

**TOWN OF
APPLE VALLEY, CALIFORNIA**

AGENDA MATTER

SUBJECT ITEM:

**DISCUSSION ON OPTIONS RELATED TO FUTURE GOVERNANCE AND
OPERATIONS OF THE APPLE VALLEY FIRE DISTRICT**

SUMMARY STATEMENT:

BACKGROUND

At the April 14, 2009, regular meeting of the Apple Valley Town Council, Mayor Roelle requested a future agenda item to discuss the governance and operations of the Apple Valley Fire Protection District to include a possible takeover of the District by the Town of Apple Valley and potentially contracting for fire services with the San Bernardino County Fire Department. Mayor Roelle requested Staff present options for public policy discussion by the Council, anticipating Council will give Staff further direction following discussion.

The Town Manager has taken the lead on this item for research and development of options for public policy discussion. These options have developed as the result of independent research, meeting with the Fire Chief for the Apple Valley Fire Protection District, and meeting with the Executive Director of the Local Agency Formation Commission (LAFCO). The following options have been developed for discussion purposes and the Town Manager is requesting Council give direction to Staff following Council discussion:

(Summary Statement Continued)

Recommended Action:

Discuss options presented and provide direction to Staff.

Proposed by: Frank Robinson, Town Manager

Item Number _____

T. M. Approval: _____

Budgeted Item Yes No N/A

OPTIONS

1. Meet and Confer with Apple Valley Fire Protection District Board of Directors

This option would result in the Council of the Town and Apple Valley and the Board of Directors of the Apple Valley Fire Protection District meeting to discuss concerns and issues related to fire service.

Discussion: Under this scenario both governing bodies or delegations from both bodies would agree to meet and engage in candid discussion about current and future challenges facing the Fire District in carrying out its mission to provide high quality fire protection service. Concerns about the financial strength of the Fire District, current and future fire fighting capacity, personnel, capital needs, and more could be addressed. The anticipated outcome of this meeting would be a better understanding of the Council's concerns by the Fire District and a better understanding by the Town Council of the Fire District's current and future service capabilities.

2. Encourage Fire District to Develop a Governance Transition Plan

The Apple Valley Fire Protection District has a master plan. This option would encourage the Fire District to develop a Governance Transition Plan as an element of its Master Plan.

Discussion: This option acknowledges the right to "self determination" which is a coveted principal of governments. Essentially, the Town Council accepts the principle that the Fire District has a right to self determination and encourages the Apple Valley Fire Protection District to develop a "Governance Transition Plan" as an element of the District's Master Plan. The Governance Transition Plan would provide the Fire District's Board of Directors with a self determined plan for transitioning the governance of the Fire District to the Town of Apple Valley based on events determined by the Fire District's Board of Directors as appropriate "triggers" for shifting control of governance to the Town.

As the process for developing a Governance Transition Plan evolves, it is anticipated that the Fire District would invite the Town Manager or his designated staff to provide input. Including the Town in the development of a Governance Transition Plan, would allow the Town to also prepare for the possible shifting of control to the Town as determined by the Fire District through the Governance Transition Plan.

3. Pursue Transfer of Control: the LAFCO Process

70% Rules

In order to initiate a forced transfer of control, there are two sets of criteria which must be met: 1) At least 70% of the registered voters within the Fire District boundaries must reside within the incorporated Town limits; and 2) The incorporated area of the Town must encompass 70% or more of the geographical area of Fire District boundaries.

Discussion: Currently 70% or more of the registered voters do reside within the Town Limits; however, the Fire District's incorporated area which encompasses approximately 206 square miles compared to the Town's 78 Square miles equates to only about 37% of the Fire District's geographical area falling within the incorporated boundaries of the Town. To meet the 70% geographical rule, the Town must incorporate approximately 68 additional square miles of Fire District territory.

When the Town eventually meets or exceeds the 70% rules, through LAFCO oversight, the Fire District will automatically become a subsidiary district to the Town, and the Town Council will act as the District's Board of Directors. The Town will also retain fire protection responsibilities for the unincorporated areas of the Fire District.

Detachment

In this process, the Town applies to LAFCO to detach the incorporated area of the Town from the Fire Protection District and assume the responsibility of providing fire protection and related services only within the Town limits.

Discussion: Under this scenario, the Fire Protection District would remain in place serving only the remaining area outside the boundaries of the Town. The Town would receive the tax increment currently generated by the Fire District within the Town limits – including the revenues generated by the Special Fire Tax within the Town.

As all seven fire stations currently owned by the Fire Protection District are located within the Town boundaries, this approach would leave the Fire Protection District with no physical location to house personnel or equipment or even a place for the District's Board of Directors to meet to conduct business. LAFCO staff has indicated that an application for detachment would not likely receive support for approval under these circumstances.

Dissolution of the Fire District

To dissolve the Fire Protection District and its governing body, the Town would make application to LAFCO. Upon approval, the Town would assume responsibility for fire protection and related services within the incorporated boundaries of the Town and within the Fire Districts boundaries outside the Town limits.

Discussion: With an application of dissolution submitted to LAFCO, the Town would have to demonstrate an ability to provide superior fire protection over what is currently provided by the Fire District. The application would also require a plan to serve those areas outside the Town boundaries. This process would require a series of public hearings and approval by the LAFCO Commissioners followed by an approval of the voters/property owners within the existing Fire Protection District. Should the application receive LAFCO approval, a negative protest process would follow. The basics of the process include:

- a. If less than 25% of voters/property owners protest, LAFCO automatically approves the application
- b. If 25% to 50% protest, an election of the registered voters within the 206 square miles of the Fire District's boundaries is conducted. A simple majority prevails.
- c. If more than 50% protest, the dissolution fails.

LAFCO staff indicated that with any application for detachment or dissolution, comprehensive reports and studies detailing the exact services to be provided both inside and outside of the Town boundaries, associated costs, asset disposition, employee disposition, demonstrated provisions to accommodate all long term liabilities associated with employees, retirees and other matters will be required. LAFCO fees associated with the application process would run a minimum of \$25,000 - \$30,000. The estimated total cost for all studies and possible election expenses could exceed \$150,000. This is only an estimate because no RFP to solicit consultant studies has been done.