SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

1112 I Street, Suite 100 Sacramento, California 95814 (916) 874-6458

June 7, 2006

TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer

RE: Sacramento Metropolitan Fire District Annexation of McClellan

Business Park (16-05)

[CEQA: Categorical Exemption 15319(a) Class 19]

CONTACT: Donald J. Lockhart AICP, Assistant Executive Officer (916) 874-2937

RECOMMENDATION

- 1. Certify the CEQA Categorical Exemption as adequate and complete for the Sacramento Metropolitan Fire District Annexation of McClellan Business Park, and direct the Executive Officer to file the Notice of Exemption with the appropriate government entity.
- 2. Adopt the Resolution approving the Sphere of Influence Amendment and Sacramento Metropolitan Fire District Annexation of McClellan Business Park.
- 3. Pursuant to provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, your Commission should exercise delegation of authority to the Executive Officer to act as Conducting Authority for the Sacramento Metropolitan Fire District Annexation of McClellan Business Park.
- 4. Set the effective date of annexation to be upon filing of the Certificate of Completion by the Executive Officer.
- 5. Authorize your Chair to sign the Resolution making these determinations.

FPPC Disclosure

No parties to this annexation have declared any contributions to any members of the Commission.

Project Proponents

County of Sacramento c/o Paul Hahn 700 H Street, Room 7650 Sacramento, CA 95814 (916)874-5889 Sacramento Metropolitan Fire District c/o Wynn Latta, Deputy Chief 2101 Hurley Way Sacramento, CA 95825 (916)566-4303

The Board of Directors adopted Resolution 41-05 on December 14, 2005, initiating this annexation, and directing staff to prepare an application. The application was submitted February 16, 2006.

Project Location

The affected territory consists of the 3200 acre former McClellan Air Force Base, now McClellan Business Park. The park is adjacent to the City of Sacramento on the northwest. A legal description of the boundaries of the proposed project is included with the Resolution as Attachment A.

Project Description

The proposal is an Amendment to include the territory within the Sphere of Influence, and concurrent Annexation to the Sacramento Metropolitan Fire District (SMFD.)

Background

On August 10, 2005, the Board of Directors for the Sacramento Metropolitan Fire District adopted Resolution 28-05, a "Resolution of Intent to Study the Annexation of the Territory Within the Former McClellan Air Force Base, now known as McClellan Business Park."

Under the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, and in compliance of California Government Code Section 56654 (b), on August 12, 2005, a copy of Resolution 28-05 and a cover letter were sent to the City of Sacramento, County of Sacramento, North Highlands Recreation and Park District, Sacramento Municipal Utility District and the Sacramento Suburban Water District advising those agencies of the District's intent. The cover letter included staff's estimate of the time required to complete the study and provided contact information for questions and/or concerns. Two comments were received. One call was received from the City of Sacramento and the other from the North Highland Recreation and Park District. The questions concerned property tax revenues for the Park District and the potential impact this annexation might have on the City's exploration of annexing a portion of the Natomas area. Staff addressed those concerns by assuring no property taxes would be taken from the Park District and that this annexation would not have an impact on any City proposal to annex territory in the Natomas area. SMFD received no further inquiries

related to the proposal.

The resolution requested that the following terms and conditions be applied to the proposal, if approved.

- 1. The level of structural fire protection and emergency medical services to be provided to the McClellan Business Park shall be consistent with and equal to those services provided within other areas of the District.
- 2. SMFD shall assume responsibility structural fire protection and emergency medical services to the McClellan Business Park effective July, 1 2006.
- 3. The Sphere of Influence for SMFD shall be coterminus with the District boundary, as amended to include the affected territory.

If your Commission approves the proposal, it should be noted the reconsideration period and Conducting Authority proceedings will extend past July 1, 2006. Staff has discussed the matter with SMFD, and they have agreed to a transition date of July 15, 2006, or upon filing of the Notice of Completion.

Property Tax Revenue Agreement

The annexation of territory is subject to Section 99 of the Revenue and Taxation Code regarding the distribution of property tax after the annexation is complete.

The District entered into negotiations with the County of Sacramento to develop a Property Tax Exchange Agreement. The purpose for those negotiations was to secure a stable funding source for providing life safety and fire protection services at McClellan Business Park should that area be annexed into Metro Fire. The negotiations were successful and produced a Property Tax Exchange Agreement acceptable to both parties. Respectively, on November 1, 2005 and November 9, 2005, the Sacramento County Board of Supervisors and the Board of Directors for the Sacramento Metropolitan Fire District approved the Property Tax Exchange Agreement (Attached.)

Project Characteristics

Assessor Parcel Number (APN) Various

Assessed Valuation: (Total) \$1,780,000,000

Registered Voters: 118 Acres: 3200

Service Providers

Water Supply: Sacramento Suburban Water District

Fire Protection: Sacramento Metropolitan Fire District boundary

Parks: North Highlands Recreation & Park District

General Government/

Planning: County of Sacramento

Police: County Sheriff

Municipal Serve Review and Sphere of Influence

On June 2, 2004 your Commission adopted Resolution No. LAFC 1279 making written determinations for the SMFD Municipal Service Review and Sphere of Influence Update. The District's Sphere of Influence remained coterminous with the existing District boundary.

The District provides life safety and fire protection services to over 660,000 residents throughout an area encompassing approximately 417 square miles of Sacramento County, including the cities of Citrus Heights and Rancho Cordova, and an additional 1½ square miles in Placer County. After the proposed annexation of McClellan Business Park, the service area for the Sacramento Metropolitan Fire District will be increase by approximate 6 square miles. As a result, the District would encompass approximately 423 square miles of Sacramento County. At this time it is the largest fire district in the County of Sacramento and the seventh largest local fire agency in the State of California.

The District also has mutual aid agreements with surrounding jurisdictions that provide fire service based on collaboration and cooperation. This is a regional benefit because resources are shared between fire agencies. Sacramento Metropolitan Fire District provides fire protection and emergency medical response under the direction of an elected Board of Directors which is accountable to the public. The District is primarily funded by property tax. The District has reorganized and numerous fire districts have consolidated during the last thirty years to create the Sacramento Metropolitan Fire District. These fire district reorganizations have resulted in numerous benefits, including:

- Uniform level of service.
- Ability to provide specialized services:
 - Hazardous materials response.
 - Helicopter services.
- Cost savings:
- Avoidance of duplication of support services, i.e., accounting, Human Resources, as well as organizational structure: Fire Chiefs, Fire Marshalls, Inspectors, etc.
- Improved distribution of fire stations to equalize response times for service area.

The Municipal Service Review fully addressed the service responsibilities currently provided by SMFD under contract with the County for McClellan Business Park.

In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies so as to

advantageously provide for the present and future needs of the county and its communities, your Commission is responsible to develop and determine the sphere of influence of each local governmental agency within the county, [56425. (a).]

In determining the sphere of influence of each local agency under it's jurisdiction, your Commission shall consider the present and planned land uses in the area, the present and probable need for public facilities and services in the area, including capacity, adequacy, and the existence of any social or economic communities of interest in the area as relevant to the agency. McClellan Business Park is largely built-out.

According to SACOG 2000 census information adjusted by figures contained in the State's Department of Finance reports for calculating Prop 4 Appropriations Limits, the Sacramento Metropolitan Fire District currently serves approximately 670,000 residents. Information provided by McClellan Business Park reports its resident population from rental properties in the area is about 358 individuals. The Park estimates the weekday, daylight business hours to include another 7,200 workers in the commercial office and warehouse spaces. Additionally, the Park's Lion's Gate Hotel with its 150 rooms provides the capability of housing 256 transient guests.

Every determination made by your Commission shall be consistent with the spheres of influence of the local agencies affected by those determinations, [Sec. 56375.5.]

Staff recommends approval of the amendment of the SMFD Sphere of Influence to encompass McClellan Business Park. The District currently provides the full array of fire suppression and life safety services to the Park under contract with the County of Sacramento.

Annexation

Until March 6, 2001, the Federal Government maintained an Air Force Fire Department at McClellan. On March 6, 2001, under a contract with Sacramento County, SMFD began providing life safety, structural fire protection and ARFF (aircraft rescue and firefighting) services at McClellan. The current contract for those services is scheduled to expire on September 30, 2009. Under Resolution 41-05, Metro Fire will assume the legal responsibility for providing life safety and structural fire protection services at McClellan Business Park on July 1, 2006, at which time the contract with Sacramento County will be amended to apply only to the provision of ARFF services at McClellan.

The annexation will enable SMFD to continue to provide the lowest cost and highest quality of fire protection and life safety for the affected population most efficiently. For purposes of your local General Policies the most efficient services are those which are provided at the most optimum combination of service cost and service level; as well as the District historic service provision, effectiveness and efficiency.

In the 2005/06 Final Budget, the authorized full-time paid operational firefighting staffing level at the Sacramento Metropolitan Fire District is 590 members. The District

has strategically positioned its 43 fire stations in locations that afford maximum service delivery capabilities.

Full Time Companies

Apparatus Type	Number of Companies
Engine	40
Truck	4
Air Unit ⁱ	2
Hazardous Materials	2
Medics (Ambulance)	12
Firefighting Helicopter	1
ARFF (Aircraft Rescue and Firefighting)	1

Reserve Firefighter (Volunteer) Companies

Apparatus Type	Number of Companies
Engine	2
DART (Drowning Accident Rescue Team)	1

Under the provisions of the 2004 - 2006 labor agreement with the Sacramento Area Firefighters Local 522, full time Companies are staffed as follows:

Apparatus Type	Full Time Personnel
Engine	3
Truck	4
Air Unit ⁱⁱ	1
Hazardous Materials	4
Medics (Ambulance)	2
Firefighting Helicopter	3
ARFF (Aircraft Rescue and Firefighting)	3

Additionally, Reserve Firefighter Engine Companies are staffed with a minimum of two individuals trained to the level of Firefighter 1, and respond in predesignated areas. Those companies are always backed up with full-time firefighting units and are dispatched to other areas on a call-as-needed basis.

After the annexation, the structural firefighting Engine Company and ARFF Unit deployed at McClellan Business Park will continue to be staffed at the levels mandated in the District's labor agreement with Firefighters Local 522.

The proposed annexation is consistent with your locally adopted General Policies, Standards and Procedures, and the District SOI, as amended. Staff recommends approval of the annexation encompass McClellan Business Park.

Conducting Authority Proceedings

After your Commission has adopted a resolution making determinations on the reorganization, any person or affected agency may file a written request with the executive officer requesting amendments to or reconsideration of the resolution within 30 days of adoption. [56895 (a)(b).]

The affected territory is inhabited, with 113 registered voters onsite. Notice has been provided to all registered voters, affected agencies and landowners in the project area.

Your Commission, as Conducing Authority shall take one following actions:

- (1) Terminate proceedings if a majority of registered voters protest.
- (2) Order the change of organization or reorganization subject to confirmation by the registered voters residing within the affected territory if written protests have been filed and not withdrawn by either of the following:
- (A) At least 25 percent, but less than 50 percent, of the registered voters residing in the affected territory.
- (B) At least 25 percent of the number of owners of land who also own at least 25 percent of the assessed value of land within the affected territory.
- (3) Order the change of organization or reorganization without an election if written protests have been filed and not withdrawn by less than 25 percent of the registered voters or less than 25 percent of the number of owners of land owning less than 25 percent of the assessed value of land within the affected territory. [CKH Sec. 57075]

Environmental Considerations

The proposed project would amend the Sphere of Influence and annex the area of the existing and fully developed McClellan Business Park to the Sacramento Metropolitan Fire District. The District is currently providing fire and life safety services to the area to be annexed under contract to Sacramento County. Staff has conducted and Initial Study, and prepared a Categorical Exemption pursuant to CEQA Guidelines Section 15319(a), Class 19 - Annexation of Existing Facilities.

Public and Affected Agencies:

All affected landowners and registered voters have been notified of the proposal. No comments have been received.

The project was circulated for the review and comment of affected agencies, Sacramento County, North Highlands Recreation and Park District, Sacramento Suburban Water District, and the City of Sacramento. No objections were raised.

Sacramento Suburban Water District provided a comment that large parcels of the Park, particularly in the northwest portion, are underdeveloped, and have limited infrastructure, including water. As the area develops, SSWD will continue to work with SMFD to ensure that standards are met to satisfy both agencies. For insurance premium purposes, the Sacramento Metropolitan Fire District enjoys an Insurance Services Office (ISO) fire service class ratings of 3 in areas where water is supplied by fire hydrants and 8 in service areas where fire hydrants are not available. McClellan Business Park's water delivery system provides fire hydrants that comply with the ISO Class 3 fire service rating. There will be no change in these ratings as a result of the annexation

Executive Officers Comments

The proposal is supported buy both the County of Sacramento and the District. SMFD has been providing structural fire protection and emergency medical services to the Park under contract with the County since March, 2001. The Sphere of Influence Amendment and Annexation are in the best interest of the residents, and affected landowners. Approval of the proposal will provide for more efficient, effective and economical service delivery. The annexation will provide for a predictable, stable and consistent funding source for the Sacramento Metropolitan Fire District. The level of structural fire protection and emergency medical services to be provided to the McClellan Business Park will be consistent with and equal to those services provided within other areas of the District.

The proposal is consistent with your Sacramento Policies, Procedures and Guidelines, the SMFD MSR, and the County of Sacramento General Plan.

<u>RECOMMENDATION</u>

I recommend your Commission approve the attached Resolution:

- 1. Certify the CEQA Categorical Exemption as adequate and complete for the Sacramento Metropolitan Fire District Annexation of McClellan Business Park, and direct the Executive Officer to file the Notice of Exemption with the appropriate government entity.
- 2. Adopt the Resolution approving the Sphere of Influence Amendment and Sacramento Metropolitan Fire District Annexation of McClellan Business Park.
- 3. Pursuant to provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, your Commission should exercise delegation of authority to the Executive Officer to act as Conducting Authority for the Sacramento Metropolitan Fire District Annexation of McClellan Business Park.
- 4. Set the effective date of annexation to be upon filing of the Certificate of Completion by the Executive Officer.

5.	Authorize your Chair to sign the Resolution making these determinations.
Respec	etfully,

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

Peter Brundage Executive Officer

Attachments:

Maps
SMFD Resolution Initiating LAFCo Proceedings
Executed Property Tax Exchange Agreement
CEQA Notice of Exemption

DL:Maf

(Metro Fire Annexation McClellan)