

**LOCAL AGENCY FORMATION COMMISSION
COUNTY OF SAN BERNARDINO**

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PROPOSAL NO.: LAFCO 3112

HEARING DATE: September 28, 2011

RESOLUTION NO. 3142

A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF SAN BERNARDINO MAKING DETERMINATIONS ON LAFCO 3112 – A SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR THE BIG BEAR LAKE FIRE PROTECTION DISTRICT (sphere of influence expansion by approximately 250 acres and affirmation of the balance of its existing sphere of influence, as shown on the attached map).

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

WHEREAS, a service review mandated by Government Code 56430 and a sphere of influence update mandated by Government Code Section 56425 have been conducted by the Local Agency Formation Commission of the County of San Bernardino (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,

WHEREAS, at the times and in the form and manner provided by law, the Executive Officer has given notice of the public hearing by the 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, a public hearing by this Commission was called for August 17, 2011 at the time and place specified in the notice of public hearing and in an 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, at this hearing, this Commission certified that the sphere of influence update including sphere amendments is statutorily exempt from environmental review pursuant to the

RESOLUTION NO. 3142

provisions of the California Environmental Quality Act (CEQA) and such exemption was adopted by this Commission on August 17, 2011. The Commission directed its Executive Officer to file a Notice of Exemption within five working days of its adoption; and,

WHEREAS, based on presently existing evidence, facts, and circumstances filed with the Local Agency Formation Commission and considered by this Commission, it is determined that the sphere of influence for the Big Bear Lake Fire Protection District (hereafter shown as "Big Bear Lake FPD" or the "District") shall be amended as shown on the map attached as Exhibit "A" to this resolution, defined as follows:

- (1) Expand the Big Bear Lake FPD's sphere of influence along the west by approximately 90 acres (Area 1) to include a portion of the lake and along the south by approximately 160 acres (Area 2) to include an area currently within the City's existing sphere of influence; and,
- (2) Affirm the balance of the Big Bear Lake FPD's existing sphere of influence.

WHEREAS, the determinations required by Government Code Section 56430 and local Commission policy are included in the report prepared and submitted to the Commission dated August 9, 2011 and received and filed by the Commission on August 17, 2011, a complete copy of which is on file in the LAFCO office. The determinations of the Commission are:

1. **Growth and population projections for the affected area:**

Land Use

The Big Bear Lake FPD's sphere of influence is similar to that of the City of Big Bear Lake ("City"). The only difference is the additional areas outside of the City's corporate boundaries and/or existing sphere totaling approximately 640 acres of public lands. One area is on the District's western edge (approximately 160 acres) designated as RC (Resource Conservation which allows one unit per forty acres on private lands) and another area is along the District's southern edge (approximately 480 acres) also designated RC. As mentioned earlier, the 160-acre forest land west of the City's boundaries is an area with multiple government land leased residential units and/or cabins.

Within the City, approximately 45% is Single-Family Residential, 6.5% Multiple Family Residential, 13% Commercial and/or Industrial, 3% Public Facilities, 6.5% Open Space, 1% Rural Residential (which is unincorporated sphere area designated as RC in the County's General Plan), and 25% identified only as Big Bear Lake (which is also within its unincorporated sphere area designated by the County as Floodway). The commercial development within the City, commonly known as the Village, is generally located along Big Bear Boulevard (Interstate Highway 18) and some areas near the lakefront.

Population Projections

As previously stated, the Big Bear Lake FPD's sphere of influence is similar to that of the City. Therefore, the growth and population projections for the District are the same as the City.

Both the Department of Finance and the U.S. Census list the 2000 population as 5,438 within the City. For 2010, the U.S. Census lists 2010 population as 5,019 (decrease of 419), and

RESOLUTION NO. 3142

the Department of Finance estimates the 2011 population as 5,051. The City states that numerous jobs have been eliminated within the City, due to the recession there has been sparse development for the past two years, and the tourism industry has been significantly impacted by the road closures due to winter storms of the past two years.

However, the community is a year-round resort and tourist destination – estimates indicate that the population can substantially increase during peak weekends. The City states that the City and the entire Valley has to plan as if it were a major suburban community to address peak weekend periods. Not only does this have a significant impact on City services, it also has a long term economic impact on local, state and federal funding formulas that are based on permanent population and not actual demand.

In looking at the City’s population projections through 2035, the Southern California Association of Government (SCAG) Growth Forecast from the *2008 Regional Transportation Plan* did not reflect the full extent of the current economic and housing conditions. Although not yet adopted, recent figures available from SCAG’s Draft Integrated Growth Forecast (May 2011) point towards a more realistic and steady growth through 2035, as shown in the chart below. Again, these figures are for the permanent population and do not take into account seasonal and tourism activities.

2020	2035
5,619	7,001

The City’s 1995 General Plan describes the City as a mountain resort community. Although the General Plan provides for a wide range of housing options, the majority of the development has been single family housing units. The 2010 Census identifies that from 2000 to 2010, total housing units increased by 11.5% while occupied units decreased by 6.7% and the vacancy rate increased by 18.2%.

Foreclosure activity has affected the nation in general and the City of Big Bear Lake is no exception. According to data obtained from staff of the County of San Bernardino Assessor’s Office, from 2004 to 2006 the City had 13 foreclosures. The number rose sharply to 56 in 2007 and escalated to 132, 178, and 162 for the next three years. For the purposes of generally representing the extent of the foreclosure activity, the Department of Finance identifies that there were 9,444 total housing units within the City in 2010. The foreclosure of 541 homes represents 5.7% of the household units within the City have been in foreclosure since 2004. Even with the current economic conditions, the long-term population trend remains – the City is projected to experience 39% growth through 2035.

2. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies:

Bear Valley is protected from fire and disaster by four different full-time fire protection agencies, which include: 1) the Big Bear Lake FPD, which generally serves the City; 2) the Big Bear City Community Services District (“CSD”), which serves the east end of the valley; 3) the San Bernardino County Fire Protection District (“County Fire”) and its Mountain Service Zone, which overlays the entire Valley area excluding the City and the CSD’s territory but primarily serves the community of Fawnskin and the rest of the North Shore area; and 4) the U.S. Forest Service protecting the surrounding federal forest land for wildland fire purposes. All four agencies provide mutual aid to each other upon request.

RESOLUTION NO. 3142

Wildland fires are under the jurisdiction of the California Department of Forestry and Fire Protection (Cal Fire) and the U.S. Forest Service, both not subject to LAFCO jurisdiction. Agencies providing fire related information are the Mountain Area Safety Taskforce (a coalition of local, state and federal government agencies, private companies and volunteer organizations in San Bernardino County working together to help prevent catastrophic wildfires) and Fire Safe Council, which provides resources for establishing and maintaining Fire Safe Councils, such as the FSC Handbook, nonprofit and funding information in California.

The Big Bear Lake FPD is empowered to provide services under the Fire Protection District Law, Health and Safety Code Section 13800 et seq. of the State of California, and its District Board, (the City council of the City of Big Bear Lake). Personnel in the District provide service in a diverse area of the County. Challenges range from providing structural fire fighting for residential areas and moderately sized commercial buildings and complexes to supporting wildland fire protection and suppression (responsibility of the U.S. Forest Service). According to the District, the following services are currently provided:

- Fire Protection Services: Structural and Wildland
- Emergency Medical Service
- Ice Rescue
- Public Safety and Self Help Education
- Fire Prevention and Fire Code Enforcement
- Hazardous Material Emergency Response - Operational Level
- Other Services Relating to the Protection of Lives and Property
- Public Service

The budget provides for the operation and maintenance of:

- One 24-hour staffed headquarters fire station
- Two outlying Paid Call fire stations
- Three first-line fire engines
- One ladder truck
- One quick attack (brush patrol) unit
- One heavy rescue
- One rescue squad
- Five utility/staff vehicles

Staffing levels are:

- Fire Chief
- Assistant Fire Chief
- Two Administrative Secretaries
- Sixteen Suppression personnel assigned to three shifts
- Fire Prevention Officer
- An allocation for twelve Paid Call Firefighters to better assist Suppression personnel during emergencies. Paid Call Firefighters receive weekly training drills and rotate through weekend shifts for additional training and experience.

RESOLUTION NO. 3142

The Big Bear Lake FPD is configured in three Fire Management Areas broken into Fire Demand Zones within each management area. Each Fire Management Area is represented by the location of each station. Fire suppression consists of three shifts with five personnel per shift. First call equipment is deployed to deliver initial fire attack and Emergency Medical Services within four to six minutes approximately 70 percent of the time. Annual call volume has increased significantly through the years, with an average response time of five to six minutes from receipt of alarm.

Fire Stations	Fire District /Agency	Area Served	Equipment	Personnel (number and title)	EMT Response Capabilities	Availability of ambulance services	Nearest Medical Facilities
Big Bear Lake Station #281	Big Bear Lake Fire Protection District	City of Big Bear Lake 9 square miles	Type 1 Engine, 75 foot Squint, Type 3 brush, 1500 gal Water Tender (WT), medium rescue, 2 ambulances, brush quick attack	Fire Chief, Ass't fire chief, Fire Prevention Officer, 2 Capt/EMT, 1 Capt paramedic, 3 engineer EMT, 7 firefighter paramedic, 5 firefighter EMT	10 staff	None	Bear Valley Community - 1 mile
Big Bear Lake Station #282	Big Bear Lake Fire Protection District	City of Big Bear Lake	1 type 1 engine	1 Paid Call Firefighters (PCF)/EMT	1 staff	None	Bear Valley Community - 4 miles
Big Bear Lake Station #283	Big Bear Lake Fire Protection District	City of Big Bear Lake	1 type 1 engine	4 Paid Call Firefighters (PCF)/EMT	4 staff	None	Bear Valley Community - 1 mile

The Big Bear Lake FPD stations include one full time headquarters station (Station 281) and two paid call outlying stations (Stations 282 & 283). The paid call stations were renovated in 1994, following the 1992 earthquake, and are listed in good condition. Station 281 contains the District's administration, is the primary response station, and includes the following equipment:

- Engine-281: 2004 4x4 KME; 1500 gallons per minute (GPM); 500 gallon tank.
- Truck-281: 2001 Emergency One; 75 Ft. Aerial; 1500 GPM; 500 gallon tank
- Brush Engine 281: 2003 4x4 Pierce; 500 GPM; 500 gallon tank
- Rescue 281: 2006 4X4 Pierce/International; CA Office of Emergency Services heavy rescue cache
- Water Tender-281: 2005 Pierce/International 1200 gallon tank
- IS-281: Incident Support Unit
- Squad-281: 1995 4x4 Dodge Ram
- 3100: 2006 4x4 Ford Explorer; Staff Vehicle
- 3101: 2006 4x4 Ford Explorer; Staff Vehicle
- Fire Prevention-281: 2000 4x4 Ford Explorer; Staff Vehicle
- Utility-281(quick attack): 2001 4x4 Dodge Ram 2500 Pickup

Currently Big Bear Lake FPD has automatic aid and mutual aid agreements with the CSD, Arrowbear Park Fire Protection District, Crest Forest Fire Protection District, U.S. Forest Service, and County Fire. The Big Bear Lake FPD also provides emergency services to areas outside its jurisdictional boundaries.

RESOLUTION NO. 3142

Training for full-time personnel is a high priority with a goal of 240 hours per year for each suppression member. This includes 24 hours dedicated to safety training and 24 hours dedicated to hazardous materials training. The Big Bear Lake FPD also has an in-house Department of Motor Vehicles-approved driver training program which meets the criteria for Class 'B' commercial drivers' license testing. Paramedic, emergency medical technician, and CPR re-certifications are ongoing, including twelve hours of continuing education units required per employee per year with a written and skills re-certification test every four years. The District's EMS Coordinator provides this training. Approximately half of the District's members have obtained California State Fire Marshal ("CSFM") Fire Officer certification with other members working toward this goal. Captains and above are strongly encouraged to take CSFM Chief Officer level courses and to apply to the National Fire Academy for advanced management courses that are provided by the Federal government.

The Big Bear Lake FPD responds with fire apparatus to all reported medical emergencies and rescue situations. All firefighters assigned to fire apparatus are certified as emergency medical technicians. These individuals respond along with paramedic ambulances to medical service requests. The District responds to more medical aid service requests than any other type of call, which is typical for fire agencies. In 2010, the District responded to 1,757 calls. The median response time was 6.1 minutes and the mean response time was 7.0 minutes. The vast majority of situations were for emergency medical services, not including vehicle accidents with injuries. According to the District, while it expects to experience increased call volume, the current infrastructure (number of stations and apparatus) will support the corresponding increase in demand for service; however, there will be a need to increase staffing levels to meet the increased call volume.

The Big Bear Lake FPD interacts with the City's Department of Water and Power ("DWP") providing water for fire protection. The sources of supply are typically local wells, watershed runoff, and storage tanks. The DWP has been upgrading areas that are deficient in fire flow requirements in conjunction with District reviews and recommendations. Markings are provided to locate each fire hydrant during normal and snow season.

The Big Bear Lake FPD supports a volunteer organization designed to help people help themselves and others in a time of a crisis called Community Emergency Response Team ("CERT"). According to the CERT website (www.bbvcert.org) CERT is a positive and realistic approach to emergency and disaster situations where citizens may initially be on their own and their actions can make a difference. While people will respond to others in need without the training, one goal of the CERT program is to help them do so effectively and efficiently without placing themselves in unnecessary danger. In the CERT training, citizens learn to:

- manage utilities and put out small fires,
- treat the three medical killers by opening airways, controlling bleeding, and treating for shock,
- provide basic medical aid,
- search for and rescue victims safely,
- organize themselves and spontaneous volunteers to be effective, and
- collect disaster intelligence to support first responder efforts.

RESOLUTION NO. 3142

3. Financial ability of agencies to provide services:

The Commission reviewed the Big Bear Lake FPD's budgets and audits, State Controller reports for special districts, and County filing records.

Net Assets and Fund Balances

In reviewing the financial documents, the Big Bear Lake FPD has been operating with an annual positive change in net assets from FY 2005-06 through FY 2008-09, as shown on the chart below. For the recent fiscal year, District expenditures of \$4,774,023 exceeded revenues of \$4,723,546 program resulting in a decrease in net assets of \$50,477. According to the District's FY 2009-10 financial statements, this decrease is primarily due to the decline in assessed property values reducing the property tax levy available to fund the cost of operations. As of June 30, 2010, Big Bear Lake FPD had \$8.8 million in net assets. Not including capital assets value and debt, the District had roughly \$3.9 million in unrestricted net assets.

	2005-06	2006-07	2007-08	2008-09	2009-10
Net Assets					
Invested in capital assets – net of related debt	3,917,267	4,972,034	4,801,980	4,643,420	4,847,802
Unrestricted	2,608,859	3,178,149	3,762,792	4,195,390	3,940,531
Total Net Assets	\$6,526,126	\$8,150,183	\$8,564,772	\$8,838,810	\$8,788,333

Considering net assets does not indicate if an agency has enough cash and cash equivalents to operate short and long-term operations. In looking at the District's fund balance, the same trend occurs as for net assets – an increase from FY 2005-06 through FY 2008-09 with a decrease in FY 2009-10. Even with the decrease in fund balance for the last fiscal year, overall the District's fund balance has increased by 47% since FY 2005-06.

	2005-06	2006-07	2007-08	2008-09	2009-10
Fund Balance	\$2,909,559	\$3,615,980	\$4,240,785	\$4,516,898	\$4,274,958

In 2002, the district adopted a resolution to maintain a minimum of \$500,000 in its undesignated fund balance (Resolution FP2002-04). A breakdown of the Fund Balances as of June 30, 2010 is as follows:

Fund Balances:	
Reserved:	
Reserved for encumbrances	6,251
Reserved for compensated absences	334,428
Unreserved:	
Unreserved, reported in nonmajor:	
Designated for self-insurance	43,469
Designated for future expenditures	463,795
Designated for capital improvement projects	1,257,668
Designated for cash flows	500,000
Undesignated	1,669,347
Total Fund Balances	4,274,958

RESOLUTION NO. 3142

Revenues and Expenditures

Property tax revenues are the primary source of funds for the District. With the downturn in the economy, assessed valuations have declined causing a decrease in property tax revenues. As a result of this decline, the District has to look to its fund balance to fund current operations. Additionally, the District also lost its growth money with the creation of the City's Redevelopment Agency ("RDA") in 1985. The City RDA did not establish a customary pass through agreement with the District to ensure the District realized the incremental growth of property tax. According to the City, in an effort to address the fiscal impact of the existence of the City RDA on the District (and consistent with redevelopment law), the City RDA agreed in 1992 to pay for the land (\$535,000) necessary for development of the District's main fire station on Big Bear Boulevard. Additionally, in 2006, the City RDA agreed to pay off the remaining lease for the fire station of approximately \$905,000 thereby also saving the City approximately \$700,000 in future interest payments." Though the District receives less annual revenue the current agreement has offset a substantial amount.

Additional sources of income include limited additional fees charged for services which include annual business inspections, permits, plan checks, and medical emergency responses, which was adopted in 1999.

The chart below, taken from the FY 2009-10 financial statements, shows the revenue and expenditure categories with respective amounts. In looking at the past five financial statements, the types of revenues and expenditures have generally remained constant in percentage terms.

RESOLUTION NO. 3142

	<u>General Fund</u>
Revenues:	
Taxes	\$ 3,785,844
Licenses and permits	20,905
Intergovernmental	422,960
Charges for services	387,765
Use of money and property	53,221
Contributions	20
Developer participation	23,014
Miscellaneous	4,199
	<hr/>
Total Revenues	4,697,928
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Expenditures:	
Current:	
Public safety	4,682,270
Capital outlay	282,711
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Total Expenditures	4,964,981
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Excess (Deficiency) of Revenues Over (Under) Expenditures	(267,053)
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Other Financing Sources (Uses):	
Transfers in	25,000
Proceeds from sale of capital asset	113
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Total Other Financing Sources (Uses)	25,113
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Net Change in Fund Balances	(241,940)
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Fund Balances, Beginning of Year	4,516,898
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Fund Balances, End of Year	\$ 4,274,958
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Long-Term Debt

As of June 30, 2010, the District had total debt outstanding of \$334,427 representing the value of accumulated earned time off (compensated absences). The District does not have any bonded indebtedness.

Other Information

In reviewing the Big Bear Lake FPD's budgets submitted for this review, the budgets include at least one year's worth of actual financial data, as recommended by the *Best Practices* of the Government Finance Officers Association.

Government Code Section 26909 requires all districts to provide for regular audits; the Big Bear Lake FPD conducts annual audits and meets this requirement. Section 26909 also requires districts to file a copy of the audit with the county auditor within 12 months of the end of the fiscal year. According to records from the County Auditor, the last audit received was in October 2010 for FY 2008-09. However, the District has informed LAFCO that it has provided the FY 2009-10 audit to the County Auditor.

RESOLUTION NO. 3142

The FY 2009-10 financial statements identifies a zero net pension obligation to SBCERA, and the financial statements do not identify if the District has an obligation to provide for post-employment health care benefits of retirees.

Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), the District is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fee schedules, or an excess in one year may be offset against a deficit in the following year. According to the FY 2009-10 financial statements, based on calculations by District Management, proceeds of taxes did not exceed related appropriations for the fiscal year ended June 30, 2010. Furthermore, Section 5 of Article XIII B allows the District to designate a portion of fund balance of general contingencies to be used in future years without limitation.

4. **Status of, and opportunities for, shared facilities:**

The Big Bear Lake FPD indicates that it does not share any facilities with other agencies. However, the Big Bear City Community Services District provides ambulance service within the boundaries of the District. Additionally, opportunities exist to share facilities with adjacent fire providers.

5. **Accountability for community service needs, including governmental structure and operational efficiencies:**

Local Government Structure and Community Service Needs

Big Bear Lake FPD is a subsidiary district of the City of Big Bear Lake, thus it is governed by the City Council as the ex-officio board of directors. The current board, their positions, and terms of office are shown below. The Fire Chief is responsible for the administration of the District affairs.

Board Member	Title	Term
Jay Obernolte	Chair	2014
David Caretto	Vice-Chair	2014
Liz Harris	Member	2012
Rick Herrick	Member	2014
Bill Jahn	Member	2012

City Council/District Board meets on the second and fourth Mondays of the month at 6:30pm at the City Civic Center. The City Council convenes joint or separate meetings as the Council or the respective board of directors as necessary. The public is invited to all open session meetings. The budget is approved by the City Council/District Board at a public hearing, and financial reports are presented quarterly to the City Council/District Board by the Finance Director.

RESOLUTION NO. 3142

Operational Efficiencies

Operational efficiencies are achieved through the following:

- Big Bear Lake FPD, CSD, and County Fire have pooled resources and jointly operate a vegetation chipping program that is free to those who reside in the Bear Valley.
- The District's funds are pooled with the City of Big Bear Lake's cash and investments in order to generate optimum interest income.
- The District is a member of California Joint Power Insurance Authority (CJPIA) for general liability and worker's compensation insurance.
- The District has been allowed to participate in the San Bernardino County Employees' Retirement Association ("SBCERA"). SBCERA is a cost-sharing multiple-employer defined benefit pension plan operating under the California Employees Retirement Act of 1937. A review of the most recently available audit identifies a zero net pension obligation.
- The District recently transferred its dispatch provider to Confire joint powers authority. This is a fully computer aided dispatch vendor.

Government Structure Options

There are two types of government structure options:

1. Areas served by the agency outside its boundaries through "out-of-agency" service contracts;
2. Other potential government structure changes such as consolidations, reorganizations, dissolutions, etc.

Out-of-Agency Service Agreements:

Currently Big Bear Lake FPD has automatic aid and mutual aid agreements with the CSD, Arrowbear Park Fire Protection District, Crest Forest Fire Protection District, U.S. Forest Service, and County Fire. The Big Bear Lake FPD also provides emergency services to areas outside its jurisdictional boundaries.

Government Structure Options:

The State has published advisory guidelines for LAFCOs to address all of the substantive issues required by law for conducting a service review, which were adopted by San Bernardino LAFCO as its guidelines in May of 2003. The Guidelines address 49 factors in identifying an agency's government structure options. Themes among the factors include but are not limited to: more logical service boundaries, elimination of overlapping boundaries that cause service inefficiencies, economies of scale, opportunities to enhance capital improvement plans, and recommendations by a service provider. The following scenarios are not being presented as options for the Commission to consider for action as a part of this service review. Rather, a service review should address possible options, and the following are theoretical scenarios for the community to consider for the future. Movement towards these scenarios would include, but not be limited to, a plan for service, fiscal impact analysis, and any other required studies.

RESOLUTION NO. 3142

- A single valley-wide agency as responsible entity. There are benefits to regionally providing services such as fire protection through a single entity such as the transfer of existing revenue streams to the larger fire entity for regional use, the standing army concept to respond to emergencies, and potential economies of scale that could be achieved. However, assumption of ambulance transport services by an agency other than the CSD would require ICEMA authorization. Without support from all affected agencies this option would not be achievable.
 - For example, reorganization could take place to return Big Bear Lake FPD to an independent district, annex the entire unincorporated Bear Valley area, and become the sole agency responsible for fire protection, emergency medical response and paramedics, and ambulance service in the valley.
 - Alternatively, the responsibility of fire protection and emergency services currently provided by Big Bear Lake FPD and the CSD could become the responsibility of County Fire and its Mountain Service Zone.

In the discussion of this option, the Commission continues to support the establishment of a single fire provider for the Bear Valley community. The consideration of the option of annexation of this territory to County Fire and the transfer of the existing property tax for support for these operations from the District has additional issues. It has been indicated to LAFCO that such an option would require the pledging of additional revenues for the funding of service. The Commission would question such an action for the CSD area given that during the reorganization of County Fire (LAFCO 3000), the property tax revenues generated within each of the independent fire providers in unincorporated areas derived by CSA 70 was transferred to County Fire. Below is the chart which was included in the September 2007 staff report for LAFCO 3000 outlining this distribution.

SUMMARY OF REVENUE ALLOCATED TO CSA 70*					
Prepared by Bob Wright 2/27/07					
	Assessed Value in <u>CSA 70</u>	1% General Tax Levy	CSA 70 Revenue	Independent District Revenue	# TRAs
Crest Forest Fire Protection District	1,368,861,644	13,688,616.44	323,282.27	3,248,324.64	52
Chino Valley Independent Fire District	438,657,966	4,386,579.66	111,192.51	644,285.16	21
Apple Valley Fire Protection District	919,969,619	9,199,696.19	261,868.80	914,490.28	90
Barstow Fire Protection District	271,329,791	2,713,297.91	69,506.45	663,640.71	25
Rancho Cucamonga Fire Protection District	92,986,681	929,866.81	24,993.45	117,115.79	13
Arrowbear Park County Water District	109,186,362	1,091,853.52	29,580.76	224,409.90	2
Running Springs County Water District	530,926,431	5,309,264.31	134,376.95	1,450,365.16	19
Big Bear Lake Fire Protection District	11,153,693	111,536.93	2,886.69	18,388.82	2
Big Bear City Community Services District	1,886,320,691	18,863,205.91	532,325.71	1,725,718.50	17
Morongo Valley Community Services District	200,630,602	2,006,306.02	52,124.25	363,395.32	21
Twentynine Palms Water District	1,162,534	11,625.34	388.27	0.00	4
Yermo Community Services District	78,014,587	780,145.87	25,277.40	78,008.05	8
Daggett Community Services District	23,336,338	233,363.38	6,439.71	55,730.25	16
Newberry Community Services District	161,113,077	1,611,130.77	52,174.36	162,401.48	14
Baker Community Services District	37,565,171	375,651.71	11,182.79	66,264.78	1
	6,131,214,077	61,312,140.77	1,627,600.37	9,732,538.85	305
REMAINING UNINCORPORATED AREA			4,534,982.00		

RESOLUTION NO. 3142

Contracting with County Fire for fire protection does not provide access to these administration funds; however, annexation would.

- Consolidation of Big Bear Lake FPD and CSD fire and emergency medical services. Efforts toward consolidation of fire related activities have been unsuccessful since 1979; however, there is a history of cooperative efforts. Big Bear Lake FPD and the CSD are currently considering functional consolidation, joint operations, and/or contracting for services due to economic circumstances, most notably a budget deficit in Big Bear Lake FPD. At the outset, joint operations do not mean full unification; possibly just cost sharing to start. Both fire chiefs have collaborated on development of a consolidation plan based on three phases that was first discussed at a joint workshop on February 22, 2011. Phase 1 would integrate the administrative functions, Phase 2 the operations, and Phase 3 would consolidate the organizations. Should Phase 1 not work, then a return to current operations would occur.

According to the joint staff report prepared by both fire chiefs for the joint meeting, consolidation of fire protection and emergency medical services between Big Bear Lake FPD and the CSD has been addressed a number of times in the past, most recently about five years ago. Although true consolidation has not occurred, the two fire agencies currently function through joint operations. The two agencies are dependent upon resources from the other to manage any significant emergency incident or concurrent calls.

Further, recently, the two fire agencies have jointly formalized duty officer responsibilities, mirror each other's emergency response matrixes as much as possible, share public information officer services, and have consolidated wood shake/shingle roof replacement and fire fuels reduction, both operationally and administratively. Due to economic conditions, collaborating is a high priority. An operational advantage of unified services is a single set of policies under one leadership. It may allow for deployment adjustments that could increase staffing at different locations as needed or staff a paramedic ambulance within the boundaries of the City.

Both agencies returned on June 7 to a joint meeting to consider a report on consolidation (copy included as a part of Attachment #4). As an outgrowth of the June 7 meeting, on July 13 the Big Bear Lake FPD appointed the CSD fire chief as the Big Bear Lake FPD interim fire chief, in addition to his full-time assignment with CSD. This has been memorialized through a contract between the agencies allowing for a shared fire chief. The fire chief will remain employed with the CSD and is Big Bear Lake FPD's interim fire chief until a decision is made to contract, consolidate, or remain a separate fire district.

In essence, the agencies have entered Phase I. Phase I consolidates and restructures administrative services currently provided separately by both departments. A single fire chief will guide administration, fire prevention, operations, and support services for both Big Bear City and Big Bear Lake. It is anticipated that this phase will encompass approximately 12 months; however the time frame could be extended. During Phase I, the focus will be on refining management and administrative personnel responsibilities; standardizing policies and procedures; implementing training procedures; and improving fire prevention operations.

RESOLUTION NO. 3142

- Dissolution of the Big Bear Lake FPD with the City as the successor. The City could dissolve its fire subsidiary district and become directly responsible for providing fire protection services. This would remove a layer of government within the community and would transfer territory outside the City boundaries to County Fire for further protection.
- Maintenance of the status quo. This scenario retains the existing fire structure for the Bear Valley community with the inherent cooperation amongst fire entities that currently exists.

In reviewing these options, consolidation of the Big Bear Lake FPD and the CSD fire function is presently viable. Due to the current economic circumstances the ongoing and increased sharing of responsibilities and information, as noted above, a reorganization of fire protection and emergency medical response in the Bear Valley is warranted in the future. The timing of such a change is being worked out through a contract between entities and the Commission commends the agencies for working toward a more cost efficient and effective provision of this crucial service to the mountain community.

WHEREAS, the following determinations are made in conformance with Government Code Section 56425 and local Commission policy:

1. **Present and Planned Uses:**

The Big Bear Lake FPD's boundaries generally correspond to the City's sphere of influence boundaries except for approximately 640 acres of additional forest land. The breakdown in land use designation include approximately 42% Single-Family Residential, 6% Multiple Family Residential, 12% Commercial and/or Industrial, 2% Public Facilities, and 6% Open Space, all of which are in the City's boundaries. Within the County's jurisdiction, 12% is designated as RC and the remaining 25% is designated by the County as Floodway.

Within the District, majority of the development has been single family housing units. The 2010 Census identifies that from 2000 to 2010, total housing units increased by 11.5% while occupied units decreased by 6.7% and the vacancy rate increased by 18.2%. The foreclosure of 541 homes represents 5.7% of the household units within the District has been in foreclosure since 2004. Even with the current economic conditions, the long-term population trend remains – the District is also projected to experience 39% growth through 2035.

Of the 250 acres being added to the District's sphere of influence, 64% is designated as RL-40 (Rural Living, 40 acres minimum) and the remaining 36%, which is the lake portion of the sphere expansion area, is designation as Floodway.

2. **Present and Probable Need for Public Facilities and Services:**

The Big Bear Lake FPD provides Fire Protection Services (structural and wildland), Emergency Medical Service, Ice Rescue, Public Safety and Self Help Education, Fire Prevention and Fire Code Enforcement, Hazardous Material Emergency Response - Operational Level, and other services related to the protection of lives and property.

RESOLUTION NO. 3142

The District's budget provides for the operation and maintenance of:

- One 24-hour staffed headquarters fire station
- Two outlying Paid Call fire stations
- Three first-line fire engines
- One ladder truck
- One quick attack (brush patrol) unit
- One heavy rescue
- One rescue squad
- Five utility/staff vehicles

With regard to staffing levels, the District has a Fire Chief, an Assistant Fire Chief, two Administrative Secretaries, sixteen suppression personnel assigned to three shifts, Fire Prevention Officer, an allocation for twelve Paid Call Firefighters to better assist Suppression personnel during emergencies. Paid Call Firefighters receive weekly training drills and rotate through weekend shifts for additional training and experience. On July 13 the Big Bear Lake FPD appointed the CSD fire chief as the Big Bear Lake FPD interim fire chief, in addition to his full-time assignment with CSD. This has been memorialized through a contract between the agencies allowing for a shared fire chief. The fire chief will remain employed with the CSD, is Big Bear Lake FPD's interim fire chief until a decision is made to contract, consolidate, or remain a separate fire district, and the agencies will divide up the financial obligations for his service.

District stations include one full time headquarters station (Station 281) and two paid call outlying stations (Stations 282 & 283). The paid call stations were renovated in 1994, following the 1992 earthquake, and are listed in good condition. Station 281 contains the District's administration and is the primary response station.

3. Present Capacity of Public Facilities and Adequacy of Public Services:

The Big Bear Lake FPD is configured in three Fire Management Areas broken into Fire Demand Zones within each management area. Each Fire Management Area is represented by the location of each station. Fire suppression consists of three shifts with five personnel per shift. First call equipment is deployed to deliver initial fire attack and Emergency Medical Services within four to six minutes approximately 70 percent of the time. Annual call volume has increased significantly through the years, with an average response time of five to six minutes from receipt of alarm.

The District responds with fire apparatus to all reported medical emergencies and rescue situations. All firefighters assigned to fire apparatus are certified as emergency medical technicians. These individuals respond along with paramedic ambulances to medical service requests. The District responds to more medical aid service requests than any other type of call, which is typical for fire agencies. In 2010, the District responded to 1,757 calls. The median response time was 6.1 minutes and the mean response time was 7.0 minutes. The vast majority of situations were for emergency medical services, not including vehicle accidents with injuries. According to the District, while it expects to experience increased call volume, the current infrastructure (number of stations and apparatus) will support the corresponding increase in demand for service; however, there will be a need to increase staffing levels to meet the increased call volume.

RESOLUTION NO. 3142

Currently through automatic aid and mutual aid agreements with the CSD, U.S. Forest Service, and County Fire, Big Bear Lake FPD also provides emergency services to areas outside its jurisdictional boundaries.

At this time, the District meets the needs of the area it serves. However, due to the economic downturn and the decline in assessed property values, the property tax levy available to fund the cost of operations has been reduced. As a result, both the District and the CSD are currently considering options for service including consolidation or contracting for services.

4. Social and Economic Communities of Interest:

The City is the core of the social and economic community of interest for the District. In addition, the entirety of the District is within the Bear Valley Unified School District, which is a regional entity servicing the Bear Valley community providing for a larger social unit for the eastern Mountain region.

Economic communities of interest include the two ski resorts (Bear Mountain and Snow Summit), Big Bear Lake itself and the recreational activities supported by the lake, as well as the commercial activities around the lake area, the Village, and along Big Bear Boulevard (State Highway 18).

5. Additional Determinations

- As required by State Law notice of the hearing was provided through publication in a newspaper of general circulation, *The San Bernardino Sun*. Individual notice was not provided as allowed under Government Code Section 56157 as such mailing would include more than 1,000 individual notices. As outlined in Commission Policy #27, in-lieu of individual notice the notice of hearing publication was provided through an eighth page legal ad.
- As required by State law, individual notification was provided to affected and interested agencies, County departments, and those agencies and individuals requesting mailed notice.
- Comments from landowners/registered voters and any affected agency have been reviewed and considered by the Commission in making its determinations.

WHEREAS, pursuant to the provisions of Government Code Section 56425(i) the range of services provided by the Big Bear Lake FPD shall be limited to the following:

FUNCTIONS

SERVICES

Fire Protection

Structural, watershed, suppression, prevention, rescue, first aid

WHEREAS, having reviewed and considered the findings as outlined above, the Commission determines to expand the Big Bear Lake FPD's sphere of influence by approximately 250 acres and affirms the balance of its existing sphere of influence.

RESOLUTION NO. 3142

NOW, THEREFORE, BE IT RESOLVED by the Local Agency Formation Commission of the County of San Bernardino, State of California, that this Commission shall consider the territory shown on the map attached as Exhibit "A" as being within the sphere of influence of the Big Bear Lake FPD; it being fully understood that establishment of such a sphere of influence is a policy declaration of this Commission based on existing facts and circumstances which, although not readily changed, may be subject to review and change in the event a future significant change of circumstances so warrants;

BE IT FURTHER RESOLVED that the Local Agency Formation Commission of the County of San Bernardino, State of California, does hereby determine that the Big Bear Lake FPD shall indemnify, defend, and hold harmless the Local Agency Formation Commission of the County of San Bernardino from any legal expense, legal action, or judgment arising out of the Commission's designation of the modified sphere of influence, including any reimbursement of legal fees and costs incurred by the Commission.

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

AYES: COMMISSIONERS: Bagley, Coleman, Cox, Curatalo, Mitzelfelt, Rutherford, Williams

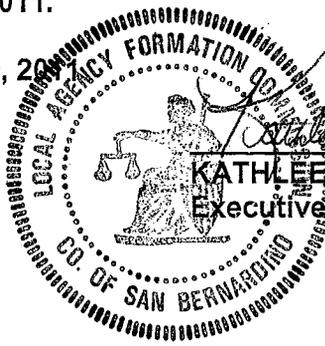
NOES: COMMISSIONERS: None

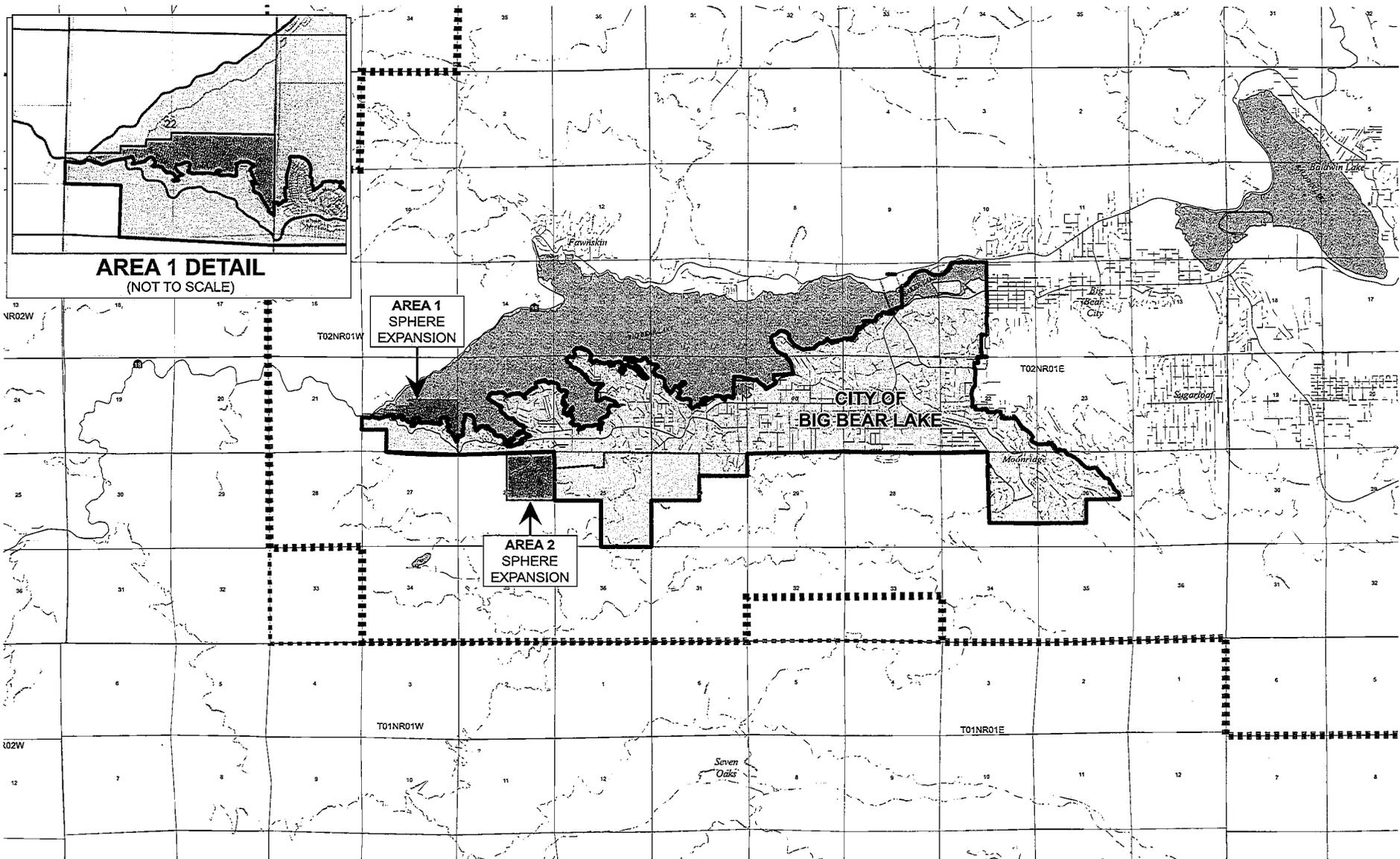
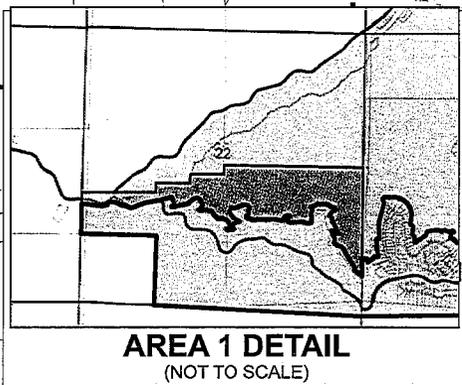
ABSENT: COMMISSIONERS: McCallon (Williams voting in his stead)

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 meeting of September 28, 2011.

DATED: September 29, 2011


KATHLEEN ROLLINGS-McDONALD
Executive Officer




**LAFCO 3112 – Service Review and Sphere of Influence
Update for Big Bear Lake Fire Protection District**

- DISTRICT BOUNDARIES
- PROPOSED COMMUNITY DEFINITION
- PROPOSED SPHERE OF INFLUENCE EXPANSION
- LAKES
- EXISTING SPHERE OF INFLUENCE
- EXISTING COMMUNITY DEFINITION
- PROPOSED SPHERE OF INFLUENCE REDUCTION
- CITY OF BIG BEAR LAKE

EXHIBIT A

EXHIBIT A