

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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DATE: SEPTEMBER 8, 2015
FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer
TO: LOCAL AGENCY FORMATION COMMISSION



SUBJECT: AGENDA ITEM #5 – Consideration of Fee Reduction Requested by the Hesperia Fire Protection District for its Reorganization Proposal to Annex its Territory to the San Bernardino County Fire Protection District (et al)

RECOMMENDATION:

Staff recommends that the Commission approve a reduction in application fees for the Hesperia Fire Protection District request to transfer its fire responsibility to the San Bernardino County Fire Protection District to a total of \$30,400 (fees and deposits).

BACKGROUND:

On August 4, 2015, the Board of Directors of the Hesperia Fire Protection District (hereinafter shown as "HFPD" or "District") adopted a resolution to initiate a proposed reorganization to transfer its fire and emergency medical response obligations to the San Bernardino County Fire Protection District (hereinafter shown as "SBCFPD"). The change anticipates a sphere of influence amendment for SBCFPD along with the annexation to the SBCFPD and its North Desert Service Zone, and the dissolution of the HFPD. For 11 years the HFPD has contracted with the SBCFPD to provide its fire protection services. As the ten-year contract term expired, the District and County began negotiations to evaluate service options based upon the limitations of the tax revenues received by the HFPD. This has culminated in an agreement to annex the territory of the HFPD to the SBCFPD and dissolve the District. The purpose of this change of organization is to provide for a means to continue fire protection and emergency medical response in a financially sustainable manner. In the letter from the HFPD they ask that a reduction in filing fees be provided.

LAFCO staff's review identifies that based on the Commission's adopted fee schedule, the total filing fee for the sphere of influence change and reorganization is \$61,400. The breakdown below shows all the required fees/deposits for the reorganization proposal:

LAFCO Filing Fees:

| | |
|-------------------------------------------------------------------|------------------------|
| a. Sphere of Influence Amendment | \$ 5,000 |
| b. Reorganization (\$7,500 plus \$1 per acre over 1,920 acres) | \$53,580 |
| c. Deposit – Legal Counsel | \$ 1,150 |
| d. Deposit – Environmental | \$ 750 |
| e. Deposit – Legal Ad In Lieu of Individual Notice | <u>\$ 1,000</u> |
| TOTAL | <u>\$61,480</u> |

With the understanding of the financial position of the HFPD as well as the fact that the proposal addresses the whole of the service area, staff supports a reduction in the fee. The reduction would be based on the Commission's adopted fee schedule, broken down as follows:

| | |
|-----------------------------------------------------------|------------------------|
| a. Sphere of Influence Amendment | \$ 5,000 |
| b. Reorganization Three full Annexation Fees (\$7,500) | \$22,500 |
| c. Deposit – Legal Counsel | \$ 1,150 |
| d. Deposit – Environmental | \$ 750 |
| e. Deposit – Legal Ad In Lieu of Individual Notice | <u>\$ 1,000</u> |
| TOTAL | <u>\$30,400</u> |

Staff is recommending that the Commission make the determination to reduce the total LAFCO filing fee to \$27,500 (sphere and reorganization) along with the balance of the required deposits. Staff will be happy to answer any questions of the Commission prior to or at the hearing.

KRM

Attachment

1. [Letter Dated August 19, 2015 from the Hesperia Fire Protection District](#)
2. [Vicinity Map of the Fire Reorganization Anticipated](#)