

PROPOSAL NO.: LAFCO 3000

HEARING DATE: January 16, 2008

RESOLUTION NO. 2989

A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF SAN BERNARDINO MAKING DETERMINATIONS ON LAFCO 3000; APPROVING THE "COUNTY FIRE REORGANIZATION", AS MODIFIED. The full title of LAFCO 3000 is outlined on Exhibit "A" attached hereto and incorporated herein.

On motion of Commissioner _____, duly seconded by Commissioner _____, and carried, the Local Agency Formation Commission adopts the following resolution:

WHEREAS, an application for the proposed reorganization in the County of San Bernardino was filed with the Executive Officer of this Local Agency Formation Commission (hereinafter referred to as the "Commission") in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.), and the Executive Officer has examined the application and executed her certificate in accordance with law, determining and certifying that the filings are sufficient; and,

WHEREAS, at the times and in the form and manner provided by law, the Executive Officer has given notice of the public hearing by this Commission on this matter; and,

WHEREAS, the Executive Officer has reviewed available information and prepared a report including her recommendations thereon, the filings and report and related information having been presented to and considered by this Commission; and,

WHEREAS, the public hearing by this Commission was held upon the date and at the time and place specified in the notice of public hearing and in order or orders continuing the hearing; and,

WHEREAS, at the hearing, this Commission heard and received all oral and written protests; the Commission considered all plans and proposed changes of organization, objections and evidence which were made, presented, or filed; it received evidence as to whether the territory is inhabited or uninhabited, improved or unimproved; and all persons present were given an opportunity to hear and be heard in respect to any matter relating to the application, in evidence presented at the hearing; and,

WHEREAS, the Commission determines to modify this proposal to include the alternative application submitted by the City of Fontana to exclude the dissolution of the Central Valley Fire Protection District from consideration, include the detachment of ten (10) separate areas from the Central Valley Fire Protection District, rename the remaining area of the Central Valley Fire Protection

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District the Fontana Fire Protection District and establish that District as a subsidiary District of the City of Fontana;

NOW, THEREFORE, BE IT RESOLVED, that the Commission does hereby determine, resolve, order, and find as follows:

DETERMINATIONS:

SECTION 1. The proposal is approved subject to the terms and conditions hereinafter specified:

CONDITIONS:

Condition No. 1. The boundaries of this change of organization, as modified, are approved as set forth in Exhibits attached to this resolution identified as follows:

| | |
|--|--|
| Reorganization | "B", "B-1", |
| Detachments | "C", "C-1", "D", "D-1", "E", "E-1", "F", "F-1", "G", "G-1", "H", "H-1", "I", "I-1", "J", "J-1", "K", "K-1", "L" and "L-1" |
| Dissolutions | "M", "N", "O", "P", "Q", "R", "S", "T", "U", "V", "X", "Y", "Z", |
| Dissolutions with Formation Of Service Zone | "AA", "AA-1", "BB", "BB-1", "CC", "CC-1", "DD", "DD-1", "EE", and "EE-1" |
| Formation of Service Zones | "FF", "FF-1", "GG", "GG-1", "HH", "HH-1", "II", "II-1", "JJ", "JJ-1", "KK", "KK-1", "LL" and "LL-1" |

Condition No. 2. The following distinctive short-form designation shall be used throughout this proceeding: LAFCO 3000.

Condition No. 3. The effective date of the reorganization (hereafter "Effective Date") shall be July 1, 2008 as authorized by Government Code Sections 56886(p) and 57202.

Condition No. 4. As of the date of approval of the subject action by the Local Agency Formation Commission through the Effective Date of this reorganization, pursuant to the provisions of Government Code Section 56885.5(a)(4), the County Board of Supervisors, as the governing body of the affected agencies, shall be prohibited from taking the following actions unless it first finds an emergency situation exists as defined in Government Code Section 54956.5:

a. No increase in compensation or benefits:

Providing any increase in compensation or benefits for members of the governing board, its officers, staff or the executive officer of any of the dissolving entities. Exceptions to this prohibition include planned and budgeted merit and range increases as identified in the adopted budget.

b. Bound by current budget:

Appropriating, encumbering, expending or otherwise obligating any revenue of the dissolving entities beyond that provided in the current budget at the time of Commission approval.

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***YUCCA VALLEY FIRE PROTECTION DISTRICT AND RELATED COUNTY
GOVERNED FIRE AGENCY ACTIONS:***

Condition No. 5. The Yucca Valley Fire Protection District shall be the successor fire protection district for all of those agencies dissolved, including the Lake Arrowhead Fire Protection District, the Forest Falls Fire Protection District, County Service Area 38 and its improvement zones and County Service Area 70 and its improvement zones not recreated as a service zone of the District, and upon the effective date shall be known as the San Bernardino County Fire Protection District (“Successor District”). Said Successor District shall be subject to the terms and conditions contained herein.

Condition No. 6. The Successor District shall function under and carry out all authorized duties and responsibilities assigned to a county fire protection district as outlined in its principal act within California Health and Safety Code Sections 13000 et seq. and other applicable laws. Those functions and services are authorized and defined as follows:

| | FUNCTION | SERVICES |
|------------------------------|-----------------|---|
| San Bernardino County | Fire | Structural, watershed, prevention, inspection, suppression, weed abatement, hazardous materials services, rescue, first aid, paramedic, ambulance, transportation, emergency response, and disaster preparedness planning |

Condition No. 7. Until duly revised by the Successor District, and unless otherwise expressly provided herein or legally required, all ordinances, resolutions, rules and regulations, policies, procedures, and practices existing on the effective date of this reorganization shall govern the activities and affairs of the Successor District. The Board of Directors of the Successor District shall expeditiously review and ratify the ordinances, resolutions, policies, procedures and practices adopted hereby, making such revisions as it shall deem appropriate;

Condition No. 8. The following multi-purpose entities shall have the function/services of fire protection, ambulance and/or disaster preparedness removed upon the effective date of this reorganization. Pursuant to the provisions of Government Code Section 56824.12, the functions and services for these agencies thereafter shall be considered those identified on Exhibit MM.

In addition, the County Board of Supervisors, as governing body for the above-described County Service Areas and their affected Improvement Zones; County Service Area 53 Improvement Zone B, County Service Area 56 Improvement Zone F-1, County Service Area 70 Improvement Zones HL (Havasu Lake), M (Wonder Valley) and W (Hinkley), shall, prior to the issuance of the Certificate of Completion, take the actions described in Government Code Section 25210.39 et seq. to eliminate the function and services of fire protection, ambulance, and/or disaster preparedness from the listing of miscellaneous extended powers authorized these districts.

Condition No. 9. Upon the Effective Date of this reorganization through dissolution, the legal existence of the Lake Arrowhead Fire Protection District, Forest Falls Fire Protection District, County Service Area 38 and its respective improvement zones shall cease, except as otherwise required by law and this resolution. All property tax revenues attributable to the dissolving entities, prior to calculations required by Section 96.1 of the Revenue and Taxation Code, including delinquent taxes, and any and all other collections or assets of the District to be dissolved, shall accrue and be transferred to the

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Successor District and/or its respective Service Zones pursuant to the provisions of Government Code Section 56810. The Successor District for each entity, identified below, shall succeed to all rights, duties, responsibilities, properties (both real and personal), contracts, equipment, assets, liabilities, obligations, functions, executory provisions, entitlements, permits and approvals of dissolving entities. Said contracts may have been taken in the name of the dissolving entity, CSA 70 or sometimes identified or known as County Fire, County Fire Department or San Bernardino County Consolidated Fire District:

DISSOLVING ENTITY

Lake Arrowhead FPD
Forest Falls FPD
County Service Area 38

CSA 38 Improvement Zones:

- B (Angelus Oaks)
- D (Victorville)
- E (Summit Valley)
- H (Colton)
- I (Needles)
- J (Big River)
- K (Spring Valley Lake)
- O (Baldwin Lake)
- Q (Helendale)

SUCCESSOR SERVICE ZONE

Mountain Service Zone
Mountain Service Zone
Apportioned based upon its location to:
Valley, Mountain, North Desert or South Desert
Service Zones

- Mountain Service Zone
- North Desert Service Zone
- North Desert Service Zone
- Valley Service Zone
- South Desert Service Zone
- South Desert Service Zone
- North Desert Service Zone
- Mountain Service Zone
- North Desert Service Zone

Condition No. 10. Upon the Effective Date of this reorganization through dissolution and formation, the legal existence of County Service Area 70 Improvement Zones FP-1, and FP-5 and County Service Area 38 Improvement Zones N, M, and L shall cease, except as otherwise required by law and this resolution, with the successor agency for each entity identified below to be formed as a part of this reorganization process. Each Successor Service Zone shall succeed to all rights, duties, responsibilities, properties (both real and personal), contracts, equipment, assets, liabilities, obligations, functions, executory provisions, entitlements, permits and approvals of the predecessor entities. Said contracts may have been taken in the name of the dissolving entity, CSA 70 or sometimes identified or known as County Fire, County Fire Department or San Bernardino County Consolidated Fire District:

| | |
|---|-------------------|
| County Service Area 38 Improvement Zone L (Highland Paramedic) | Service Zone PM-2 |
| County Service Area 38 Improvement Zone M (Yucaipa Paramedic) | Service Zone PM-3 |
| County Service Area 70 Improvement Zone FP-1 (Windy Acres) | Service Zone FP-2 |
| County Service Area 38 Improvement Zone N (El Mirage) | Service Zone FP-3 |
| County Service Area 70 Improvement Zone FP-5 (Helendale) | Service Zone FP-5 |

Condition No. 11. Upon the Effective Date of this reorganization through dissolution and formation, the legal existence of County Service Area 70 Improvement Zone PM-1 (Lake Arrowhead Paramedics) shall cease, except as otherwise required by law and this resolution and the formation of Service Zone PM-1 shall include the territory of the predecessor agency except for those parcels currently within the boundaries of the Crest Forest Fire Protection District. The successor agency shall succeed to all rights, duties, responsibilities, properties (both real and personal), contracts, equipment, assets, liabilities, obligations, functions, executory provisions, entitlements, permits and approvals related to the territory to be formed into Service Zone PM-1.

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The territory of County Service Area 70 Improvement Zone PM-1 within the current boundaries of the Crest Forest Fire Protection District shall continue to pay the existing special tax for paramedic purposes and said tax shall transfer and inure to the Crest Forest Fire Protection District for the provision of paramedic services. Monies due, but uncollected, liabilities, obligations, responsibilities and continuing property tax distribution, if any, shall become those of the Crest Forest Fire Protection District. All previously authorized special taxes, fees, and charges currently authorized for CSA 70 Improvement Zone PM-1 shall be earmarked by the Crest Forest Fire Protection District for the exclusive purpose of providing paramedic services within the territory.

Condition No. 12. Upon the Effective Date of this reorganization through transfer of responsibility for fire protection and emergency response from County Service Area 30 (Red Mountain) and County Service Area 70 Improvement Zone M (Wonder Valley), such services shall cease, except as otherwise required by law and this resolution with the successor agency for each entity identified below to be formed as a part of this reorganization process. Each Successor Service Zone shall succeed to all rights, duties, responsibilities, properties (both real and personal), contract, equipment, assets, liabilities, obligations, functions, executory provisions, entitlements, permits and approvals of the predecessor entities. Said contracts may have been taken in the name of the dissolving entity, CSA 70 or sometimes identified or known as County Fire, County Fire Department or San Bernardino County Consolidated Fire District:

| | |
|--|-------------------|
| County Service Area 30 | Service Zone FP-1 |
| County Service Area 70 Improvement Zone M | Service Zone FP-4 |

Condition No. 13. As of the Effective Date of this reorganization, all full-time employees of County Service Area 70 (also sometimes identified or known as County Fire, County Fire Department or San Bernardino County Consolidated Fire District) shall become full-time employees of the Successor District, San Bernardino County Fire Protection District. Current rates of pay, accrued vacation and sick leave, vacation and sick leave accrual rates, employee rights, seniority rights, insurance, retirement benefits, and all other benefits and programs now provided employees pursuant to existing contracts shall continue at a level not less than that currently enjoyed for the duration of the contract period.

As of the Effective Date of this reorganization, contracts for all contract employees, temporary or limited term employees with ongoing contracts, shall be transferred to the San Bernardino County Fire Protection District for the duration of the contract period.

All obligations of the predecessor agency, County Service Area 70, (also sometimes identified or known as County Fire, County Fire Department or San Bernardino County Consolidated Fire District) to the San Bernardino County Employees Retirement Association (SBCERA) shall continue through the San Bernardino County Fire Protection District, including but not limited to costs associated with contract benefits, payment of retirement bonds for unfunded retirement liabilities, and administrative costs.

Condition No. 14. The successor agency shall function under Division 2.5 of the Health and Safety Code for the provision of emergency medical services and shall provide ambulance services only as authorized by the local Emergency Medical Services Agency (Inland Counties Emergency Medical Agency) and its governing board.

The reorganization shall not decrease or otherwise change the geographic size, scope or boundaries of the territory over which the County and its designated local emergency medical services agency, the Inland Counties Emergency Medical Services Agency (ICEMA), are authorized to grant and enforce exclusive operating areas ("EOAs") pursuant to Section 1797.224 of the Health and Safety Code, nor shall the reorganization reduce the geographic size, scope or boundaries of any existing EOAs as currently operated. Similarly, the reorganization shall not increase the geographic size, scope

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or boundaries of the territory as currently operated, over which the successor agency has authority under Section 1797.201 of the Health and Safety Code to operate ambulance services, or the authority of the County or ICEMA to grant and enforce them.

In addition to the foregoing, as a condition of and concurrently with the LAFCO approval, the SBCFPD, as the successor agency, shall enter into an agreement with the County and/or ICEMA, as appropriate, granting such agencies authority over the creation and enforcement of future EOAs within the boundaries of the successor agency.

Condition No. 15. The Successor District shall accept all system facilities transferred from the predecessor entities in "as is" condition, without any payment or repair obligation from the assets of affected entities [Government Code Section 56886(h)]. All incidental liabilities, such as accounts payables, contract obligations and customer deposits, shall be transferred to the appropriate Service Zone of the Successor District. All assets including, but not limited to, cash reserves, buildings and other real property, rolling stock, tools, and office furniture, fixtures and equipment, all lands, buildings, real and personal property, and appurtenances held by the detaching or dissolving entities shall be transferred to the appropriate Service Zone or the Successor District as of the Effective Date of this reorganization. [Government Code Section 56886(h)].

Condition No. 16. The existing rates, fees, taxes, assessments and charges of the predecessor entities in effect upon the effective date of this reorganization shall be continued and assumed by the Successor District and/or its Service Zones in the same manner as provided in the original authorization pursuant to Government Code Section 56886(t).

Condition No. 17. Upon the Effective Date of this reorganization, the appropriation limit base year amounts for the Successor District and its Service Zones shall be the amounts identified as follows based upon calculations for Fiscal Year 2007-08:

| | |
|--|--------------|
| San Bernardino County Fire Protection District (Formerly Yucca Valley FPD and CSA 70) | \$76,771,336 |
| Valley Service Zone of SBCFPD | \$41,770,028 |
| Mountain Service Zone of SBCFPD | \$18,279,043 |
| North Desert Service Zone of SBCFPD | \$25,114,713 |
| South Desert Service Zone of SBCFPD | \$17,024,477 |
| Service Zone FP-1 (Red Mountain) | \$ 1,048,121 |
| Service Zone FP-2 (Windy Acres) | \$ 473,153 |
| Service Zone FP-3 (El Mirage) | \$ 1,148,169 |
| Service Zone FP-4 (Wonder Valley) | \$ 406,584 |
| Service Zone FP-5 (Helendale) | \$ 953,516 |
| Service Zone PM-1 (Lake Arrowhead Paramedic) | \$ 1,094,631 |
| Service Zone PM-2 (Highland Paramedic) | \$ 2,689,857 |
| Service Zone PM-3 (Yucaipa Paramedic) | \$ 55,035 |

The governing body of the Successor District and each of the respective Service Zones shall be required to annually adjust the appropriation limit pursuant to the procedures contained within Article XIII B of the California Constitution.

Condition No. 18. Prior to issuance of the Certificate of Completion for this reorganization, the County Board of Supervisors, as the governing body for County Service Area 20, County Service Area 29, County Service Area 30, County Service Area 53 Improvement Zone B, County Service Area 56, County Service Area 56 Improvement Zone F-1, County Service Area 70 and its Improvement Zone W, County Service Area 79 and County Service Area 82 and any affected improvement zones thereof, shall commence and complete a property tax transfer process, as outlined in Section 99.02 of the Revenue and Taxation Code, to transfer the fire related ad valorem property tax revenues. For County Service

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Area 70 the revenues are to be transferred to the parent district, the San Bernardino County Fire Protection District, and for the other agencies the revenues shall be transferred to the appropriate fire suppression service zone as shown on Exhibit NN attached.

Condition No. 19. Upon the Effective Date of this Reorganization, the Auditor/Controller-Recorder is directed to apportion the ad valorem property tax revenues attributable to County Service Area 38 to the San Bernardino County Fire Protection District individual Service Zones based upon the location of the Tax Rate Areas in which said revenues were generated.

Condition No. 20. Any and all reserve funds that exist upon the effective date of this proposed reorganization shall be transferred in the following manner:

| | | |
|--|--------------------------------------|-----|
| Lake Arrowhead FPD | Mountain Service Zone | |
| Forest Falls FPD | Mountain Service Zone | |
| County Service Area 38 | Apportioned based upon its location: | |
| | Valley Service Zone | 43% |
| | Mountain Service Zone | 4% |
| | North Desert Service Zone | 47% |
| | South Desert Service Zone | 6% |
| CSA 38 Improvement Zones: | | |
| B (Angelus Oaks) | Mountain Service Zone | |
| D (Victorville) | North Desert Service Zone | |
| E (Summit Valley) | North Desert Service Zone | |
| H (Colton) | Valley Service Zone | |
| I (Needles) | South Desert Service Zone | |
| J (Big River) | South Desert Service Zone | |
| K (Spring Valley Lake) | North Desert Service Zone | |
| O (Baldwin Lake) | Mountain Service Zone | |
| Q (Helendale) | North Desert Service Zone | |
| County Service Area 70 Improvement Zone PM-1 (Lake Arrowhead Paramedics) | Service Zone PM-1 | |
| County Service Area 38 Improvement Zone L(Highland Paramedic) | Service Zone PM-2 | |
| County Service Area 38 Improvement Zone M (Yucaipa Paramedic) | Service Zone PM-3 | |
| County Service Area 70 Improvement Zone FP-1(Windy Acres) | Service Zone FP-2 | |
| County Service Area 38 Improvement Zone N (El Mirage) | Service Zone FP-3 | |
| County Service Area 70 Improvement Zone FP-5 (Helendale) | Service Zone FP-5 | |
| County Service Area 30 | Service Zone FP-1 | |
| County Service Area 70 Improvement Zone M | Service Zone FP-4 | |

Upon the effective date of this reorganization the following distribution shall be made for the detachment areas from the Central Valley Fire Protection District to the Successor Valley Service Zone, 22% of reserves (General).

The following reserve funds shall be transferred to the San Bernardino County Fire Protection District: Termination Benefits Reserves, CSA 70 Administration Reserve, Hazmat/HHW Reserve, Battalion Chiefs Reserve, Ambulance Billing Reserve and CSA 70 Lease Receipts Reserves.

Condition No. 21. Through its consideration of LAFCO 3070, the fire functions, contracts,

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equipment, assets and liabilities currently a part of County Service Area 56 Improvement Zone F-1 are to be transferred to the Successor District, the San Bernardino County Fire Protection District. If LAFCO 3000 is not completed upon the effective date of LAFCO 3070, the fire functions, including property tax revenues associated with CSA 56 and CSA 56 Improvement Zone F-1 shall be transferred temporarily to County Service Area 70 (fire administration) to allow for continued operation and protection of identified revenues. That transfer shall take place as follows:

1. Fire protection revenues currently a part of the property tax allocation for County Service Area 56 Improvement Zone F-1, determined to be \$191,749 for Fiscal Year 06-07 shall be transferred to the San Bernardino County Fire Protection District as a function of LAFCO 3000. The effective date for LAFCO 3000 is July 1, 2008; therefore, the fire functions, including property tax revenues, associated with CSA 56 Improvement Zone F-1 shall be transferred temporarily to County Service Area 70 to allow for continued operation and protection of identified revenues until the effective date of this reorganization.
2. Fire protection revenues currently a part of the property tax allocation of County Service Area 56, determined to be \$626,426 for Fiscal Year 2006-07, shall be distributed to the San Bernardino County Fire Protection District as a function of the review of LAFCO 3000. The effective date for LAFCO 3000 is July 1, 2008; therefore, the fire functions, including property tax revenues, associated with CSA 56 within the reorganization shall be transferred temporarily to County Service Area 70 to allow for continued operation and protection of identified revenues until the effective date of this reorganization.

Condition No. 22. Upon the Effective Date of this reorganization, the facilities identified on Exhibit OO shall be transferred to the San Bernardino County Fire Protection District for use in providing fire protection services. Prior to issuance of the Certificate of Completion, the County Board of Supervisors, as the governing body of the Successor Agency, shall take the actions necessary to provide for lease arrangements for facilities retained in the ownership of multi-function agencies and provide a copy to the Local Agency Formation Commission.

Condition No. 23. Upon the effective date of this reorganization, any funds currently deposited for the benefit of the dissolving entities which have been impressed with a public trust, use or purpose shall be transferred to the Successor District or its respective Service Zone as the successor agency and the successor agency shall separately maintain such funds in accordance with the provisions of Government Code Section 57462.

Condition No. 24. Upon the effective date of this reorganization, the County Board of Supervisors as the governing body of the San Bernardino County Fire Protection District, Valley Service Zone, shall maintain the existing service level at Station No. 76 within the Bloomington Community.

CENTRAL VALLEY FIRE PROTECTION DISTRICT ACTIONS:

Condition No. 25. Upon the Effective Date of this reorganization, through detachment of the ten separate areas of the Central Valley Fire Protection District and their annexation to the Yucca Valley Fire Protection District (to become known as the San Bernardino County Fire Protection District), the remainder Central Valley Fire Protection District shall become known as the Fontana Fire Protection District, defined as the successor district, and the Fontana Fire Protection District shall be established as a subsidiary district of the City of Fontana, subject to the terms and conditions contained herein. Prior to issuance of the Certificate of Completion, the City of Fontana and the County of San Bernardino shall provide to the Executive Officer of the Local Agency Formation Commission a copy of the contract for providing service to the Fontana Fire Protection District for the transition year, Fiscal Year 2008-09.

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The Fontana Fire Protection District shall continue to function under and carry out all authorized duties and responsibilities assigned to a county fire protection district as outlined in its principal act within California Health and Safety Code Sections 13000 et seq. and other applicable laws. Those functions and services are authorized and defined as follows:

| | FUNCTION | SERVICES |
|---------|----------|--|
| Fontana | Fire | Structural, watershed, prevention, inspection, suppression, weed abatement, hazardous materials services, rescue, first aid, paramedic, emergency response, and disaster preparedness planning |

Condition No. 26. Upon the Effective Date of this reorganization the Fontana Fire Protection District shall succeed to all rights, duties, responsibilities, properties (both real and personal), contracts, equipments, assets, liabilities, obligations, functions, executory provisions, entitlements, permits and approvals of the predecessor district except for those areas detached from the District. All property tax revenues attributable to the residual Central Valley Fire Protection District, prior to calculations required by Section 96.1 of the Revenue and Taxation Code, including delinquent taxes, and any and all other collections or assets of the District, shall accrue and be transferred to the Successor District pursuant to the provisions of Government Code Section 56810. Upon the Effective Date of this reorganization the facilities identified on Exhibit PP shall be retained by the Fontana Fire Protection District.

Condition No. 27. The existing rates, fees, taxes, assessments and charges in effect upon the effective date of this reorganization through the predecessor entity, the Central Valley Fire Protection District, shall be continued and assumed by the Fontana Fire Protection District, in the same manner as provided in the original authorization pursuant to Government Code Section 56886(t).

Condition No. 28. Upon the Effective Date of this reorganization, service levels for Stations Nos. 72 and 73 cannot be reduced by the governing body of the Fontana Fire Protection District unless and until the service levels of all other stations within the Fontana Fire Protection District are commensurately reduced.

Condition No. 29. Upon the Effective Date of this reorganization, the Fontana FPD shall be required to construct Station No. 80 within three years of the effective date of this reorganization. The construction cost for Station No. 80 is to be funded by revenue sources through the Fontana Fire Protection District, and the Fontana Fire Protection District shall staff and man Station No. 80 within the San Sevaire Redevelopment Area. The County of San Bernardino, through its San Sevaire Redevelopment Agency, shall transfer ownership of Assessor Parcel No. 0238-031-29 purchased for construction of Central Valley Fire Protection District Station No. 80 to the successor Fontana Fire Protection District.

Condition No. 30. Upon the effective date of this reorganization, the administration of County Community Facilities District 2002-2 shall transfer to the Fontana Fire Protection District. The County of San Bernardino, through its Land Use Services Department, shall continue to implement Conditions of Approval upon new development within the San Sevaire Redevelopment Area to annex to CFD 2002-2 for funding of fire protection services and to pay the annual special tax outlined in the formation documents of Community Facilities District No. 2002-2 for operation and maintenance funding for fire service within this area pursuant to Government Code Section 56886(t). Exhibit QQ provides a map of the area in which new development projects shall be required to annex to CFD 2002-2 to provide funding

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for operation and maintenance.

Condition No. 31. Upon the Effective Date of this reorganization, the appropriation limit base year amounts for the residual Central Valley Fire Protection District (to become the Fontana Fire Protection District) and Community Facilities District 2002-2, shall be the amount identified as follows based upon calculations for Fiscal Year 2007-08:

| | |
|--|--------------|
| Fontana Fire Protection District (formerly the Central Valley Fire Protection District) | \$95,342,989 |
| Community Facilities District 2002-2 | \$ 2,606,636 |

The governing body of the district shall be required to annually adjust this appropriation limit pursuant to the procedures contained within Article XIII B of the California Constitution.

Condition No. 32. Until duly revised by the governing body of the Fontana Fire Protection District, and unless otherwise expressly provided herein or legally required, all ordinances, resolutions, rules and regulations, policies, procedures, and practices existing on the effective date of this reorganization shall govern the activities and affairs of the District. The Board of Directors of the Subsidiary District, shall expeditiously review and ratify the ordinances, resolutions, policies, procedures and practices adopted hereby, making such revisions as it shall deem appropriate;

Condition No. 33. The County of San Bernardino (on behalf of the San Bernardino County Fire Protection District) and the City of Fontana (on behalf of the Fontana Fire Protection District), applicants for this change of organization, shall indemnify, defend, and hold harmless the Commission from any legal expense, legal action, or judgment arising out of the Commission's approval of this proposal, including any reimbursement of legal fees and costs incurred by the Commission.

SECTION 2. Pursuant to the requirements of Government Code Section 57105 the Commission makes the following determinations related to the area retained as a part of the Central Valley Fire Protection District, proposed to be renamed the Fontana Fire Protection District, and by this action established as a subsidiary district of the City of Fontana:

- a. The portion of the land area of the retained district within the City of Fontana exceeds 70% of its total land area; and,
- b. The number of registered voters of the district within the City of Fontana exceeds 70% of the total voters of the district.

Therefore, upon the effective date of this change the Central Valley Fire Protection District, to be renamed the Fontana Fire Protection District, is established as a subsidiary district of the City of Fontana.

SECTION 3. FINDINGS. The following findings are noted in conformance with Commission policy:

- 1. The reorganization area has been certified by the County Registrar of Voters office as being legally inhabited, with a total of 198,962 registered voters, as of September 6, 2007. The certification as to the number of voters within the individual service zones and the Central Valley Fire Protection District (to become a subsidiary district of the City of Fontana) within the proposal are outlined as follows:
 - a. Valley Service Zone 35,321

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| | | |
|----|--|--------|
| b. | Mountain Service Zone | 7,709 |
| c. | North Desert Service Zone | 31,126 |
| d. | South Desert Service Zone | 17,344 |
| e. | Service Zone FP-1 (Red Mountain) | 52 |
| f. | Service Zone FP-2 (Windy Acres) | 93 |
| g. | Service Zone FP-3 (El Mirage) | 248 |
| h. | Service Zone FP-4 (Wonder Valley) | 458 |
| i. | Service Zone FP-5 (Helendale) | 3,030 |
| j. | Service Zone PM-1 (Lake Arrowhead Paramedic) | 5,633 |
| k. | Service Zone PM-2 (Highland Paramedic) | 5,939 |
| l. | Service Zone PM-3 (Yucaipa Paramedic) | 379 |
| m. | Fontana Fire Protection District | 53,731 |

2. The County Assessor has indicated that the valuation of land and improvement during Fiscal Year 2006-07 for the reorganization area is \$32,654,975,825. Individual valuations for the Service Zones and the Central Valley Fire Protection District (to become a subsidiary district of the City of Fontana) are as follows :

| | | |
|----|--|-------------------|
| a. | Valley Service Zone | \$ 7,642,292,721 |
| b. | Mountain Service Zone | \$ 3,922,296,704 |
| c. | North Desert Service Zone | \$ 6,307,075,505 |
| d. | South Desert Service Zone | \$ 2,576,510,451 |
| e. | Service Zone FP-1 (Red Mountain) | \$ 1,418,749 |
| f. | Service Zone FP-2 (Windy Acres) | \$ 6,471,306 |
| g. | Service Zone FP-3 (El Mirage) | \$ 125,079,429 |
| h. | Service Zone FP-4 (Wonder Valley) | \$ 52,479,019 |
| i. | Service Zone FP-5 (Helendale) | \$ 728,278,151 |
| j. | Service Zone PM-1 (Lake Arrowhead Paramedic) | \$ 3,158,301,246 |
| k. | Service Zone PM-2 (Highland Paramedic) | \$ 674,688,881 |
| l. | Service Zone PM-3 (Yucaipa Paramedic) | \$ 105,831,063 |
| m. | Fontana Fire Protection District | \$ 12,206,800,444 |

3. The reorganization area is within the sphere of influence of the Yucca Valley Fire Protection District or the Central Valley Fire Protection District as assigned through approval of the companion proposal identified as LAFCO 3001.

4. Notice of the original hearing was published as required by law in The Sun, the Daily Press, the Big Bear Life & Grizzly, the Desert Dispatch, the Daily Bulletin, Hi-Desert Star, Needles Desert Star, Lucerne Valley Leader, Mountain News, Mountaineer Progress Bulletin, Alpenhorn, Fontana Herald News, Crestline Courier, Parker Pioneer, and the Today's News-Herald, newspapers of general circulation in the area. As required by State law and Commission policy a 1/8th page legal ad was provided for this consideration in-lieu of individual notice pursuant to the provisions of Government Code Section 56157. Individual notice has been provided to affected and interested agencies, County departments, and those individuals and agencies having requested such notification. Comments from landowners, registered voters, and any affected local agency have been reviewed and considered by the Commission in making its determination.

5. The reorganization proposal has no direct effect on the County General Plan or the General Plans of the City of Fontana, City of Grand Terrace, or Town of Yucca Valley.

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6. The proposed annexation to the Yucca Valley FPD and the formation of the Valley and South Desert Service Zones affected the tribal lands of the San Manuel Band of Mission Indians (Valley Service Zone), Colorado River Indian Tribes, commonly identified as the CRIT, (South Desert Service Zone), Chemehuevi Indian Tribe (South Desert Service Zone) and Fort Mojave Indian Tribe (South Desert Service Zone). The Tribal Council of each Tribe has consented to the overlay of the Yucca Valley FPD on their tribal lands by adoption of a resolution, a complete copy of which is on file in the LAFCO office and the Federal Bureau of Indian Affairs has filed no opposition.
7. Upon reorganization, the successor district, the San Bernardino County Fire Protection District, will extend its services to residents, landowners and governments within its boundaries. The Plan for Providing Service, submitted by the County of San Bernardino, provides a general outline of the delivery of service as mandated by Government Code Section 56653. The Plan indicates that the District can maintain and/or improve the level and range of services available to the reorganized area. The Plan for Service has been reviewed and compared with the standards established by the Commission and the factors contained within Government Code Section 56668. The Commission finds that such Plan conforms to those adopted standards and requirements.

Upon reorganization, the Fontana Fire Protection District (formerly the Central Valley Fire Protection District) shall extend its services to the residents, landowners and governments within its boundaries. The Plan for Providing Services, submitted by the City of Fontana as its alternative proposal to LAFCO 3000, provides a general outline of the delivery of service as mandated by Government Code Section 56653. The Plan indicates that the district can maintain and/or improve the level and range of services available through its contract with the County for providing the service. The Plan for Service has been reviewed and compared with the standards established by the Commission and the factors contained within Government Code Section 56668. The Commission finds that such Plan conforms to those adopted standards and requirements.
8. The area in question is presently served by a number of local agencies outside the affected fire entities, a complete listing of which is on file in the office of the Local Agency Formation Commission. None of these other agencies will be directly affected by the completion of this reorganization through an adjustment in their boundaries. The overlay of the City of Grand Terrace by the Yucca Valley Fire Protection District (to become known as the San Bernardino County Fire Protection District) governed by the County Board of Supervisors has not been opposed by the City Council of the City of Grand Terrace.
9. Pass-through funding required by State law (AB 1290) from the San Sevaine Redevelopment Area currently provided to the Central Valley Fire Protection District and County Service Area 70 shall continue to be provided to the Fontana Fire Protection District following this reorganization.
10. Construction of Station No. 80 is intended to be accomplished through the County of San Bernardino by contract with the Fontana Fire Protection District.
11. The reorganization proposal complies with Commission findings in its service review/sphere of influence update for the affected agencies that a single fire protection district serving the communities through the creation of regional service zones would be the most effective and efficient delivery mechanism for fire protection/emergency response/disaster preparedness services.

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12. The Commission's Environmental Consultant, Tom Dodson of Tom Dodson and Associates, has prepared an environmental assessment and Mitigated Negative Declaration for the reorganization pursuant to the provisions of the California Environmental Quality Act (CEQA), which indicate that approval of the reorganization, as modified, will not have a significant adverse impact on the environment. The Commission certifies that it reviewed and considered the Mitigated Negative Declaration and environmental effects as outlined in the Initial Study on September 16, 2007, prior to reaching a decision on the project and finds the information substantiating the Mitigated Negative Declaration adequate for its use in making a decision as a CEQA lead agency.

The Commission hereby adopts the Mitigated Negative Declaration and the related California Department of Fish and Game De Minimis Impact Finding. The Commission determines that it does intend to adopt mitigation measures for the project. The Commission directed its Clerk to file a Notice of Determination within five (5) working days of its decision on September 16, 2007.

13. The reorganization area can benefit from the clarification of fire protection providers for a more efficient and effective mechanism for fire protection, emergency response, paramedic, ambulance and/or disaster preparedness services.
14. The County of San Bernardino has determined the exchange of property tax revenues for the reorganization. This negotiated agreement fulfills the requirements of Section 99 of the Revenue and Taxation Code. Condition Nos. 18, 19, and 21 above further refine the distribution of property tax revenues following completion of this proposal as authorized by Government Code Section 56886.
15. Maps and legal descriptions, as revised, are in substantial compliance with LAFCO and State standards through certification by the County Surveyor's Office.

SECTION 4. Approval by the Local Agency Formation Commission indicates that completion of this proposal would accomplish the proposed change of organization in a reasonable manner with a maximum chance of success and a minimum disruption of service to the functions of other local agencies in the area.

SECTION 5. . The Executive Officer is hereby authorized and directed to mail certified copies of this resolution in the manner provided by Section 56882 of the Government Code.

SECTION 6. The Commission hereby directs that, following completion of the reconsideration period specified by Government Code Section 56895(b), the Executive Officer is hereby directed to initiate protest proceedings in compliance with this resolution and State law (Part 4, commencing with Government Code Section 57000), set the matter for consideration of the protest proceedings, including a minimum 30-day protest period, and provide notice of the hearing pursuant to Government Code Sections 57025 and 57026.

SECTION 7. Upon conclusion of the protest proceedings, the Executive Officer shall adopt a resolution setting forth her determination on the levels of protest filed and not withdrawn and setting forth the action on the proposal considered.

SECTION 8. Upon adoption of the final resolution by the Executive Officer, either a Certificate of Completion or a Certificate of Termination, as required by Government Code Sections 57176 through 57203, and a Statement of Boundary Change, as required by Government Code Section 57204, shall be prepared and filed for the proposal.

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THIS ACTION APPROVED AND ADOPTED by the Local Agency Formation Commission of the County of San Bernardino by the following vote:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSTAIN: COMMISSIONERS:

ABSENT: COMMISSIONERS:

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN BERNARDINO)

I, KATHLEEN ROLLINGS-McDONALD, Executive Officer of the Local Agency Formation Commission of the County of San Bernardino, California, do hereby certify this record to be a full, true, and correct copy of the action taken by said Commission by vote of the members present as the same appears in the Official Minutes of said Commission at its regular meeting of January 16, 2008.

DATED:

KATHLEEN ROLLINGS-McDONALD
Executive Officer