is a non-exempt position; and
- For the first time, the operational costs of the Association are covered by member LAFCo dues, so there is no budget deficit. This is a result of the membership approving the new dues structure at the October 31, 2019 annual business meeting.

The Board also received a report from the Executive Director (ED) Recruitment Committee on the progress of the recruitment. During this report current ED Pamela Miller shared that given the uncertain times we are currently in and will be facing for the unforeseen future, she did not see

this is not a good time for a change in leadership for the Association and offered to stay on as the ED. The Recruitment Committee then took this under advisement.

Other actions taken by the Board at the May 1 meeting included:

- ✓ Received and filed the quarterly financial and investment reports;
- ✓ Received and filed the Legislative Committee report; and
- ✓ Received a verbal update on the Annual Conference from the Conference Chair and Program Chair.

All Board meeting packets are posted on the CALAFCO website.

EXECUTIVE DIRECTOR PAMELA MILLER STAYING WITH CALAFCO

As was announced in early June, Pamela Miller will be staying with the Association as Executive Director. To comply with the requirements of AB 5, both Pamela and Jeni Tickler, CALAFCO's Administrator, will be transitioning to employee status effective September 1. Both will remain as part-time employees.

2020 STAFF WORKSHOP AND ANNUAL CONFERENCE

Staff Workshop

Due to the COVID-19 pandemic, CALAFCO's Staff Workshop was cancelled. The workshop was scheduled for March 25-27 in Newport Beach. As it turned out, this was the right call, and done ahead of the March 19 stay-at-home order issued by the Governor.

CALAFCO staff was able to negotiate a revision in the facility contract to avoid a cancellation fee of over \$36,000. The workshop for 2020 has been booked at the same facility with only a slight increase in the food and beverage minimum and room rates. Further, all deposits (hotel, bus, boat, and caterer for the mobile workshop) were successfully moved forward to next year without penalty.

We wish to thank our Workshop hosts, **Imperial** and **Orange LAFCos** and their staff who worked so hard to prepare a fabulous workshop, and Program Chair **Gary Thompson**. His team did such an outstanding job that the program as planned will be moved forward to the 2021 Workshop.

Annual Conference

The Annual Conference is currently scheduled for October 21-23 in Monterey at the Hyatt Regency. Due to the ongoing restrictions on gatherings because of COVID-19, and due to shrinking local agency budgets, CALAFCO staff is currently exploring viable options for the Conference. The Program Planning Committee is already hard at work and planning session topics that are extremely relevant for the times. Details about the Conference will be announced as soon as a decision is made. We want to thank Conference Chair

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Jane Parker and Program Chair **Christine Crawford**, as well as the entire program planning team for their work thus far.

Your Board's top priority is ensuring the health and safety of all of you, our Association members, your families, and those at the hotel facility. Our decision will be based with that in mind as priority #1.

CALAFCO UNIVERSITY

Under the leadership of **Martha Poyatos**, the format of the CALAFCO



University is being revised. For the remainder of the year, we will be offering all CALAFCO U sessions virtually. We are currently planning a series of short online sessions including LAFCo 101 for staff, Clerk 101 (to include Public Records Requests and BOE info), and a LAFCo Primer for Commissioners. This series will be offered at no cost to all member LAFCo staff and commissioners, and will be recorded and placed online for on-demand access to our members. A number of other courses are also being planned, so keep an eye open for announcements coming soon.



CALAFCO LEGISLATIVE UPDATE

This has been a legislative year like no other given the pandemic. As we have been reporting, the Legislature went into recess to comply with the Governor's stay at home orders and was out for several months without bills moving. Upon return, both houses adopted revised calendars and cut

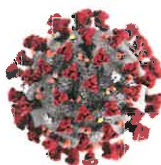
back their bill count significantly.

As you are all aware, the state is now grappling with a \$54 billion deficit and Legislators are having to make difficult decisions on how to close that deficit gap. One thing is certain – even if there is federal funding assistance, local governments throughout the state will be operating in fiscal crisis for several years to come.

As a result, the CALAFCO legislative priorities for the year have all but vanished. The LAFCo funding bill not be moving forward and our work with the Protest Provisions Rewrite Working Group has been put on pause. Staff hopes to reconvene that working group in late summer.

CALAFCO'S COVID-19 RESPONSE AND MEMBER SUPPORT

As all of you were forced to quickly pivot and revise the way you conduct business in March, so was CALAFCO staff. We have been working remotely since mid-March and monitor the office mail and voicemails. Both Pamela and Jeni continue to do everything as usual, just from home.



Seeing a need to support LAFCo staff as they navigated the difficult waters of caring for themselves, their commissions, and the public so that business would be seamless, CALAFCO began hosting weekly meetings for Executive Officers and another for Clerks. These meetings create a space in which LAFCo staff can discuss the unusual issues they are dealing with, share ideas and collectively develop solutions. Over three months later, the meetings are now transitioning to bi-weekly.

CALAFCO staff also issued a number of special bulletins to the full membership over the past several months, sharing critical information and resources as appropriate. In addition, we are sharing a variety of resources and educational opportunities from other resources on things like conducting virtual meetings, fiscal impacts of COVID, etc.

Seeing a need for remote meeting resources for our member LAFCos, CALAFCO offered our toll free conference calling system for you to conduct your meetings and in May purchased several Zoom licenses, one specifically for use by our member LAFCos to conduct your meetings virtually at no cost to you.

We hope you have found these resources useful and we will continue to work in providing you the support you need.

CALAFCO ADMINISTRATIVE UPDATE

We successfully migrated to a new email server at the end of February and are happy to report the transition was seamless and has resolved all of CALAFCO staff's email issues.



The CALAFCO website is being updated to enhance the library archives and member forms sections. So far over the past several months the following updates have occurred:

- ✓ CALAFCO University session archives are fully updated with all prior CALAFCO U session materials online
- ✓ Attorney General Opinions section is fully updated with all AG Opinions posted
- ✓ CALAFCO Directories have all been indexed, reorganized and updated
- ✓ In CALAFCO Publications, The Sphere section has been fully updated with a more usable indexing
- ✓ In the Resources section, all of the Useful Weblinks have been updated.

Future updates (some currently in progress) include a full update and re-indexing of the Forms Library and updating of the LAFCo litigation section.

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CALAFCO BOARD OF DIRECTORS NOMINATION PERIOD OPEN

The nomination period for the 2020 CALAFCO Board of Directors election is open. Nominations are being accepted through 5:00 p.m. September 22, 2020. Nomination packets were emailed to all LAFCo EOs, are placed on the CALAFCO website, and hard copies will be mailed to each LAFCo office.



CALAFCO Associate Members' Corner

This section highlights our Associate Members. The information below is provided to CALAFCO by the Associate member upon joining the Association. All Associate member information can be found in the CALAFCO Member Directory.

Our last edition featured our Gold Associate Members. In our next several editions we will highlight our Silver Associate Members.

Berkson Associates

Berkson Associates

provides clear, concise analysis for preparation of governance studies including district formation, consolidation and dissolutions. Extensive experience completing incorporation studies. Expertise also includes market analysis, public agency budget forecasting and demographic/housing analysis in support of MSRs. For more information, contact **Richard Berkson** at richard@berksonassociates.com. You can also visit their website at www.berksonassociates.com.



Santa Ynez Community Services District



SANTA YNEZ
COMMUNITY SERVICES DISTRICT

Founded in 1971, **the Santa Ynez Community Services District** provides wastewater collection and transportation and street lighting, serving approximately 688 wastewater connections. Effluent collected by the District is treated at the City of Solvang wastewater treatment plant. For more information about the District, visit their website at www.sycsd.com, or contact the Secretary/Treasurer **Wendy Berry** at wendy@sycsd.com.

Rosenow Spevacek Group, Inc.

RSG is a creatively charged counterpart to California public agencies. They work with the people responsible for vibrant places and propel them to their goals. Better Communities. Bolder futures. To learn more about them visit their website at www.webrsg.com or contact **Jim Simon** at jsimon@webrsg.com.



City of Fontana



City of Fontana is responsible for managing the City's annexation program, which includes coordinating annexation meetings, meeting with landowners and developers concerning the benefits of annexation, preparing Plans for Services, overseeing preparation of environmental documents pertaining to rezoning and annexation, and presenting them to the Planning Commission, City Council and LAFCo for review and consideration. In addition, oversee the preparation of out-of-agency service agreements for sewer and other municipal services. Visit them at www.fontana.org.

CALAFCO wishes to thank all of our Associate Members for your ongoing support and partnership. We look forward to continue highlighting you in future Quarterly Reports.

Mark Your Calendars For These Upcoming CALAFCO Events

- ❖ CALAFCO Legislative Committee meeting - July 17, 2020 via conference call
- ❖ CALAFCO Board of Directors meeting - July 24, 2020 - Location TBD



The full revised CALAFCO 2020 Calendar of Events can be found on the CALAFCO website. It is being updated regularly as events and meetings are cancelled or changed.

All CALAFCO Board and Legislative Committee meeting packets are available online at www.calafco.org.

Your CALAFCO Board and Staff wish all of you a safe and healthy summer. We continue to face both known and unknown challenges. As we do, keeping ourselves, our families, our work teams, and our communities healthy and safe remains a priority. Please, be well.

