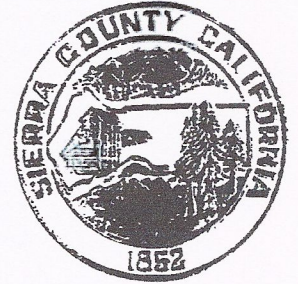


SIERRA COUNTY



Sierra County Local Agency Formation Commission
Executive Officer's Report

Pliocene Ridge Community Services District Formation Proceeding LAFCO Application 2003-01

Summary

A petition proposing the formation of the Pliocene Ridge Community Services District has been filed with Sierra County Local Agency Formation Commission. The boundary of the proposed district includes the southwestern portion of Sierra County generally described as approximately 115 square miles of territory bounded on the east by Jackson Meadows Reservoir; bounded on the west by the county line common between Sierra and Yuba Counties; bounded on the south by the county line common between Sierra and Nevada Counties; and, bounded on the north by the watershed division of the North Yuba River. The area encompassing the proposed district includes existing tax rate areas and includes the communities of Pike, Forest City, and Alleghany (see map attached as exhibit 1). The proposed district is being formed for the purposes of providing fire protection, emergency medical, and related services by incorporating the existing volunteer fire departments serving each of the identified communities.

Recommendation

Staff is recommending the Commission take the following actions:

- 1) Approve the filing of a Notice of Exemption
- 2) Approve a resolution making determinations on the proposed formation subject to recommended terms and conditions
- 3) Approve a sphere of influence for the proposed district

Proceeding History

The southwestern portion of Sierra County is not within any existing fire protection district or other special district providing extended or specific services with the exception of a cemetery district and County Service Area 2. The communities of Pike, Forest City, and Alleghany have supported volunteer fire departments through the creation of non-profit organizations or structured volunteer fire departments. There has been an increasing desire to form a special district that includes fire protection as one of the authorized services. Resultantly, a formation proceeding was initiated in October 2001 by petition under the direction of Mr. William Adasiewicz, Chief Petitioner.

Upon filing a notice of intent to circulate a petition, petitions were filed with the Sierra County Local Agency Formation Commission on October 14, 2001 proposing the formation of the Pliocene Ridge Community Services District which only included lands in the general vicinity of Pike and excluded the communities of Forest City and Alleghany. Immediately following the filing of petitions initiating the formation proceeding, a public meeting was conducted in Alleghany on October 24, 2001 and as a result of this meeting, the Chief Petitioner recirculated petitions for a formation proceeding that included an expanded area to include the communities of Forest City and Alleghany. New petitions were filed with the Sierra County Local Agency Formation Commission on March 8, 2002. The boundaries of the proposed district were quite expansive, generally including all lands in southwestern Sierra County.

The proposed district includes a cemetery district and the Alleghany County Water District which will remain autonomous. The area proposed for formation includes a portion of County Service Area 2 and this district has provided funding support for fire protection and emergency medical services for a number of years.

The petitions for formation which were filed with the Sierra County Local Agency Formation Commission on March 8, 2002 were submitted for verification of signatures by the Sierra County Clerk-Recorder (Elections Clerk) on May 28, 2002. The Clerk found insufficient signatures in existence and a notice to the Chief Petitioner was filed on September 5, 2002 commencing a fifteen (15) day period within which the Chief Petitioner could file supplemental petitions to add signatures. Supplemental petitions containing 26 additional signatures were filed with the Sierra County Local Agency Formation Commission on September 18, 2002. The Clerk certified that 132 valid signatures existed which represented over 80% of the registered voters within the boundaries of the proposed district (125 were needed to satisfy the 80% threshold).

The preliminary procedures (prior to issuance of a Certificate of Filing) were initiated in December 2003 to obtain information required by the Revenue and Taxation Code and to commence property tax exchange proceedings and negotiations. The County Assessor and County Auditor provided required information (see letters attached as exhibits 2 and 3) and the Sierra County Board of Supervisors on February 3, 2004 adopted a resolution (see resolution attached as exhibit 4) determining the property tax allocation for service areas whose responsibility would be altered by the jurisdictional change. The Certificate of Filing was executed by the Executive Officer on February 4, 2004 (see certificate attached as exhibit 5) and the public hearing before the Sierra County Local Agency Formation Commission is set for Thursday, February 26, 2004. The public hearing was duly noticed as required by law.

Service and Finance Issues

The formation of the Pliocene Ridge Community Services District was primarily initiated for organization and stabilization of fire protection and emergency medical services for the affected region. The services provided to the area of the proposed district include

cemetery district services (not affected by proceeding), domestic water provide within the Alleghany County Water District (limited to a small area around the community of Alleghany and not affected by proceeding), fire protection and emergency medical funding support provided by County Service Area 2, street light services provided through County Service Area 2, and, parks and recreation services provided by the Sierra County general fund. Road maintenance, snow removal, solid waste disposal and police protection are provided by the County of Sierra. School services are provided by the Sierra-Plumas Joint Unified School District. No other services are provided to this region.

The Board of Supervisors in determining any property tax allocations to accompany the proposed formation proceeding identified a total amount of public funding provided during the prior fiscal year of \$28,444 (see County Auditor letter attached as exhibit 3). This amount included fire protection, street lights, indirect costs, and the tax administration fee. Also of note is the fact that the entire area proposed for inclusion within the district only generates \$13,308 in property tax revenues. Thus, the difference between revenues expended and revenues generated in the amount of \$15,136 is contributed from property taxes generated from outside of the boundaries of the proposed district. There was considerable debate at the Board of Supervisors meeting of February 3, 2004 over the inclusion of street light services and funding in the property tax allocation.

One issue that should be evaluated is whether or not to include parks and recreation as part of the service delivery authorized by the Commission in any approval of the formation. While no funds would transfer from any other entity and no additional service demands would be apparent, the existence of the proposed community services district and its inclusion of parks and recreation would qualify the new district as a recipient of future State Park Bond Act funds that may be approved. As an example, Proposition 40 of 2002 would have offered the district \$220,000 of funding based on a per capita program with no funding match required had the district been in existence in 2001. This additional of services would be somewhat hollow and is only suggested to allow the district to qualify for said funding in the future.

CEQA Compliance

The Commission is lead agency for the project and an initial study has been prepared. A notice of exemption has been determined to be appropriate if deemed appropriate by the Commission in its consideration of the formation proceeding.

Sphere of Influence

The sphere of influence is the plan for the probable physical boundaries and service area of the proposed district. As a planning tool, the sphere provides guidance in reviewing individual proposals, promotes efficient provision of organized community services, and prevents duplication of services. It is the executive officer's recommendation that the sphere for the proposed district be a coterminous boundary since it is anticipated that the

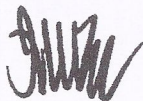
need for services outside of the proposed district boundaries will not be required nor desired. There is also insufficient information to support inclusion of any areas outside of the proposed district boundaries.

Comments from Affected Agencies and the Public

No unfavorable comments have been received from public agencies affected by the proposed district nor from any member of the public. Comments received from the Alleghany County Water District are supportive of the proposed formation so long as not boundary change or service alteration impacts the operation and jurisdiction of the water district. The proposed formation assumes that the Alleghany County Water District remains a functioning special district within the boundaries of the proposed district.

Conclusions and Findings

The proposed formation is not inconsistent with any General Plan policy and the combination of General Plan land use designations and zoning designations would not be in conflict if the district were to be formed. The formation will not result in urban sprawl and will be neutral on infill development and promotion of compact urban form. The structure for the proposed district is simple, accessible, and accountable and the existence of the existing fire service agencies (non profit or volunteer) is sufficient documentation that the proposed district will be able to provide an adequate level of service. Efficient services are obtained when proposals utilize existing public or quasi-public agencies and activities (such as fire protection) are consolidated. The proposed boundaries follow administrative or political boundaries (county line) and natural features (watershed division) to provide logical, effective and efficient service delivery and allow opportunity for mutual aid and cooperation with adjacent fire protection districts within and outside of Sierra County. There is strong local support for the creation of this district and a strong emphasis on fire protection and emergency medical services which translate into good public policy and an improvement to the quality of life to the region being served.



Tim H. Beals
Executive Officer