
**BUTTE LOCAL AGENCY FORMATION COMMISSION (LAFCO)
EXECUTIVE OFFICER'S REPORT**

TO: Local Agency Formation Commission
FROM: Shannon Costa, Deputy Executive Officer
SUBJECT: *LAFCo File 23-06 – Dissolution – El Medio Fire Protection District*
DATE: November 21, 2022 for the December 1, 2022 LAFCo meeting

Summary

Proposed is the dissolution of the El Medio Fire Protection District (EMFPD). At its October 3, 2022 meeting, the Board of Directors of EMFPD adopted a resolution of application to dissolve the district involving approximately 2,398 parcels encompassing an area of 1,500 acres south/southeast of the City of Oroville. The proposed dissolution conforms to LAFCo policy and to the determinations of the *Municipal Service Review and Sphere of Influence Plan for El Medio Fire Protection District*, adopted by Butte LAFCO on December 5, 2013. Policy 5.6 of the Butte LAFCO Policies and Procedures provides that the Commission will approve a proposal for dissolution only if it determines that the services offered are no longer necessary, can be provided more efficiently by another agency or another agency agrees to provide the services, or that the agency is insolvent and unable to provide the service. The Executive Officer recommends approval of this proposal.

General Application Information

Application Submitted: October 14, 2022

Application Deemed Complete: November 14, 2022

100% Landowner Consent: No. (Not applicable as action has consent of Board of Directors GC567077.1)

Notice and Hearing Required: Yes (Published Notice was provided)

Proponent: El Medio Fire Protection District

Landowner: Numerous

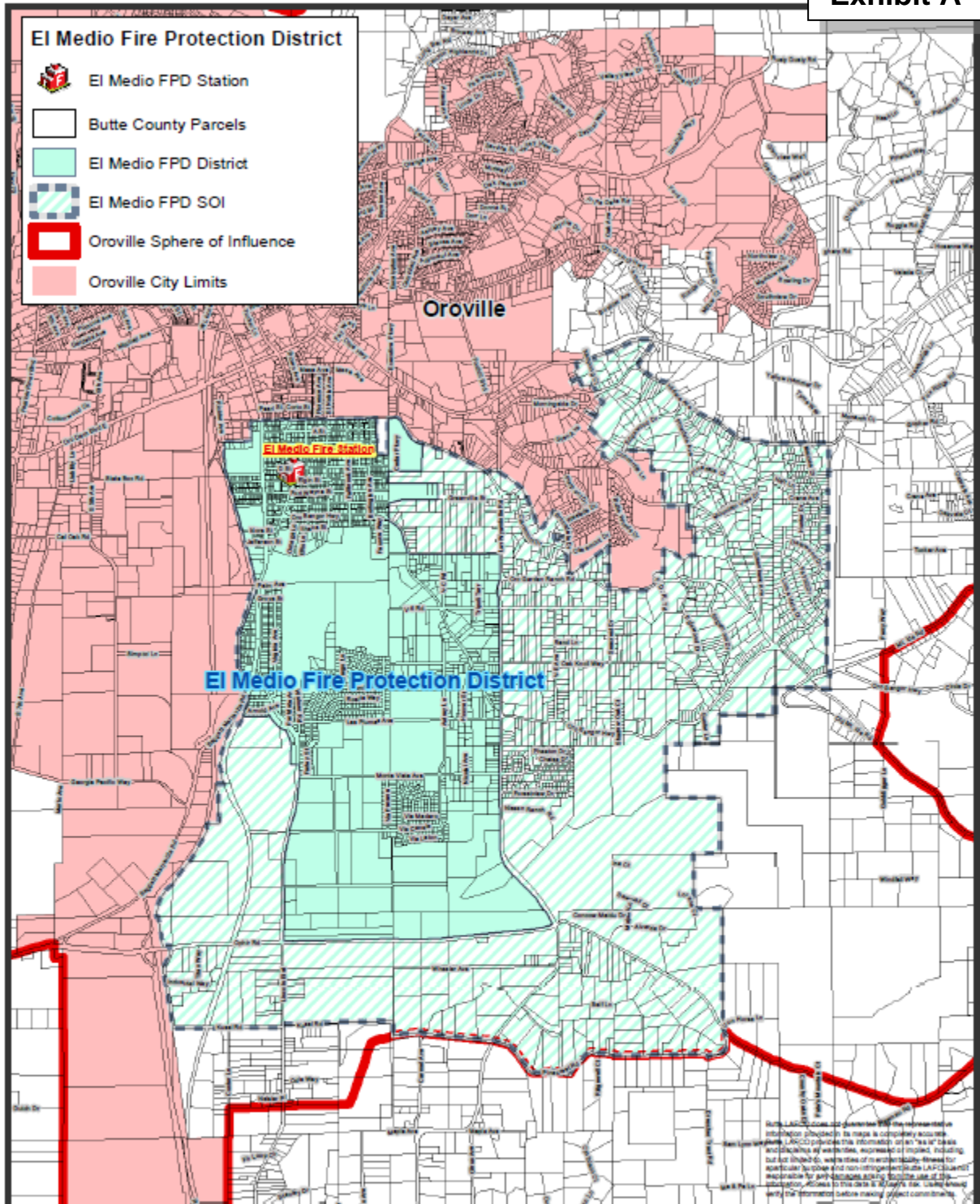
Location: South adjacent to the City of Oroville. The territory is located in Supervisorial District 1.

Proposal: Dissolution of the El Medio Fire Protection District involving approximately 1,500 acres and 2,398 parcels.


Requested

Action: Adopt Resolution No. 11 2022/23 (*Exhibit B*) approving the dissolution.

Exhibit A



Butte LAFCo does not guarantee the information or information presented in its maps is completely accurate. LAFCo provides this information as an "as is" basis and makes no warranty, expressed or implied, including but not limited to, with respect to its accuracy. Users for specific purposes and non-integrated into LAFCo's official maps for any other purposes. LAFCo is not responsible for any errors or omissions in this data. Users should verify the information before making any decisions.

Butte Local Agency Formation Commission		 El Medio Fire Protection District
El Medio Fire Protection District and Sphere of Influence		0 750 1,500 2,250 3,000 3,750 Feet c:\projects\lafc_projects \lafc_el_medio \el_medio_letter.mxd
Applicant: El Medio FPD	Date: December 5, 2014 @ 9:00 a.m.	File: 13-05 MS
		Date: Butte County & LAFCo

BACKGROUND

The El Medio Fire Protection District (EMFPD), formed in 1925, is the only fire protection district within Butte County and serves a population of approximately 6,000 persons within a geographic area of approximately two square miles of mostly urbanized territory in the South Oroville area. The northerly portion of the District is within the city limits of the City of Oroville and the entirety of the District's jurisdictional service area boundaries are within the City's Sphere of Influence (SOI). The District is empowered to provide a variety of emergency response services, including fire suppression, first response emergency medical service (EMS), hazardous materials emergency response, and public assistance. EMFPD has experienced staff shortages and budget shortfalls over the last decade, resulting in its ultimate closure in December 2020. Since that time, CAL Fire, through its cooperative agreements with the City of Oroville and Butte County, has assumed fire protection services within bounds of the district.

District Funding

Funding for the district is provided primarily through a combination of secured property tax and special tax assessments. Special tax assessments were passed by district voters in 1980 and 2008; the 1980 special assessment tax was established at \$60.00 per single-family dwelling, \$125.00 per improved commercial property, and \$300.00 per commercial property classified as having a significantly higher fire risk. The 2008 special task added \$58.00 to the prior amounts bringing the total residential lot assessment to \$118.00 per parcel. Vacant land has a \$50.00 per acre special tax assessment. For Fiscal Year 2019/2020, the District collected \$361,296 in special tax assessment revenue.

Approximately 30-percent of EMFPD's revenues are received from the District's share of the ad valorem property tax, which was \$165,000 for FY 2021/22. Ad-valorem property tax is a one percent general levy of the assessed market value of a property. This one percent is distributed among many agencies in the county. For special districts, this tax is deposited into the district's general funds to be used for the district's sole purpose.

The EMFPD's revenues have remained relatively consistent over the past five years, typically fluctuating in years when the District had secured additional grant money through the Indian Gaming Special Distribution Fund (Fund), or other grant resources. The Fund, collected by the state from Indian tribes pursuant to the terms of tribal-state gaming compacts, provides monies for the purpose of grants for to support local government agencies impacted by tribal government gaming. While the EMFPD received grant funds between the years 2010 and 2014, the program itself was poorly run by the state, and was defunded in 2014. Over the years, the EMFPD has been able to secure additional grant funds on a one-time basis, such as a 2011 Homeland Security grant that allowed the District to purchase new turn-out gear and Personal Protective Equipment (PPE).

EMFPD expenses have varied greatly in recent years with District costs exceeding total revenues. Fiscal year 2019/2020 showed total revenues in the amount of \$554,849 while total expenditures reached \$666,461. Like many agencies, expenditures for EMFPD relating to staff, wages, and insurance are a large portion of the total expenses.

Since the early 2000's, the EMFPD has attempted to secure additional revenue sources. In 2004 the District had prepared the "El Medio Fire Protection District Development Impact Fee Nexus Study" by LandWorks (September 2004) and requested that a development impact fee be collected by the County. The County raised concerns about the Nexus Study methodology and contracted with TischlerBise to review and provide comments on the Nexus Study. The TischlerBise report recommended that the County not authorize the collection of development impact fees for the District at that time (2005). The County stated that in order for the impact fee

to move forward their concerns would need to be addressed and the Nexus Study revised. The District then declared a moratorium on new development, which was not observed by the County.

In 2012, the District attempted a ballot measure (“Measure M”) that would have authorized the District to issue bonds not to exceed \$1 million. The money would have been utilized to acquire a parcel of land to support construction of a training facility, including a fire/rescue tower, classrooms, offices, shop, storage facilities, and fitness room. The ballot measure failed, due to lack of two-thirds vote, receiving only 56% of the vote in favor.

In 2020, the District proposed an additional parcel assessment (“Measure D”) authorizing an additional annual \$60.00 charge for single-family homes, mobile homes, and other dwelling units, \$200.00 for commercial and industrial uses, \$50.00 for agricultural or vacant uses, and \$75.00 for miscellaneous uses. The ballot measure failed, due to a lack of two-thirds vote required to approve, receiving only 50.99% of the vote in favor.

Following years of financial insolvency, the EMFPD shuttered its doors in December 2020. All services provided by the District ceased, almost all existing employees were laid off while remaining employees and board members sought additional revenue sources or cost-sharing agreements with outside agencies. Ultimately, these attempts were unsuccessful, and at its October 3, 2022 meeting, the Board of Directors unanimously voted to dissolve the district.

Previous MSR Determinations

Determinations in the 2004 MSR found that the District had significant operational and fiscal constraints that ultimately led the Commission to adopt a Zero SOI (encompassing no territory). At the time, the Commission believed that the District's services were inadequate and that other service providers (City of Oroville and Butte County Fire) were capable of providing satisfactory fire and emergency services to the District. In the years following adoption of the 2004 MSR, the District made substantial progress towards improving both its organizational, service, and fiscal deficiencies, most notably, the District completed a significant growth planning process that resulted in the adoption of the 2012-2032 Master Plan which charted a course forward based on expanding the District's service area and increasing its revenue base.

In 2013, the District proposed a Sphere of Influence Plan review, adding approximately 1,419 parcels (2,577 acres) to the District's jurisdictional boundary. The proposed SOI expansion would have allowed the District to seek the future annexation of these areas, for which the District was the primary service provider to these areas as first responder pursuant to mutual aid agreements, and receive revenue from these already served areas. The updated 2013 MSR made determinations that the District had made substantial improvements related to its service capabilities, training, and organizational management functions, and was providing adequate services to meet current needs. Ultimately, the EMFPD was granted the expanded SOI with the expectation that the District would dutifully implement its Master Plan and secure new revenue streams.

Since the expanded SOI was adopted, the EMFPD has not been able to successfully secure additional revenue sources as was recommended in the MSR, including annexing additional lands into their district boundary, securing additional funds through a special assessment, or renegotiating development impact fees or the property tax sharing agreement with Butte County.

DISCUSSION AND ANALYSIS

Grounds for Dissolution

Pursuant to Butte LAFCo policy 5.6.1 (Disincorporation and District Dissolution), the Commission will approve a proposal for dissolution only if it determines that the services offered or authorized are no longer necessary, the services can be provided more efficiently by another agency or provider and that agency agrees to provide the services, or the agency is insolvent and unable to provide the services. The dissolution of the EMFPD was initiated by the Board of Directors through adoption of a Resolution of Application (see **Exhibit C**).

The District overlays portions of the City of Oroville and unincorporated Butte County. Through cooperative agreements, fire protection services for these areas are provided by the California Department of Forestry and Fire Protection (CAL FIRE). CAL FIRE operates about 530 facilities statewide, including fire stations, telecommunication facilities, conservation camps, air attack and helitack bases, administrative buildings, training centers, and a forestry nursery. For fiscal year 2021/22 the Governor's budget included \$2.9 billion for CAL FIRE. Roughly, two-thirds of the department's budget is supported by the General Fund. CAL FIRE's Butte Unit employs over 350 summertime-uniformed personnel, 19 department chiefs, 16 civilian personnel and works with 161 county volunteers. CAL FIRE has sufficient capacity to provide fire service coverage to the residents of the District in the same manner as non-District residents and without detriment to current service recipients. Given this reality, the existing District residents are not currently receiving an enhanced benefit justifying the continuation of the parcel assessments. Upon dissolution of the District, the special parcel assessments associated with the EMFPD would be eliminated, reducing the overall property tax bill paid by the residents of the District.

Plans for Service

Government Code Section 56653 (*Plan for Services*) requires that every proposal involving a change of organization (dissolution/annexation) shall include a Plan for Services that addresses how services are to be provided based on the action requested. As of July 1, 2022, the City of Oroville has transitioned its fire department staff to a contractual status with CAL FIRE. As such, CAL FIRE currently does, and will continue to, provide fire protection services to all areas with the District's boundary.

CAL FIRE, through its cooperative agreements with Butte County and City of Oroville, is primarily responsible for fire protection services inside city limits, and to unincorporated Butte County communities like Thermalito, Palermo, portions of South Oroville, and Kelly Ridge. CAL FIRE firefighters provide full-service fire protection, pre-hospital basic life support, and specialized rescue responses to the citizens of Butte County. Base level of services provided to areas served by CAL Fire include:

- Fire Suppression: Structural, wildland, vehicle, and any other unwanted fires.
- Medical Emergencies (Basic Life Support Emergency Medical Services at the EMT level).
- Traffic Collisions
- Specialized Rescues: Technical Rescues, Water Rescues, Confined Space, Urban Search and Rescue
- Hazardous Material Incidents
- Hazardous Conditions: Downed trees, electrical hazards, standbys for incidents where there is a life or property threat.
- Public Service Assists: People or animals in distress
- Extreme weather events or other natural disasters

The following table shows the services that are currently provided to the territory and the changes in service providers as a result of the dissolution of the EMFPD:

<u>Service</u>	<u>Presently Provided By</u>	<u>Proposed Provider</u>
Fire Protection	EMFPD	CAL Fire (City of Oroville/County of Butte)
Police Protection	City of Oroville/County of Butte	No change
Code Enforcement	City of Oroville/County of Butte	No change
Sewer Service	Lake Oroville Area Public Utility District	No change
Cemetery Service	Oroville Cemetery District	No change
Domestic Water Service	South Feather Water and Power District/	No change
Agricultural Water Service	None	No change
Animal Control	City of Oroville/County of Butte	No change
Solid Waste	Private Collector	No change
Road/Street Maintenance	City of Oroville/Butte County/private roads	No change
Power Infrastructure	PG&E	No change
Street Lighting	City of Oroville/None	No change
Planning & Zoning	City of Oroville/County of Butte	No change
Schools	Oroville Unified School District Oroville Elementary School District Palermo Elementary School District	No change
Resource Conservation	Butte Co. Resource Conservation Dist.	No change
Mosquito Abatement	Butte Co. Mosquito & Vector Control Dist.	No change
Recreation	Feather River Recreation and Park District	No change
Storm Water Drainage	None	No change

Effect of Dissolution

Upon the date of dissolution recordation, the El Medio Fire Protection District shall be dissolved and, pursuant to Government Code Section 57450, all powers granted to the District shall cease to exist. The Commission, as provided by this code section, is empowered to determine and name the successor agency in order to wind of the affairs of the District.

Successor Agency

The County of Butte shall be named the successor agency. This will involve the transfer of the responsibility to oversee the discontinuation and management of all services, revenues, assets and liabilities to the County of Butte, including any fund balances, property, liabilities, property tax share and parcel assessments as discussed below.

Property Tax Agreement

Approximately 30 percent of EMFPDs revenues are received from the District’s share of the ad valorem property tax, which was \$165,000 for FY 2021/22. Upon dissolution of the district, any remaining funds associated with the District’s share of property taxes will be evenly distributed amongst the other local agencies within the affected Tax Rate Areas associated with the District, thus benefitting its residents.

Parcel Assessment

Special tax assessments were passed by district voters in 1980 and 2008. For Fiscal Year 2019/2020, the District collected \$361,296 in special tax assessment revenue. Each year, special districts are required to formally request that the Butte County Tax Collector collect special tax assessments on behalf of the district. For fiscal year 2022/2023, the District elected to not collect special tax assessments, as the district was not providing any service. Any remaining funds from this source upon dissolution would be transferred to the County of Butte as the successor agency to be exclusively used to benefit the citizens of the district. As a condition of the dissolution, the special assessments would be eliminated from any future property tax bills.

Physical/Financial Assets

All of the District's physical and financial assets would become the property of the County of Butte as the successor agency after the dissolution is complete. Upon adoption of the resolution of application to dissolve the district, district employees began the process of liquidating any physical assets, including gear, equipment, and vehicles including fire engines. The building that houses the station is in the processes of being sold, possibly to the Lake Oroville Public Utility District. Any physical assets remaining in the possession of the District at the time of dissolution would be transferred to the County of Butte as the successor agency.

Liabilities and Obligations

The EMFPD has no known liabilities or financial obligations. Upon dissolution of the District, any outstanding bills, such as utility bills, would be resolved by the County of Butte utilizing any remaining funds held by the District.

INDIVIDUAL FACTORS FOR CONSIDERATION

California Government Code §56668 (*Factors to be Considered in Review of Proposal*) provides a list of factors to be considered in the review of a proposal. The Commission's review shall include, but is not limited to, consideration of these factors:

(a) Population; land use; topography; proximity to other populated areas; the likelihood of significant growth in the area.

EMFPD is located in South Oroville. The district's boundaries overlay portions of the City of Oroville as well as unincorporated Butte County. The District serves a population of approximately 6,000 persons within a geographic area of approximately 1,500 acres (approximately two square miles) of mostly urbanized territory. The primary land uses within the District include single-family and multi-family residential uses, commercial uses, industrial uses, and public uses. Agricultural uses within the District are limited, consisting mostly of small orchards and a few pastures.

Development potential within the District is highly feasible given that a large portion of the District is designated for residential, commercial, and industrial uses. Most of the District is within the City of Oroville, the Lake Oroville Area Public Utility District, or the South Feather Water and Power Agency, all of which provide sanitary sewer service to the parcels within their jurisdiction. The provision of sanitary sewer service facilitates development at urban densities. Consistent with population growth projections for Butte County, the population of the El Medio Fire Protection District is expected to grow at a rate of approximately 1 percent a year, with most of that growth occurring within the City of Oroville. As population increases, and growth occurs within Oroville and surrounding Butte County, demands and expectations for fire protection services will increase.

(b) The need for organized community services; probable effect of the proposed annexation on the cost and adequacy of services and controls in the area and adjacent areas.

The need for organized community services in the territory was historically to support vital fire protection services in the developing South Oroville community. While this service was perhaps enhanced at the time the District was formed, the growth of the City and County around them brought similar services to contiguous residents within existing property tax revenues. Portions of the EMFPD territory are located within high-priority fire hazard severity zones and wildfire risk was identified as a highly likely event with critical severity in the Butte County Local Hazard Mitigation Plan (2019). First responders in emergencies provide critical life-saving efforts so dependable, reliable, and efficient service is crucial. CAL Fire, through its cooperative agreements, will continue to provide vital fire protection services to the territory upon dissolution of the EMFPD.

(c) The effect of the proposed action and of alternative actions.

The lack of services provided by the District to the territory presents a significant health and safety issue to not only the residents within District, but also to the residents of City of Oroville and unincorporated Butte County. The proposed dissolution would streamline fire protection services to the area while removing a cost-burden to the residents of the district.

(d) The conformity of the proposal with the adopted commission policies on providing planned, orderly, efficient patterns of urban development.

The proposed reorganization of the subject territory will result in the provision of more effective and efficient fire protection services to the parcels within the territory and without any special revenue assessments or taxes. The proposal is consistent with Butte LAFCo Policies and Procedures that call for consistency with Spheres and Municipal Service Reviews (4.1.1) and for dissolution of districts and agencies when services can be provided more efficiently by another agency (5.6.1).

(e) The effect of the proposal on agricultural lands.

The primary land uses within the District include single-family and multi-family residential uses, commercial uses, industrial uses, and public uses. Agricultural uses within the District are limited, consisting mostly of remnant small orchards and a few pastures. The proposed reorganization of the subject territory would not contribute to the loss of agricultural lands.

(f) Boundaries of the territory.

The subject territory is parcel specific, with definite and certain boundaries. There are no known conflicts with lines of assessment or ownership.

(g) Consistency with city or county general and specific plans.

The proposal is consistent with the land use policies of Butte County and the City of Oroville. Effective and efficient fire protection services promotes Butte County General Plan goals that ensure that Butte County is prepared for emergency situations (HS-15) and provide for the health, safety and well-being of the county's residents (HS-16).

(h) The sphere of influence of any local agency which may be applicable to the proposal being reviewed.

Portions of the District are within the City of Oroville's jurisdiction, and all of the sphere of influence for the District is within the SOI for the City of Oroville. Fire service for the City of Oroville and surrounding unincorporated areas is provided, through cooperative agreements, by CAL Fire. The District does no overlap with any other agency that has the authority to provide fire protection services.

(i) The comments of any affected local agency.

On October 25, 2022, LAFCo staff circulated the proposal for review and comment from twenty local public agencies and County departments. The following comment was provided by CAL Fire/Butte County Fire:

Since December 26 2020, the Butte County Fire Department has assumed emergency fire and rescue response to the citizens of the El Medio Fire District within the County's boundary. The County Fire Department will continue to serve the area recognizing it will be using current resources that are already stretched to this additional area of the County previously served by the district. Impacts to the County's Fire Marshal office will also be adsorbed into our stretched staffing levels.

No other substantive comments were received.

(j) The ability of the receiving entity to provide the services.

CAL FIRE, through its cooperative agreements, has assumed coverage for fire protection services within the bounds of the EMFPD. CAL FIRE operates about 530 facilities statewide, including fire stations, telecommunication facilities, conservation camps, air attack and helitack bases, administrative buildings, training centers, and a forestry nursery. For fiscal year 2021/22 the Governor's budget included \$2.9 billion for the California Department of Forestry and Fire Protection (CAL FIRE). Roughly, two-thirds of the department's budget is supported by the General Fund. CAL FIRE's Butte Unit employs over 350 summertime-uniformed personnel, 19 department chiefs, 16 civilian personnel and works with 161 county volunteers. CAL FIRE has sufficient capacity to provide fire service coverage to the EMFPD without detriment to current service recipients and without any special revenue assessments or taxes. .

(k) Availability of adequate water supplies.

Domestic and irrigation water for the existing uses within the territory is administered by various service providers, including Cal Water – Oroville Area and South Feather Water and Power Agency. The proposed reorganization will not have any impact on water supplies within the territory.

(l) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs.

The proposed reorganization will not have any effect on any city or on the County of Butte in achieving their respective fair share of regional housing needs.

(m) Any information or comments from the landowner or owners, voters, or residents of the affected territory.

Pursuant to Government Code Section 56660, a notice of the public hearing for the proposed reorganization was placed in the Oroville Mercury Register/Chico Enterprise Record on November 10, 2022. As of the date of this staff report, no public comments have been received resulting from these notices.

(n) Any information relating to existing land use designations.

The territory is identified by the Butte County General Plan and the City of Oroville General Plan for various uses including single-family residential, multi-family residential, commercial, industrial, mixed-use, and open-space.

(o) The extent to which the proposal will promote environmental justice.

The CKH Act defines a "disadvantaged unincorporated community" as inhabited territory (12 or more registered voters), or as determined by commission policy, that constitutes all or a portion of a "disadvantaged community" as defined by Water Code Section 79505.5. The Water Code Section 79505.5 defines a "disadvantaged community" as a community with an annual median household income that is less than 80 percent of the statewide annual median household income. South Oroville (a census-designated place) meets the disadvantaged unincorporated community median household income definition. While the South Oroville Census Designated Place (CDP) meets the disadvantaged unincorporated community definition, there exists no disadvantaged unincorporated communities that are not already receiving some level of fire protection services.

The dissolution would, however, remove an additional cost in the form a special tax assessment for residents within the District.

Based upon the above responses, the proposal appears to be consistent with the listed factors.

Applicable Butte LAFCo Policies

Section 2.0 (*LAFCo General Policies and Standards*) and Section 5.6 (*Disincorporation and District Dissolution*) of Butte LAFCo Policies and Procedures provides the Commission with general standards for dissolution and annexation proposals. The relevant policies for consideration and guidance for this proposal include:

- The creation of logical boundaries (2.11.2).
- Consistency of a proposal with the Sphere of Influence and Municipal Service Review of the affected jurisdiction(s) (4.1.1).
- Determination of the most efficient service provider (4.2).
- LAFCO shall normally discourage the detachment of territory from a high-quality service (4.4.1).
- Determination that the services provided by the district to be dissolved can be provided more efficiently by another agency and that agency agrees to provide the services (5.6.1)

The proposal is substantially consistent with the above policies in that:

- The proposed reorganization will result in the dissolution of the El Medio Fire Protection district, which is consistent with the findings and determinations of the 2013 *Municipal Service Reviews and Sphere of Influence Plans for El Medio Fire Protection District*.
- The territory is already served by CAL FIRE, through its cooperative agreements with the County of Butte and the City of Oroville.
- CAL FIRE has the capacity and experience to provide effective, efficient, and significantly improved fire protection services to the territory, resulting in improved health and safety to the residents of the District.

Conducting Authority Proceedings

Pursuant to Government Code Section 57077.1(c)(1) (Dissolution initiated by District Board as discussed above) LAFCo will approve the dissolution without protest proceedings or election.

Environmental Analysis

Butte LAFCO, as the lead agency, has determined that the proposed reorganization is categorically exempt from the provisions of the California Environmental Quality Act pursuant to Section 15320 (Changes in Organization of Local Agencies). This exemption is appropriate for

actions that involves the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised, including the consolidation of two or more districts having identical powers.

The Change in Organization of Local Agencies exemption is appropriate for this proposal because the territory will continue to receive fire protection services from CAL FIRE. The proposed reorganization will result in more effective and efficient fire protection services to the territory.

CONCLUSION

The proposed dissolution conforms to LAFCo policy and to the determinations of the *Municipal Service Reviews and Sphere of Influence Plans for El Medio Fire Protection District*, adopted by Butte LAFCO on December 5, 2013. CAL FIRE has sufficient capacity to provide fire service coverage to the EMFPD without detriment to current service recipients, which would result in improved health and safety to the residents of the District. The proposed dissolution would eliminate a tax assessment from the tax bill of the district residents. The reorganization proposal substantially conforms to LAFCo policy and the Executive Officer recommends approval of this proposal.

ALTERNATIVES FOR COMMISSION ACTION

After reviewing this report and any testimony or materials that are presented, the Commission may take one of the following actions:

OPTION 1 – APPROVE with conditions the proposal as submitted:

- A. Find that the proposed reorganization is Categorically Exempt from the California Environmental Quality Act pursuant to Section 15320 (Changes in Organization of Local Agencies).
- B. Adopt Resolution 11 2022/23 making determinations approving the dissolution of the El Medio Fire Protection District involving approximately 2,398 parcels encompassing an area of 1,500 acres south/southeast of the City of Oroville and naming the County of Butte as the successor agency.
- C. Pursuant to Government Code Section 57077.1(c)(1) the Commission waives protest proceedings and elections.

OPTION 2 - DENY the proposal.

OPTION 3 - CONTINUE the proposal to a future date.

ACTION REQUESTED: Approve OPTION 1, Conditional Approval

Respectfully submitted,

Shannon Costa

Shannon Costa
Deputy Executive Officer

Attachments:

- Exhibit A: District Map
- Exhibit B: Draft LAFCo Resolution No. 11 2022/23
- Exhibit C: EMFPD Resolution of Application

RESOLUTION NO. 11 2022/23

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF THE COUNTY OF BUTTE MAKING DETERMINATIONS AND ORDERING THE
DISSOLUTION OF THE EL MEDIO FIRE PROTECTION DISTRICT**

RESOLVED, by the Local Agency Formation Commission of the County of Butte, State of California, that

WHEREAS, a proposal for the dissolution of certain territory from the El Medio Fire Protection District in the County of Butte was heretofore filed by the El Medio Fire Protection District accepted for filing on November 14, 2022, by the Executive Officer of this Local Agency Formation Commission pursuant to Title 5, Division 3, commencing with Section 56000 of the Government Code; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56658, set December 1, 2022, as the hearing date on this proposal and gave the required notice of public hearing; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56665, has reviewed this proposal and prepared a report, including recommendations thereon, and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, this Commission called for and held a noticed public hearing on December 1, 2022, and at the hearing this Commission heard and received all oral and written protests, 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, this Commission considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, factors specified in Government Code Section 56668; and

NOW, THEREFORE, the Local Agency Formation Commission of the County of Butte **DOES HEREBY RESOLVE, DETERMINE AND ORDER** as follows:

Section 1. Environmental Action:

- A. Butte LAFCO, as the lead agency, has determined that the proposed reorganization is categorically exempt from the provisions of the California Environmental Quality Act pursuant to Section 15320 (Changes in Organization of Local Agencies). This exemption is appropriate for actions which involve the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised, including the consolidation of two or more districts having identical powers.

Section 2. General Findings and Determinations:

- A. The Commission has considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, Butte LAFCo Policies and Procedures, Sphere of Influence and General Plan consistency, the *Municipal Service Reviews and Sphere of Influence Plans for the El Medio Fire Protection District*, and other factors specified in Government Code Section

56668 and as described in the staff report dated November 27, 2022 for the meeting of December 1, 2022.

- B. The dissolution area shall consist of 2,398 parcels, totaling approximately 1,500 acres as described in Exhibit "A."
- C. The subject area is found to be inhabited, and is assigned the following short form designation: 22-03 – El Medio Fire Protection District Dissolution.
- D. The District overlays portions of the City of Oroville and unincorporated Butte County. Through cooperative agreements, fire protection services for these areas are provided by CAL FIRE. CAL FIRE operates about 530 facilities statewide, including fire stations, telecommunication facilities, conservation camps, air attack and helitack bases, administrative buildings, training centers, and a forestry nursery. CAL FIRE has sufficient capacity to provide fire service coverage to the residents of the District without detriment to current service recipients.
- E. Pursuant to Butte LAFCO Policy 2.13.1, the Commission determines that agricultural and/or open space lands will not be adversely affected by this proposal.
- F. The proposal only involves the dissolution of the El Medio Fire Protection District. No other special districts will be affected by this proposal.
- I. Butte County shall be named the successor agency in order to wind up the affairs of the EMFPD. This will involve the transfer of all revenues, assets and liabilities to Butte County, to include fund balances, property tax share and parcel assessments.
- J. All special assessments associated with the El Medio Fire Protection District will be eliminated upon dissolution of the District.
- H. A Master Property Tax Sharing Agreement is in affect with the Butte County that does not transfer any County share of property tax to the District. EMFPD's ad-valorem property tax revenue collected from the parcels within the territory shall be redistributed proportionally to each agency in each Tax Rate Areas within the district.

Section 3. Conditions requested by LAFCO:

- A. All LAFCO, County of Butte and State of California fees must be paid in full prior to filing the Certificate of Completion.
- B. Pursuant to Government Code Sections 57451, 56452, 57453, and 56476, the Commission determines the County of Butte to be the Successor Agency for the purposes of winding up the affairs of the El Medio Fire Protection District.
- C. Pursuant to Pursuant to Government Code Section 56886(t), LAFCo directs the County Auditor to eliminate EMFPD's special assessment. Any remaining funds associated with the parcel assessment shall be directed to Butte County as the successor agency.

D. Pursuant Government Code Sections 56886(r) and 57463, Butte County as the successor agency is permitted to use any unspent funds within the former EMFPD territory for the benefit of its residents.

Section 4. The boundaries, as set forth in the proposal or as amended by action of the Commission, are hereby approved as submitted and are as depicted in "Exhibit A" attached hereto and by this reference incorporated herein.

Section 5. Waiver of Protest Proceedings:

A. Pursuant to Government Code Section 57077.1(c)(1) the Commission waives protest proceedings and elections for the dissolution of the El Medio Fire Protection District.

Section 6. The Executive Officer is hereby authorized and directed to mail certified copies of this Resolution as provided in Section 56882 of the Government Code.

PASSED AND ADOPTED by this Local Agency Formation Commission of the County of Butte, on the 1st day of December, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINS:

ATTEST:

Clerk of the Commission

BILL CONNELLY, Chair
Butte Local Agency Formation Commission

RESOLUTION OF APPLICATION OF THE EL MEDIO FIRE PROTECTION DISTRICT TO INITIATE LAFCO PROCEEDINGS FOR THE DISSOLUTION OF THE EL MEDIO FIRE PROTECTION DISTRICT OF ALL TERRITORY CONTAINED THEREIN

WHEREAS, on December 5, 2013, the Butte Local Agency Formation Commission, pursuant to Government Code §56425 and §56430, adopted the Municipal Service Review and Sphere of Influence Plan for the El Medio Fire Protection District; and

WHEREAS, the Municipal Service Review and Sphere of Influence Plan for the El Medio Fire Protection District indicated the District had issues related organizational, fiscal, operational and human resources issues that restricted its service capabilities and ability to fully integrate its mission and objectives into regional fire protection agencies; and

WHEREAS, the District Master Plan 2012-2032, identified organizational, fiscal, operational and human resources related goals in order to improve the effectiveness of the District services and fully integrate the District into existing regional fire service agreements and responses; and

WHEREAS, despite ongoing efforts of the Board of Directors, additional funding could not be procured and therefore, all other operational and organizational goals could not be met; and

WHEREAS, on December 25, 2020, the El Medio Fire Protection District ceased all operations and notified its constituency of its closure; and

WHEREAS, since the cessation of fire protection services in 2020, the District sought assistance from County of Butte and City of Oroville to restore fire services within the District, but was unable to secure a reasonable and effective path to this goal and the District has exhausted all other options for assistance; and

WHEREAS, in accordance with the findings and conclusions of the Final Municipal Service Review and Sphere of Influence Plan for the El Medio Fire Protection District and the District Master Plan 2012-2032, the District Board, does hereby resolve and order a Resolution of Application initiating LAFCO proceedings for the Dissolution of the District in accordance with Government Code Section 56654; and

NOW, THEREFORE, the El Medio Fire Protection District does hereby resolve as follows:

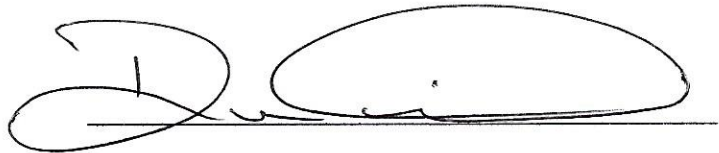
1. This resolution of application initiates the LAFCO process to dissolve the El Medio Fire Protection District.
2. This proposal is made, and it is requested that LAFCO order the dissolution pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000, commencing with section 56000 of the California Government Code.

3. Portions of the District are within the bounds of the City of Oroville and portions are within unincorporated Butte County. Both the City and County will assume fire protection services of their respective territory. A plan for providing services required by Government Code §56653 has been provided that will reflect County of Butte as the successor agency for the purpose of winding of the affairs of the District.
4. The dissolution proposal has the unanimous support of the District Board of Directors and it is further requested that the dissolution proposal be processed pursuant to Government Code Section 57077.1(c)(1) and that the Commission immediately approve the dissolution without protest proceedings and elections.
5. This District Board certifies that this proposal is exempt from the provisions of the California Environmental Quality Act under Section 15320 of the State CEQA Guidelines.

PASSED AND ADOPTED at a Special Meeting by the Board of Directors of the El Medio Fire Protection District on this 3rd day of October, 2022.

AYES:5, Dan Tiedemann, Virginia Brazi Barnes, Daniel Moench, John Allen, Phil Henry

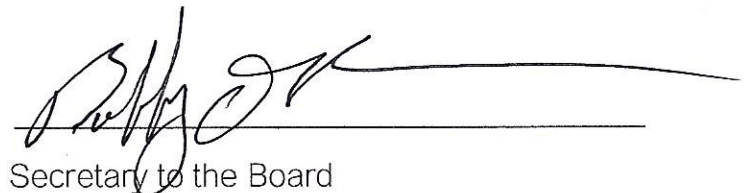
NOES: 0
ABSTENTIONS:0
ABSENT:0



Chair

I hereby certify that this is a correct copy of a resolution passed and adopted by this Board on the date stated above.

Date: 10/3/2022



Secretary to the Board