

AGENDA REPORT Business | Action

April 8, 2019

TO: Commissioners

Keene Simonds, Executive Officer FROM:

SUBJECT: Results of Special Election and Next Steps

Julian-Cuyamaca Fire Protection District Reorganization (RO18-09 et al.)

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive the results of a special election concluded on March 19, 2019 for voters to confirm the earlier approval of the "Julian-Cuyamaca Fire Protection District Reorganization." Results are expected to be certified on April 4th. Should voters approve the reorganization it will be ordered with discretion on the part of LAFCO in setting an effective date so long as it is within nine months of the election and all remaining terms are satisfied. Should voters disapprove the reorganization it will be terminated. Staff recommends the Commission formally receive and file the certified election results as well as provide direction and/or take associated actions as needed.

BACKGROUND

Initiating Applications

In April 2018, San Diego LAFCO received a proposal from Julian-Cuyamaca Fire Protection District (FPD) to dissolve and cease all corporate powers subject to requested terms. The requested terms included concurrent approval to designate the County Fire Authority through County Service Area (CSA) No. 135 as the successor agency. CSA No. 135 – and

Administration

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Chair Jo MacKenzie Visita Irrigation

Vice Chair Ed Sprague Olivenhain Municipal Water

General Public Harry Mathis, Alternate General Public

Andy Vanderlaan

Judy Hanson, Alternate Leucadia Wastewater

through the Board of Supervisors – filed a supporting application in May 2018 to expand its established activated service area for fire protection and emergency medical services and consent therein to serving as the successor agency.

Commission Approval

On September 10, 2018, San Diego LAFCO held a public hearing to consider the joint-reorganization proposal filed by Julian-Cuyamaca FPD and CSA No. 135. The Commission proceeded to approve the joint-reorganization proposal and concurrently (a) dissolve Julian-Cuyamaca FPD and (b) expand CSA No. 135's activated service area for fire protection and emergency medical to include the affected territory. Specified terms applied and the Commission delegated protest hearings to the Executive Officer.

Protest Hearing

Consistent with adopted policies the Executive Officer held a protest hearing on San Diego LAFCO's approval of the reorganization on October 16, 2018. The results of the protest hearing were subsequently vetted through the Registrar of Voters (ROV) and Assessor's Office and presented to the Commission for certification on December 3, 2018. The Commission proceeded to adopt a resolution on December 3rd certifying the protest hearing and results therein and necessitating need to request the Board of Supervisors to call an election. Included in the resolution was a request the Board of Supervisors hold a special election within 100 days and do so entirely by mail-ballot. The Commission separately also approved an impartial analysis as required under State law.

Special Election | Unofficial Results

At the request of the Board of Supervisors, the ROV conducted a special election by mail-ballot for registered voters in the affected territory to confirm San Diego LAFCO's approval of the reorganization; the latter identified as "Measure A." Ballots were mailed to all registered voters in mid-February with a deadline to mark and return to the ROV by March 19, 2019. ROV issued unofficial results on the evening of March 19th with the latest update provided on March 25th. This most recent update shows Measure A passing 54% to 46% with 773 votes in favor and 659 votes against. Certified results are expected to be issued by the ROV on April 4th and will be forwarded under separate cover.

DISCUSSION

This item is being presented for San Diego LAFCO to formally receive and file certified election results for the reorganization. The item also serves as an opportunity for the Commission to discuss next steps should voters approve or disapprove the reorganization as well as provide related direction to staff and/or take associated actions. Additional discussion follows.

Next Steps if Approved by Voters

Should the voters approve the reorganization San Diego LAFCO is statutorily required to proceed with its earlier approval on September 11, 2018 to concurrently dissolve Julian-Cuyamaca FPD and transfer all assets, liabilities, and service responsibilities to the County of San Diego and through CSA No. 135 as the successor agency. The Commission does have discretion therein, however, in setting the effective date so long as it is within nine months of the election, which would be December 19, 2019. The effective date would be memorialized in the Certificate of Completion recorded with the County-Clerk Recorder's Office and filed with the State Board of Equalization – Tax Division for purposes of adjusting the master tax roll. The following approval terms remain outstanding as of date and would also need to be satisfied before recording a Certificate of Completion.¹

- Receipt of maps and geographic descriptions of the affected territory with respect to the (a) dissolution of the Julian-Cuyamaca FPD and (b) expansion of CSA No. 135's activated fire protection and emergency medical service area that meet the requirements of the State Board of Equalization. This is a statutory term applied to the reorganization and cannot be released by the Commission.
- Written confirmation from the County Fire Authority through CSA No. 135 that it has developed procedures and offering reserve positions to current Julian-Cuyamaca FPD volunteer firefighters should they complete standard medial and background screening. This was a term of both applicants.
- Written confirmation Julian-Cuyamaca FPD has established an interim agreement for an outside contractor to assume its ambulance transport responsibilities with County Emergency Medical Services (EMS) through June 30, 2019. This discretionary term can be released by the Commission and automatically voids on July 1, 2019. The term also voids should the EMS contract be terminated by either party.

Next Steps if Disapproved by Voters

Should voters disapprove the reorganization it will be terminated. This would involve the Executive Officer issuing a Certificate of Termination for internal retention at LAFCO.

Other terms apply to the reorganization but take effect only after the reorganization is complete and implemented. The majority of these post-recordation terms address the disposition of assets, liabilities, and tax revenues. It also includes a discretionary term established by the Commission for the County Fire Authority to establish a three-member "Julian-Cuyamaca Subcommittee" to provide feedback on related matters to CSA No. 135 existing Advisory Board with specified member categories.

ANALYSIS

The unofficial election results provide sufficient clarity to assume the reorganization has been approved by voters and it is San Diego LAFCO's statutory task to complete the proceedings. This assumption underlies the importance to be prepared should the current election results hold to implement a transition plan to transfer service responsibilities from Julian-Cuyamaca FPD to the County Fire Authority with minimal impacts to community members. Staff has communicated interest to both agencies to proactively discuss a transition plan ahead of the Commission's April 8th meeting with the premise the effective date should be set no later than the start of the new fiscal year, July 1st. County Fire Authority responded favorably to advancing a meeting while Julian-Cuyamaca FPD declined and instead communicated it would not meet before April 9th. Further, and as of March 26th, Julian-Cuyamaca FPD has directed LAFCO to direct all communications to its legal counsel. This latter development – markedly - coupled with ongoing concerns involving Julian-Cuyamaca FPD expending monies beyond their budgeted means suggest it may be appropriate to expedite the effective date ahead of the new fiscal year. It would be similarly appropriate to consider releasing the discretionary term requiring an interim ambulance transport provider assume service on behalf of Julian-Cuyamaca FPD through the end of the fiscal year. 2

RECOMMENDATION

It is recommended San Diego LAFCO formally receive and file the certified election results on the reorganization from the ROV. It is also recommended the Commission provide direction and/or take related action as needed based on the election results. These recommendations are outlined as Alternative One in the proceeding section.

ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO through a single motion:

Alternative One (recommended):

Receive and file the certified election results received from the ROV on the reorganization and provide related direction to staff and/or action as needed.

Alternative Two:

Continue the item to the next regular meeting and provide direction to staff for additional information as needed.

² County EMS – which contracts with Julian-Cuyamaca FPD to provide ambulance transport services in the greater Julian region – confirms it has a contingency plan to place an interim provider to assume duties through the end of the fiscal year if needed.

San Diego LAFCO

April 8, 2019 Special Meeting

Agenda Item No. 11 | Special Election Results for the Julian-Cuyamaca FPD Reorganization and Next Steps (RO18-09 et al.)

PROCEDURES

This item has been placed on the agenda for discussion and possible action as part of San Diego LAFCO's business calendar. The following procedures, accordingly, are recommended in the consideration of this item:

- 1) Receive verbal report from staff unless waived;
- 2) Invite comments from interested audience members (voluntarily); and
- 3) Consider recommendation.

Respectfully,

Keene Simonds Executive Officer

Attachments:

- 1) Unofficial Election Results for Measure A, March 25, 2019
- 2) Measure A

| San Diego LAFCO April 8, 2019 Special Meeting Agenda Item No. 11 Special Election Results for the Julian-Cuyamaca FPD Reorganization and Next Steps (RO18-09 et al.) | | | |
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Agenda Item No. 11 | Attachment One

JULIAN_CUYAMACA FIRE PROTECTION DISTRICT SPECIAL ELECTION March 19, 2019

Date:03/25/19 Time:15:07:38 Page:1 of 1

Unofficial Results #3 - Add On #2

egistered Voters 2496 - Cards Cast 1434 57.45%

Num. Report Precinct 1 - Num. Reporting 1 100.00%

| JULIAN-CUYAMACA FIRE PROT | | |
|---------------------------|-------|---------|
| MEASURE A | Total | |
| Number of Precincts | 1 | |
| Precincts Reporting | 1 | 100.0 % |
| _ Total Votes | 1432 | |
| YES | 773 | 53.98% |
| NO | 659 | 46.02% |



JULIAN-CUYAMACA FIRE PROTECTION DISTRICT

(This Measure will appear on the ballot in the following form.)

PROPOSED REORGANIZATION OF THE JULIAN-CUYAMACA FIRE PROTECTION DISTRICT

MEASURE A

Shall the order adopted on September 10, 2018, by the San Diego Local Agency Formation Commission (Resolution No. RO18-09 et al.) ordering the reorganization affecting the Julian-Cuyamaca Fire Protection District and County Service Area No. 135 and providing for the dissolution of the Julian-Cuyamaca Fire Protection District, the expansion of County Service Area No. 135's existing latent powers in the affected territory, and designating County Service Area No. 135 as the successor agency to the dissolved district be confirmed subject to the terms and conditions specified in the order?

IMPARTIAL ANALYSIS OF MEASURE A, The Reorganization of Julian-Cuyamaca Fire Protection District and County Service Area No. 135

Measure A proposes to confirm San Diego Local Agency Formation Commission's ("LAFCO") approval of a reorganization to dissolve the Julian-Cuyamaca Fire Protection District ("District") and designate the County of San Diego and its Fire Authority through County Service Area No. 135 ("CSA No. 135") as the successor agency.

Affected Territory: The affected territory is the entirety of the District and spans approximately 81 square miles and is located 35 miles to the northeast of the closest incorporated community, City of Poway. The northern half of the affected territory is anchored by the unincorporated community of Julian. The southern half of the affected territory is more rural and includes significant public lands, including the Cuyamaca Rancho State Park. Maps of the affected territory may be viewed online at www.sdlafco.org.

Vote:

- A "Yes" vote means: (1) the District will dissolve and County Fire Authority's career firefighters will provide fire protection and emergency medical services to the affected territory; (2) the \$50 annual parcel tax adopted to pay to construct the fire station will be eliminated with the County paying the remaining balance; (3) the \$50 annual parcel tax adopted in 1984 to fund fire protection services will continue; (4) the existing volunteer firefighters completing the required medical screening will be offered positions with the County volunteer reserves; and (5) a three-member advisory committee of District residents will provide feedback to the County about services provided in the area.
- A "No" vote means: (1) the District will not dissolve; (2) volunteer firefighters will continue
 to provide fire protection and emergency medical services to the affected territory; (3) the
 \$50 annual parcel tax adopted in 2006 to pay to construct the fire station will continue;
 and (4) the \$50 annual parcel tax adopted in 1984 in certain areas funding fire protection
 services will continue.

IMPARTIAL ANALYSIS (CONTINUED)

Reorganization Applications: On 4/10/18, the District adopted a resolution to apply to dissolve the District. On 5/15/18, the County Board of Supervisors adopted a complementary resolution to expand CSA No.135's sphere of influence and its existing powers within the District. The stated reasons for these applications were to: (1) ensure continuity of fire protection and emergency medical services, (2) ensure long-term security of fire protection services to the communities within the District, and (3) eliminate duplication of management, administration, and oversight from operating multiple special districts providing identical service. LAFCO approved the applications on 9/10/18 subject to conditions as stated in RO18-09, which can be viewed at www.sdlafco.org.

<u>Finances</u>: CSA No. 135 is funded through the County's General Fund. If the reorganization is confirmed, CSA No. 135 would receive approximately \$0.300 million in additional funding, two-thirds from the transfer of the District's existing property tax apportionments, and the remaining one-third from continuing one of two existing annual special parcel assessments. CSA No. 135 will be assigned all revenues from the District's existing \$50 annual parcel tax established in 1984. The District's existing \$50 annual parcel tax established in 2006 to pay for a fire station's construction will be discontinued as the County will pay the remaining balance on the loan. Landowners within the District will not be charged any new or additional assessments as a result of this reorganization.

<u>Governance</u>: The reorganization would dissolve the District's five-member board. The County Board of Supervisors would assume responsibility for providing fire protection and emergency medical services to the affected territory. A three-member Julian-Cuyamaca fire advisory board sub-committee will be created to provide feedback on fire protection services in the affected territory.

The above statement is an impartial analysis of Measure A. If you desire a copy of the measure, please call the elections officials office at 858-505-7260 and a copy will be mailed at no cost to you.

ARGUMENT IN FAVOR OF MEASURE A

VOTE YES on Measure A to allow LAFCO to complete the dissolution of JCFPD.

A YES vote will increase services and lower our taxes. The County will provide full time career staffing in both Julian and Cuyamaca. The Julian Fire Engine will have full time paramedics assigned. Our insurance rating will be reduced to a 3/3X, potentially lowering insurance rates, and the \$50.00 Fire Station Benefit Tax will be eliminated, as the County will pay off the new Fire Station loan. JCFPD volunteers will transition to the County and continue to serve Julian and Cuyamaca.

JCFPD is in trouble! Their auditor wrote in the November 16, 2018 Auditor's Report that the failure of measure QQ raises substantial doubt about the districts ability to continue as a going concern without the additional revenue resources. JCFPD is insufficiently funded and their financial future is bleak. JCFPD recently fired their secretary due to lack of funds. There are equipment, personnel, training and safety issues. The volunteers staff the fire station less than 50% of the time. There are seven litigation matters listed on the most recent board agenda. They also face seven OSHA Citations. The Cuyamaca Station is not structurally sound, habitable or staffed. Do not be persuaded by the rhetoric of one's desire to retain an "iconic volunteer fire department." This vote is about who is best to provide emergency services.

It is important to retain the most well-funded, sophisticated and professional fire department possible. The County Fire Authority, with its proven and experienced management, staff and firefighting professionals, has the funding and skills to protect the Julian Cuyamaca area today and into the future. The future is now and JCFPD is in trouble. Better service at lower cost means voting YES on Measure A.

Tim Taschler Property Owner, Full-Time Resident

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE A

Are you satisfied with the way politics work in Washington or Sacramento or San Diego? If you are distrustful of politicians and want to have a say in how your community operates, then the only choice is to vote "No" to maintain control of our only government agency.

JCFPD is fully staffed 24/7 and morale is great. Every volunteer has been medically cleared, and their training and certifications are current. All of the OSHA violations have been resolved. Complaints (not lawsuits) against the outgoing Board members are no longer relevant. The Board's Finance and Budget Committee has shown that JCFPD can continue to operate on existing taxes and benefit fees, just as it has for over 34 years. In March, over 30 new firefighters will have completed training by JCFPD and be ready to gain the experience necessary to advance their careers. This is what JCFPD does. No one cares more about this community and its safety than the local volunteer firefighters.

Before voting, ask why Ranchita did not receive any of the benefits promised by the County. Ask what happened to all the volunteer firefighters (about 400) in the back country that were promised jobs with the County. Ask these other communities if their homeowner insurance premiums have been reduced. Then vote "No" to keep local control because we know what is best for our community.

Patricia Landis Community Volunteer

ARGUMENT AGAINST MEASURE A

Argument Against Dissolution of JCFPD

The question is: Do you want San Diego County Fire Authority to replace Julian-Cuyamaca Fire Protection District (JCFPD)?

A "No" vote will preserve Julian-Cuyamaca Fire and its locally controlled Board of Directors. JCFPD will maintain its two fire stations, alongside the two existing Cal Fire stations, providing the highest possible number of firefighters in our high-fire-risk area. Retaining our seasoned volunteer firefighters will insure that first responders never abandon the community, especially during large wildfires. JCFPD will continue to operate on existing taxes and fees with no increase in cost to the community -- our taxes and fees will support our community. Volunteers will offer career training to new Fire Academy graduates and Fire Explorers; and, they will support the community with the Christmas Toy Drive and other philanthropic and social events. Julian-Cuyamaca Fire Protection District has provided high quality service for 34 years and has plans to continually improve.

A "Yes" vote will permanently dissolve our volunteer fire department and reduce the number of fire stations in our community from four (4) to (2). The total number of firefighters in Julian-Cuyamaca will be severely reduced by terminating all of our experienced volunteers. Fire and EMS service will be administered by politicians in San Diego and Sacramento. Cal Fire will be contracted to provide firefighters from out of the area who are unfamiliar with our community and territory. Assets we have accumulated over the past 34 years (land, stations, vehicles and equipment) will be distributed to the County; and, the taxes Julian residents pay will be used indefinitely for fire services across the entire unincorporated area of San Diego County.

Evelina Hatch Business Owner Mike Van Bibber Battalion Chief

Patricia Landis Julian Fire Plugs David L. Southcott JFPD Capt.

Brian Crouch Julian Volunteer Fire Assn.

REBUTTAL TO ARGUMENT AGAINST MEASURE A

Why is effective emergency service more important than local control? When your house is on fire, your heart has stopped beating or you need to be cut out of a wrecked car, professional service will always outweigh any notion of the importance of local control. JCFPD has served us well for 34 years. The cost and complexity of running a modern fire department necessitates a change.

This dissolution requires staffing with 3 persons at both Julian fire stations and the Cuyamaca station; 9 professional firefighters delivering Advanced Life Support Paramedic Services to residents every day. Existing volunteers will respond with them. Many of our dedicated volunteers have already transitioned to the County.

CAL FIRE has a new facility that will serve the Cuyamaca area. The County will pay off the loan for the Julian Station reducing our taxes \$50.00 annually.

All Fire Stations are considered "must cover". This means that when their assigned personnel and apparatus are committed outside the District for more than 30 minutes, resources from outside the district will be sent to cover.

The county will commit \$1,500,000 annually to augment the JCFPD budget of \$400,000. A local advisory committee will continue to provide local input, the volunteers will continue to serve their community, the new station will stay open and we get more personnel including paramedics.

Julian and Cuyamaca residents deserve the very best emergency service available. A "Yes" vote will ensure that they receive it.

Sincerely, Randy Lyle Julian resident Past JCFPD Board Member

FULL TEXT OF MEASURE A

RESOLUTION OF THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION

APPROVING A JOINT-REORGANIZATION AND ASSOCIATED SPHERE OF INFLUENCE AMENDMENTS

CONCURRENT DISSOLUTION OF THE JULIAN-CUYAMACA FIRE PROTECTION DISTRICT AND LATENT POWER AREA EXPANSION OF COUNTY SERVICE AREA NO. 135 (RO18-09 ET AL.)

WHEREAS, the Julian Cuyamaca Fire Protection District (FPD) has filed a resolution of application with the San Diego County Local Agency Formation Commission, hereinafter referred to as "Commission," pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, the Julian-Cuyamaca FPD's application requests dissolution and cession of all corporate powers within its approximate 52,000 acre jurisdictional boundary subject to certain terms, including concurrent Commission approval to transfer fire protection and emergency medical service responsibilities to the County of San Diego and its Fire Authority through County Service Area (CSA) No. 135; and

WHEREAS, the County of San Diego, acting on behalf of CSA No. 135, filed a supporting resolution of application with the Commission requesting expansion of CSA No. 135's existing latent power fire protection and emergency medical service area to include the affected territory; and

WHEREAS, the application filings by Julian-Cuyamaca FPD and County of San Diego are complementary and processed by the Commission as a joint-reorganization proposal; and

WHEREAS, the Commission's Executive Officer has reviewed the joint-reorganization proposal and prepared a report with recommendations; and

WHEREAS, the Executive Officer's report and recommendations on the joint-reorganization proposal and need for concurrent sphere of influence amendments have been presented to the Commission in the manner provided by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at a noticed public hearing along with reviewing the necessary concurrent sphere of influence amendments for consistency under Government Code Section 56375.5 on September 10, 2018.

NOW, THEREFORE, BE IT RESOLVED, the Commission hereby finds, determines, and orders the following:

- 1. The hearing was held on the date set therefore, and due notice of said hearing was given in the manner required by law.
- At the hearing, the Commission called for, heard, and considered all interested parties and public comments and read and considered the Executive Officer's report.
 - 3. The Commission serves as lead agency under the California Environmental Quality Act (CEQA) in considering two distinct "projects" associated with the joint-reorganization proposal and as detailed in the Executive Officer's report: (a) accommodating sphere of influence amendments and the (b) reorganization itself. The Commission's findings follow.
 - a) The sphere of influence amendments qualify as a project, but are exempt from additional review per CEQA Guidelines section 15061(b)(3). This exemption appropriately applies because it can be seen with certainty spheres of influence are

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- planning policies and amendments do not make any changes to the environment or authorize any new uses or services and thus there is no possibility that the activity in question may have a significant effect on the environment.
- b) The reorganization qualifies as a project, but is exempt from additional review under CEQA Guidelines section 15320. This exemption appropriately applies given the affected territory is already within an authorized fire protection and emergency medical provider and the reorganization will not change the geographic area where services are authorized and exercised.
- 4. The Commission conditionally APPROVES the following sphere of influence amendments.
 - a) The sphere of influence for Julian-Cuyamaca FPD is amended to a transitional or zero status and shown in <u>Exhibit A-1</u>.
 - b) The fire protection and emergency medical service specific sphere of influence for CSA No. 135 is amended to include all of the affected territory and shown in <u>Exhibit</u> <u>A-2</u>.
- The Commission conditions the approved sphere of influence amendments as described on the recordation of the associated joint-reorganization identified as RO18-09 et al.
- The written statements of the Commission addressing the mandatory factors required for consideration any time spheres of influence are adopted, amended, or updated under Government Code Section 56425 are provided as <u>Exhibit B</u>.
- The Commission conditionally APPROVES the proposed joint-reorganization proposal identified as RO18-09 et al. without modification or amendment and as shown in <u>Exhibit</u> <u>C</u>.
 - a. The following conditions must be satisfied within one calendar year or August 6, 2019 – unless prior written request for an extension is received and approved by the Commission.
 - Completion of the 30-day reconsideration period provided under Government Code Section 56895.
 - ii. Receipt and confirmation by the County of San Diego Assessor's Office of the completeness of maps and geographic descriptions of the affected territory showing the (a) dissolution of Julian-Cuyamaca FPD and (b) expansion of CSA No. 135's latent power fire protection and emergency medical service area.
 - Upon the Commission's order giving approval to the joint-reorganization, Julian-Cuyamaca FPD is prohibited from taking any of the actions contained in Government Code section 56885.5, including:
 - Approving any increase in compensation or benefits for members of the governing board, its officers, or the executive officer of the agency.
 - Appropriating, encumbering, expending, or otherwise obligating, any revenue of the agency beyond that provided in the current budget at the time the dissolution is approved by the commission.

- iv. Upon successful completion of medical and background screening, Julian-Cuyamaca FPD volunteer firefighters shall be offered reserve positions/transitioned into the San Diego County Volunteer Reserve Firefighter Program. Personnel unable to meet these requirements may be offered positions as Support Reserves.
- v. Julian-Cuyamaca FPD must establish an interim arrangement for an outside contractor to assume ambulance transport services for the greater Julian area through June 30, 2019 consistent with its contract with County Health and Human Service Agency. This includes requiring the contractor to offer equivalent employment to the six affected Julian-Cuyamaca FPD employees through June 30, 2019 subject to meeting standard qualifications and testing of the contractor.
- b. The following conditions apply upon and after the effective date of the jointreorganization as defined in No. 11 below:
 - i. <u>Successor Agency</u>. Upon and after effective date, CSA No. 135 shall be the successor to Julian-Cuyamaca FPD for purpose of providing structural fire protection and emergency medical services, and succeeding to all of the rights, duties, and obligations of the extinguished district with respect to enforcement, performance, or payment of any outstanding bonds, including revenue bonds, or other contracts and obligations within the territory previously included within the extinguished district.
 - iii. Organization and Governance. The dissolved fire protection district will become part of the fire protection and emergency medical services subarea of CSA No. 135. CSA No. 135 is governed by the five-member Board of Supervisors and the Deputy County Administrative Officer for the Public Safety Group will serve as the Fire Warden. Operationally, the County of San Diego will continue to contract with CAL FIRE to provide services. A seven-member fire advisory board has been created in accordance with County Board Policy A-74. The fire advisory board shall create a Julian-Cuyamaca subcommittee to provide feedback on fire protection services in the affected territory. The subcommittee shall consist of three persons as follows initially: one current Julian-Cuyamaca FPD Board member; one member of the Chamber of Commerce; and one member from the Julian Plugs Fire Association. In its discretion, the fire advisory board may change the membership categories of such subcommittee over time in the event it becomes impractical to fill certain membership categories.
 - iii. <u>Employees.</u> As of the effective date, the Julian-Cuyamaca FPD Secretary shall be offered equivalent employment as determined by the County with the County, CSA No. 135, or through a contract with another agency/service provider.
 - iv. <u>Tax Revenues.</u> Upon the effective date, the legal existence of Julian-Cuyamaca FPD shall cease except as otherwise required by law. All property tax revenues and voter-approved special tax or special assessment revenues (if any), received or receivable by Julian-Cuyamaca FPD as of the effective date shall be collected or collectible by CSA No. 135 for the exclusive use of funding the services within the Territory. CSA No. 135 property taxes, special

taxes, and special assessments shall not be available for other CSA No. 135 or County purposes.

- v. Plan for Service. CSA No. 135 shall provide the services within the territory provided by Julian-Cuyamaca FPD per the Plan for Services adopted by the County of San Diego. CSA No. 135 will provide a Paramedic Fire Engine in Julian at Fire Station #56. CSA No. 135 will fund the year-round staffing of CAL FIRE Cuyamaca Fire Station #51 with an expanded scope BLS Fire Engine. Julian Fire Station #56 will be considered a must-cover priority #1 station subject to the 30-minute move up. Levels of services may improve or increase prior to the day immediately preceding the Effective Date.
- vi. <u>Transfer of Facilities</u>. Upon the effective date, the facilities located at the real properties identified on Exhibit B of Julian-Cuyamaca FPD Application shall be transferred to CSA No. 135 for use in providing the services. The facility in the community of Cuyamaca will not be transferred and will be disposed of by the Julian-Cuyamaca FPD prior to the effective date of dissolution.
- vii. Transfer of Assets. CSA No. 135 shall accept all real and personal property, books, records, papers, offices, equipment, supplies, moneys, funds, appropriations, licenses, permits, entitlements, agreements, contracts, claims, judgments, and all other assets and obligations transferred from Julian-Cuyamaca FPD in "as-is" condition, without any payment or repair obligation from Julian-Cuyamaca FPD. All incidental liabilities, such as accounts payable, contract obligations and consumer deposits, shall be transferred to CSA No. 135's appropriate, respective, isolated accounts. All assets including, but not limited to cash reserves, land, structures, appurtenances, rolling stock, personal property including tools, office furniture, fixtures and equipment, and held by Julian-Cuyamaca FPD, shall be transferred to the appropriate services zone of CSA No. 135 as of the effective date.
- viii. <u>Transfer by Operation of Law.</u> Except as otherwise provided herein, the ownership, possession, and control of all books, records, papers, offices, equipment, supplies, moneys, funds, appropriations, licenses, permits, entitlements, agreements, contracts, claims, judgments, land, and other assets and property, real or personal, owned or leased by, connected with the administration of, or held for the benefit or use of, Julian-Cuyamaca FPD shall transfer to CSA No. 135. CSA No. 135 is the successor to Julian-Cuyamaca FPD and, except as otherwise provided herein, the provisions of Government Code sections 57450 et seq. applicable to successor agencies to dissolved agencies apply to CSA No. 135.
- ix. <u>Insurance Service Office (ISO) Ratings</u>. CSA No. 135 will petition the ISO to update Julian-Cuyamaca FPD's former 5/9 rating of properties within the Territory to the County's 3/3x ISO rating. Julian-Cuyamaca FPD maintains a class 5/9 ISO Fire Department rating.
- Explorer Program. CSA No. 135 shall assume and continue support for Julian-Cuyamaca FPD Explorer Program in place on the day immediately preceding the Effective Date.
- xi. <u>Community Events.</u> County and/or state firefighters stationed in Julian will participate in community events as requested.

- xii. <u>District Firefighters</u>. Upon successful completion of medical and background screening, Julian-Cuyamaca FPD volunteer firefighters shall be offered reserve positions/transitioned into the San Diego County Volunteer Reserve Firefighter Program. Personnel unable to meet these requirements may be offered positions as Support Reserves.
- xiii. Benefit Fee | No. 3115-01. The County will pay the remaining balance on the Fire Station loan using the collected Fire Station benefit fee established in 2006 and additional County funds. The Fire Station benefit fee identified by the Assessor as Fund No. 3115-01 will then be discontinued no later than July 1, 2019.
- xiv. <u>Benefit Fee | No. 3115-40</u>. CSA No. 135 shall be assigned all revenues collected by the Fire Protection benefit fee established in 1984. The Fire Protection benefit fee is identified by the Assessor by Fund No. 3115-40.
- The affected territory as designated by the Commission is inhabited as defined in Government Code Section 56046.
- The Commission delegates to the Executive Officer performing all conducting authority proceeding requirements under Government Code Section 57000.
- 10. Both subject agencies' utilize the regular assessment roll of the County of San Diego.
- 11. The effective date of the reorganization proposal shall be the date of recordation of the Certificate of Completion.
- As allowed under Government Code 56107, the Commission authorizes the Executive Officer to make non-substantive corrections to this resolution to address any technical defect, error, irregularity, or omission.

EXHIBIT A-1

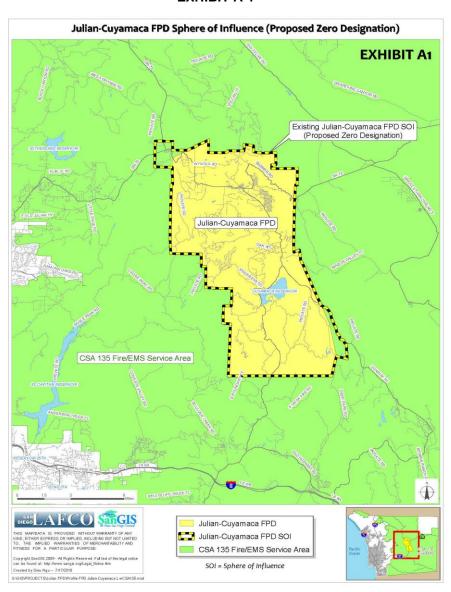


EXHIBIT A-2

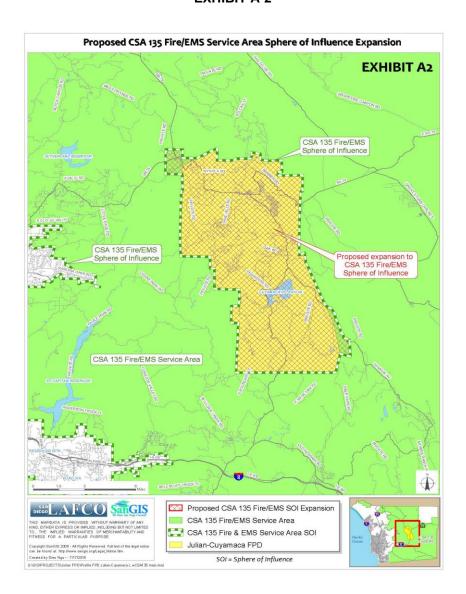


EXHIBIT B

Government Code Section 56425 Sphere of Influence Statements

1) The present and planned land uses, including agricultural and open-space lands.

The affected territory spans close to 52,000 acres and is entirely unincorporated, and as such subject to the adopted land use policies of the County of San Diego. The northern half of the affected territory is anchored by the unincorporated community of Julian and includes its own historic district with a mix of local and tourist-serving retail and commercial uses as well as public facilities. Development within this portion of the affected territory is guided by the Julian Community Plan with no significant future growth anticipated. The southern half of the affected territory is more rural with agrarian uses ranging from orchards to vineyards. It also includes a significant portion of public lands – estimated at approximately 52% of the total affected territory – and highlighted by the Cuyamaca Rancho State Park. Development within this portion is guided by Central Mount Subregional Plan with minimal new future growth anticipated. LAFCO estimates the total resident population is 4,100.

(2) The present and probable need for public facilities and services in the area.

Existing and planned uses within the affected territory as described above merits organized fire protection and emergency medical services. This need is highlighted by an existing residential population of over 4,000 and steady influx of tourists underlying the relatively constant service demands experienced over the last several years.

(3) The present capacity of public facilities and adequacy of public services the agency provides or is authorized to provide.

Julian-Cuyamaca FPD presently provides fire protection and emergency medical services to the affected territory. These services are considered adequate when volunteer staffing is fully available; the latter being a variable. CSA No. 135 serves as an implementing vehicle for the County Fire Authority to provide fire protection and emergency medical services throughout a significant portion of unincorporated San Diego County – including lands surrounding Julian-Cuyamaca FPD. County Fire Authority has available and sufficient capacities to immediately assume and increase service levels to the affected territory with 24-hour professional firefighters while at a reduce cost to constituents.

(4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

The affected territory has developed strong social and economic ties to the Julian-Cuyamaca FPD and highlighted by the community's ongoing involvement in supporting FPD's volunteer-based service activities. The affected territory also possesses – albeit to a different degree – communities of interest with the surrounding region served by CSA No. 135 through County Fire Authority given the shared experience of being part of the "backcountry" area of San Diego County.

(5) The present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

The northern half of the affected territory – which includes the main population center of Julian – qualifies as a disadvantaged unincorporated community (DUC) based on statute and implementing LAFCO policy. The sphere of influence amendments serve to facilitate the delivery of enhanced fire protection and emergency medical services to all of the affected territory by transitioning coverage from Julian-Cuyamaca FPD to County Fire Authority through CSA No. 135, and as such do not adversely impact residents within the DUC.

EXHIBIT C Affected Territory

