

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

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REQUEST FOR PROPOSALS FOR FIRE AND EMERGENCY SERVICES STUDY

I. INTRODUCTION

General Information

The El Dorado Local Agency Formation Commission (LAFCO), in conjunction with the County of El Dorado and 14 fire suppression and emergency services agencies, seeks proposals from professional consulting firms to prepare a study evaluating the provision of fire and emergency services in El Dorado County. Currently, these services are provided by ten fire protection districts, two community services districts, one city and one county water district.

This study should address all of the factors outlined in the Scope of Services (Section II) and in compliance with the timelines specified in this document. There is no expressed or implied obligation for LAFCO, the County of El Dorado or any of the fire suppression and emergency services agencies to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

To be considered, a response to this request must be received by José C. Henríquez, Executive Officer, El Dorado Local Agency Formation Commission, 550 Main Street, Suite E, Placerville, CA 95667, by close of business, Monday, August 17, 2009. LAFCO reserves the right to reject any or all proposals submitted.

During the evaluation process, LAFCO reserves the right, where it may serve the best interest of LAFCO, the County of El Dorado or the fire suppression and emergency services agencies, to request additional information or clarifications from responders, or to allow corrections of errors or omissions. Firms submitting proposals may be requested to make oral presentations as part of the evaluation process at the discretion of LAFCO, the County of El Dorado and the fire suppression and emergency services agencies.

LAFCO reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal is acceptance by the firm of the conditions contained in this request for qualifications, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between LAFCO and the firm selected.

COMMISSIONERS

Public Member: Francesca Loftis • Alternate Public Member: Norm Rowett

City Members: Jerry Birdwell, Carl Hagen • Alternate City Member: Mark Acuna

County Members: Ron Briggs, James R. Sweeney • Alternate County Member: Ray Nutting

Special District Members: Ken Humphreys, Harry J. Norris • Alternate Special District Member: Michael Cooper

STAFF

José C. Henríquez, Executive Officer • Erica Sanchez, Policy Analyst

Denise Tebaldi, Interim Commission Clerk • Andrew Morris, Commission Counsel

It is anticipated the selection of a firm will be completed by August, 2009. Following the notification of the selected firm, it is expected a contract will be executed between both parties no later than October, 2009.

Creation of LAFCOs

Following the end of World War II, California entered a new era of demographic growth and diversity and economic development. With this growth came the need for housing, jobs and public services. To provide for these services, California experienced a wave of newly formed cities and special districts, but with little forethought as to how the new agencies should plan for services. The lack of coordination and adequate planning for future governance led to a multitude of overlapping, inefficient jurisdictional and service boundaries.

In 1963, the State Legislature created Local Agency Formation Commissions (LAFCOs) to help direct and coordinate California's growth in a logical, efficient, and orderly manner. Each county within California is required to have a LAFCO. LAFCOs are charged with the responsibility of making difficult decisions on proposals for new cities and special districts, spheres of influence, consolidations, and annexations. LAFCO's mandate includes evaluating the efficiency of service provision by local governments and establishing the probable future boundaries for all local agencies within its jurisdiction.

Background of El Dorado LAFCO

El Dorado LAFCO is a seven-member commission, consisting of the following categories: two members from the El Dorado County Board of Supervisors, two members from city councils, two members from special district boards of directors and one member who represents the public at large. Each category has an alternate Commissioner who serves in the absence of the regular member. Staff to El Dorado LAFCO includes an Executive Officer, two full-time administrative employees, one part-time administrative employee and legal counsel. El Dorado LAFCO also utilizes consultant assistance on a limited basis to supplement staff efforts.

Background on the Provision of Fire and Emergency Services in El Dorado County

As indicated above, fourteen separate agencies provide fire and emergency services in El Dorado County. Fire services are provided by separate governmental entities, including ten fire protection districts, two community services districts, one city and one county water district, each with their own separate governing board, personnel policies and financing structure (i.e. property taxes, special taxes and assessments). Emergency medical services are provided through a joint powers authority between the County and the 14 fire services entities. The County provides funding for equipment and personnel salaries and nine of the fire entities provide the manpower ("provider agencies"). Financing for emergency services is through a countywide assessment.

Through an active Fire Chief's Association (which includes CAL FIRE and the US Forestry Service), the agencies have an extensive record of cooperation, collaboration and coordination, including automatic aid agreements, single dispatch systems for the

Western Slope and Tahoe Basin, new recruit training and equipment purchase. However, eight of those agencies currently have insufficient revenue streams and have relied on supplemental funding from the County of El Dorado. With finances severely constrained because of the economy and the State budget, the County finds itself with balancing competing fiscal demands, including whether it is able to continue to provide supplemental funds. Meanwhile, some fire protection districts would simply be unable to meet service demands without the supplemental funds. The County and the fire agencies have asked LAFCO to seek an independent consultant to evaluate fire services countywide and to provide actionable recommendations on how to ensure sustainable, adequate and cost effective coverage.

II. SCOPE OF SERVICES:

The assessment and recommendations should be comprehensive, including a review of financing and governmental structures. The following Scope of Services was proposed by the fire and emergency agencies in collaboration with LAFCO and the County. It is expected that the consultant selected for this RFQ address each of the factors listed below and that a draft of actionable recommendations be provided no later than January 15, 2010.

1. An analysis of the funding structures for the various fire districts and County. Specifically, the submission of qualified recommendations options/alternatives to be considered by all applicable parties, including analyses of
 - a) Budgets;
 - b) Tax rates, especially property tax allocations, and the districts' utilization of those revenues
 - c) All other revenues and fees and the potential for any other charges available to the districts that they should be charging but are not currently utilizing
2. Analysis of salary and benefits for all local government EDC fire districts, e.g. "Employee Actuarial Valuation".
3. Analysis of volunteer firefighter programs countywide including estimated cost savings to fire districts.
4. Analysis of fire apparatus and assets.
5. Review of all current fire station locations, including US Forest Service and CAL FIRE, to get input on strategically designing a Master Plan for fire station locations in the future. Plus, identify the effect of any potential Cal Fire station closures
6. A discussion and an analysis of the efficiency of thirteen local government fire district boards and one city council (City of South Lake Tahoe) dealing with the fire and EMS service (NOTE: the City of Placerville contracts with El Dorado County Fire Protection District for fire services).
7. An overall evaluation of fire and EMS services within El Dorado County, including the current dispatch services. This evaluation must include the following:

- a. Are there efficiencies (operationally) and cost savings to be realized by joining some or all of the local government fire districts? Options to be explored should include an exhaustive review of specific circumstances found in El Dorado County (as opposed to a general list of what options are available), and must include an exploration of the following governmental structures:
 - i. "Status quo";
 - ii. A consolidated El Dorado County agency for both the West Slope and the Tahoe Basin;
 - iii. Regional (such as a consolidated West Slope and consolidated Tahoe Basin);
 - iv. Sub-regional (such as a consolidated Tahoe Basin, Georgetown Divide, West County, South County, etc.);
 - v. A joint powers arrangement;
 - vi. Any other available structure that would provide effective and efficient fire and EMS services.

NOTE: Any discussion of a "Consolidated Fire District" as defined in item II, III and IV or as a JPA as discussed in V, must also include the following:

- Economies of scale projections and explanation of where the fire districts can save by being a new Consolidated Fire District or by creating a JPA
 - Analysis of staff and line, and a proposed organizational chart of a new "Consolidated Fire District" with an analysis of governance for a workable Board of Directors.
 - Analysis of potential tax revenue change and/or equalization of the tax rate areas (TRA) for fire districts, in the event of consolidation.
- b. Discussion and analysis of recommended minimum service levels to match geographical and population densities (current and future) as seen in the County's General Plan and the JPA Agreement between the County and the fire districts.
 - c. A "standards of cover" document for countywide fire services, similar to the "standards of cover" requirements/specifications that already exist for emergency services inclusive of all risk, dispatch, search and rescue, hazmat and as specified in the JPA Agreement between the County and fire districts.
 - d. Are there efficiencies (operationally) and cost savings to be realized by joining or sharing some or all of the local government fire districts resources?
 - e. How does the County General Plan affect Fire and Emergency Services?
8. Evaluation of current district boundary lines and how closest resource response covers other jurisdictions.
 9. Analysis of insurance coverage as it relates with ISO ratings
 10. The ability to conform to NFPA Standard Deployment requirements and mandates, i.e., NFPA 1710 and NFPA-1720:

- a. **NFPA Standard-1710**, *Standard for the Organization & Deployment of Fire Suppression Operations, Emergency Medical Operations, and Special Operations to the Public by Career Fire Departments.*

Document's Scope: **1.1.1** This standard contains minimum requirements relating to the organization and deployment of fire suppression operations, emergency medical operations, and special operations to the public by substantially all career fire departments. **1.1.2** The requirements address functions and objectives of fire department emergency service delivery, response capabilities, and resources. **1.1.3** This standard also contains minimum requirements for managing resources and systems, such as health & safety, incident management, training, communications, and pre-incident planning. **1.1.4** This standard addresses the strategic and system issues involving the organization operation, and deployment of a fire department and does not address tactical operations at a specific emergency incident.

- b. **NFPA Standard-1720**, *Standard for the Organization & Deployment of Fire Suppression Operations, Emergency Medical Operations, and Special Operations to the Public by Volunteer Fire Departments.*

Documents Scope: This standard contains minimum requirements relating to the organization & deployment of fire suppression operations, emergency medical operations, and special operations to the public by substantially all volunteer fire departments. **1.1.1** The requirements address functions and outcomes of fire department emergency service delivery, response capabilities, and resources. **1.1.2** This standard also contains minimum requirements for managing resources and systems, such as health & safety, incident management, training, communications, and pre-incident planning. **1.1.3** This standard addresses the strategic and system issues involving the organization, operation, and deployment of a fire department and does not address tactical operations at a specific emergency incident. **1.1.4** This standard does not address fire prevention, community education, fire investigations, support services, personnel

El Dorado LAFCO has compiled some information that will be made available to the qualified applicant if necessary. The consultant is expected to use any and all available information relevant to the study, including interviews, surveys, previous research, reports, city or county general plans, previous sphere studies, authorities under the law, etc. Sufficient data and information should be collected to construct a clear, concise and comprehensive report.

Identification of Service Providers and funding sources

The following table shows the various financing methods employed by fire and emergency services agencies. The City of South Lake Tahoe Fire Department was not included in the table because, as a department within a city, its financing mechanism is different. It must also be emphasized that the property tax increments in the table is not reflective of the total amount of property taxes collected by an agency. For example, Cameron Park CSD provides parks, recreation and fire suppression services. As a

result, the “fire side” of Cameron Park CSD does not receive all of the property tax revenues an increment of 18.83% generates. Similarly, an urban district may have a lower property tax increment than a rural one, but because of valuation and high-density development within the urban district, it would collect more in total property tax revenues than the rural district.

Agency	Average Property Tax Increment (not including County Supplement Fund)	County Supplement Fund	Impact Fees	Assessments	JPA Provider	Out-of-District Fees
Cameron Park CSD	18.83%		Yes		Yes	
Diamond Springs/EI Dorado FPD	20.54%		Yes		Yes	
EI Dorado County FPD	13.59%		Yes	Yes	Yes	
EI Dorado Hills CWD	18.61%		Yes		Yes	
Fallen Leaf Lake CSD	5.33%	Yes		Yes		
Garden Valley FPD	8.20%	Yes	Yes	Yes		
Georgetown FPD	11-12%	Yes	Yes	Yes	Yes	Yes
Lake Valley FPD	15%		Yes	Yes	Yes	Yes
Latrobe FPD	5.22%	Yes	Yes	Yes		
Meeks Bay FPD	9%	Yes	Yes	Yes		Yes
Mosquito FPD	11.5%	Yes	Yes	Yes		
Pioneer FPD	9%	Yes	Yes			
Rescue FPD	16%	Yes	Yes	Yes		

As indicated earlier, nine fire agencies provide manpower to the joint powers authority between the County and the 14 agencies to provide emergency medical services. While all agencies receive some JPA funding, only the nine listed above staff ambulances.

Local Context/Issues Identification

The region chosen for study is all of El Dorado County, including the cities of Placerville (population of 10,350) and South Lake Tahoe (population 25,819) as well as the communities of Cameron Park, Diamond Springs, El Dorado Hills, Fallen Leaf Lake, Garden Valley, Georgetown, Grizzly Flats, Meeks Bay, Meyers, Mosquito, Pollock Pines, Rescue and Shingle Springs.

Because the county is bisected by the Sierra Nevada mountain range and the Eldorado National Forest, fire agencies tend to informally divide the county into two regions, the Tahoe Basin and the Western Slope. This differentiation is not just geographic since the two areas have different topographical characteristics as well as funding constraints.

Land use in the Western Slope, outside of Federal lands, is exercised by the County of El Dorado and has experienced significant growth in the past 20 years; whereas development in the Tahoe Basin is tightly regulated by the Tahoe Regional Planning Agency and has experienced growth rates below 5% within the same time period.

Fire services are directly provided by a diversity of local government agencies in El Dorado County including fire protection districts, a county water district, community services districts and a city. Emergency medical services are provided through a joint powers authority created by the County and the 14 fire agencies and funded by a countywide assessment administered through County Service Areas 3 (Tahoe Basin) and 7 (Western Slope). Other agencies, which are mostly outside of the scope of this study, that also have responsibility for fire suppression in the county are the United States Forestry Service in Federal lands and CAL FIRE's Amador-El Dorado Unit in the rural areas designated as "State Responsibility Areas" for wildfires.

As noted in the table above, the property tax increment varies substantially between the fire agencies. In 2001, the Board of Supervisors approved an agreement with several fire districts for enhanced services to residents of the rural regions of the County. This agreement became known as the "Supplemental Funding Agreement for Fire Districts," though it has been referred to by other names, such as "Aid to Fire" and "Parity Funding." The goal of the agreement was to supplement the property taxes of eight districts by providing funds equivalent to the difference between the amount they receive in their respective increment and what they would receive if their property tax increment was 13%. Due to funding constraints experienced by the County in the last couple years, however, the fire agencies have agreed to receiving amounts that are slightly below the 13% goal.

The supplemental funding for fire districts has been a topic of discussion for many years. Questions remain unanswered regarding how supplemental funding for fire districts fits within the County's responsibilities, goals and priorities now and into the future. Currently, the parameters established for use of the funds are broad and not performance based.

Connected to the issue of equalizing funding for fire service is the topic of consolidation, which consistently invokes a heated debate on whether mergers would achieve sufficient economies of scale and salary savings to offset the increases in cost for service provision. The El Dorado Grand Jury weighed in on this topic in 2008 arguing that consolidation would achieve those goals; however, several fire agencies have disputed the underlying methodology behind the Grand Jury report. El Dorado LAFCO discussed the subject in its 2006 Countywide Fire Suppression and Emergency Services Municipal Services Review but did not analyze in details the feasibility or the ramifications of such a merger.

Important considerations:

- The County of El Dorado needs the recommendations of this study to make important decisions regarding supplemental funding in its 2010-2011 budget. The successful consultant must adhere to strict deadlines for the submission of a draft report.

- There is a debate on whether property tax increments can be modified once they are set. The consultant must be well versed in local government finance in California in order to study the issue and provide viable, actionable recommendations.
- Under the Government Code, a community services district may not be stripped of an authorized power. Consequently, any discussion about mergers cannot include merging the CSDs into a consolidated agency; however, a CSD may contract with another entity to provide a service within its boundaries.
- Because most of the County's growth occurs on the Western Slope, especially along Highway 50. Fire agencies experience a significant demand on medical services along this corridor.
- Several communities in the study area consist of small-lot subdivisions on private wells. Some developments are in rural, isolated areas and the roads tend to be narrow, winding and/or along steep grades. The consultant must be mindful of these characteristics when evaluating service.

Process

Preparation of the report will include the following steps:

1. Data collection, including but not limited to, interviews, surveys and research of existing information and documents
2. Interpretation and analysis
3. Produce administrative draft report of the report with appropriate and actionable recommendations for LAFCO, County and fire agency staff to review
4. Presentation of draft report to El Dorado LAFCO for distribution to affected and interested agencies for comment
5. Review of draft report by Commission, County Board of Supervisors, affected/interested agencies and the public
6. Preparation of final draft addressing comments from LAFCO and its staff, County Board of Supervisors, fire agency boards of directors and staff, affected/interested agencies and the public, including viable and actionable recommendations

El Dorado LAFCO is committed to a report that is conducted in a fair, accurate and objective manner. The intent is to provide valuable and practical conclusions for

- Improvements to service provision where possible
- Long term stabilization of financing for all agencies.

Also, the Commission wishes to provide effective and meaningful opportunities for public participation in the review process.

Data

To the extent appropriate and feasible, research for preparation of the service review should include the following sources and subjects. LAFCO will make available as many

resources, data and information at its disposal; however, the consultant is expected to gather data from the agencies or other sources if necessary. Other information will be specific to the agencies affected by the service review.

- Principal acts
- General plans/zoning ordinances
- Recent and proposed projects
- Master service plans
- Agency maps
- District/city policies governing financing and personnel
- Board, management and administrative manuals/procedures
- Existing spheres of influence
- Demographic information
- Projected growth
- Communities of interest
- Regional agencies providing support
- Criteria/best practices as used by appropriate industry groups
- Capital improvement plans
- Existing operating/capital improvement budgets
- Environmental impact reports, if applicable and/or available
- Existing joint agreements and contracts
- Current and planned financing plans for service upgrades and capacity improvements
- Agency bond ratings
- Agency investment policies, if applicable
- Joint financing/shared facilities
- Agency budgets and financial reports, including revenue sources and expenditures
- District cost avoidance practices
- Insurance
- Customer needs and preferences
- Per unit service cost
- Competitive bid policies
- Comparable rate information
- Current organizational chart
- Mission statement
- Continuing education/training
- Staffing levels
- Opportunity for customer comments

- Available revenues
- Amounts and types of reserves
- Adopted policies for reserves
- Asset disposition plan
- Property tax increment (AB 8 share)/Gann limit
- Surplus property policies
- Board policies and practices
- Days/hours of operation
- Annual reports/status reports
- Newsletters
- Voter participation

These data should result in a report that addresses the Scope of Services listed at the beginning of this section.

III. BUDGET:

Proposals from qualified firms that demonstrate that the final product will meet the requirements of Scope of Services and provide useful information in a concise format at the lowest cost will be looked upon in a favorable light. A final budget amount for this project will be negotiated with the firm selected for the work prior to an agreement being recommended to LAFCO for adoption.

IV. SCHEDULE:

Timing is a concern to LAFCO, the County and the fire agencies. We hope to have, at the very least, a draft with actionable recommendations submitted prior to January 15, 2010. As noted earlier, the County and the fire agencies hope to use this report to make financing decisions in their 2010-2011 County of El Dorado budget. The final schedule for this project will be negotiated with the firm selected for the work prior to an agreement being recommended to LAFCO for adoption.

V. PROPOSAL REQUIREMENTS:

Responses to this RFP must include all of the following:

1. A statement about the firm that describes history, competencies and résumés of the principal and of all professionals who will be involved in the work. This statement should address the following criteria:
 - A management level understanding of how fire and emergency services are financed and delivered
 - Experience with the operations of fire department, including recruitment, retention and training of firefighters at various levels of medical service education (first responder, basic life support, paramedic, etc.)
 - Experience in governmental organization analysis, including performance measurement and evaluation

- Ability to facilitate and synthesize input from a variety of sources
 - Ability to interpret varied budget and planning documents
 - Experience in identifying and fostering multi-agency cooperation
 - Public input processes and handling the presentation and dissemination of information to local agencies and the public for review and comment
 - The ability to work cooperatively with divergent interests
 - Specifically substantiated statement of the firm's or individual's qualifications to perform the work, ability to stay within budget and meet deadlines
2. Identification and designation of the individuals who would be available to perform the work, including résumés documenting their experience and competence to perform that work. Include a contact person with telephone number.
 3. Identification of any sub-consultants who will be involved. If sub-consultants are proposed, describe the work they will perform and include the same information for each sub-consultant as required for items 1 and 2 above.
 4. Information about the availability of all the professionals who will be involved in the work, including any sub-consultants.
 5. A statement of similar or related experience accomplished in the last five years and references for each such project, including the contact name, address and telephone number.
 6. Description of the anticipated approach for this project, explicitly discussing and identifying any suggested changes to the draft scope of services (see Section II above).
 7. Disclosure of potential conflicts of interest with local agencies in El Dorado County.
 8. Identification of any information, materials and/or work assistance required from El Dorado LAFCO to complete the project.
 9. Project schedule, including the timing of each work task.
 10. The anticipated project cost, including:
 - a. A not-to-exceed total budget amount
 - b. The cost for each major sub-task identified in the draft scope of services
 - c. The hourly rates for each person who will be involved in the work, including the rates for any sub-consultants

Other Information Required in Proposal

The firm shall make a positive statement that it has the required insurance policies in force in acceptable amounts of coverage for Professional Liability, Workers Compensation, Comprehensive General Liability and Auto (Owned and Non-Owned). Prior to any commencement of services, the firm will be required to provide certificates of insurance coverage to LAFCO.

Submittal Requirements:

DUE DATE:

On or before 5 P.M., Monday, August 17, 2009.

NUMBER OF COPIES:

Four (4) original copies and one (1) fully reproducible copy.

DELIVER TO:

El Dorado LAFCO
550 Main Street, Suite E
Placerville, CA 95667

Note: If delivery is to be in person, please first call the LAFCO office (530-295-2707) to arrange a delivery time.

VI. EVALUATION CRITERIA

Proposals will be evaluated based upon their response to the provisions of this Request for Proposal and by the following criteria:

- Expertise with the provision of fire and emergency services and running a fire department
- Ability to work with pertinent parties and knowledgeable experts
- Ability to demonstrate or provide viable strategies to public agencies
- Provide detailed outline of cost estimates

Please note that this will be a competitive selection process.

Based on the criteria above, the completeness of the responses, cost and the overall project approach identified in the proposals received, the most qualified firms will be invited, at their expense, for an interview with the selection committee. The selection committee may be composed of Commissioners, the Executive Officer, other LAFCO staff and possibly representatives from the agencies.

Following interviews, the most qualified firm will be selected and a recommended agreement including budget, schedule and a scope of services will be negotiated. Final selection will be made by LAFCO by approving a professional services agreement for the work.

VII. OTHER INFORMATION

Firms are encouraged to contact José C. Henríquez, Executive Officer at (530) 295-2707 with any questions relating to this RFP.