

Shasta LAFCO – Fire Protection Districts

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**AREA BACKGROUND**

Cottonwood is situated in south central Shasta County, bisected by Interstate 5. It is located southerly of Anderson and just north of the Shasta County line. Cottonwood is situated midway between Red Bluff and Redding.

The rural area is predominately agricultural in nature. Urban residential, light industrial and commercial development is generally dispersed amongst the rural community of Cottonwood. The topography varied from valley floor to rolling foothills. The climate of the area is characterized by the cool wet winters and hot dry summers of Northern California. The majority of rainfall is received between December and March. Vegetation types primarily consist of grasslands, oak woodlands and manzanita brush.

The Cottonwood area is a rapidly developing portion of Shasta County. Large residential developments planned to the south in Tehama County is fueling residual growth in Cottonwood, as is rapid growth in the City of Anderson to the North.

**AGENCY BACKGROUND**

In 1931 the Cottonwood Volunteer Fire Department was formed by a group of community members after fires destroyed numerous buildings. A wheeled extinguisher was the first equipment purchased. A 1931 Dodge fire truck was purchased with funds donated by the Cottonwood Garden Club and annual benefit dances held on the bridge south of town. On March 10, 1958, the Volunteer Fire Department became a Fire Protection District pursuant to the provisions of the Local Fire District Law, section 1407 of the Health and Safety Code.

The Cottonwood Fire Protection District (FPD) provides comprehensive fire and emergency response services to the unincorporated area of Cottonwood. The District encompasses an area approximately 36 square miles and is roughly rectangular shaped, approximately 5 miles by 7 miles in dimension. The District has changed sizes over the years. At formation, the District was smaller (approximately 14 square miles), losing approximately 192 acres to Anderson Fire Protection District in 1979. Additional acreage – approximately 26 acres - was detached in 1995 as the City of Anderson

and the Anderson Fire Protection District reorganized their boundaries to the south. In 1999, the District added 15,000 acres in the Balls Ferry/Ash Creek annexation process.

The District operates in cooperation with other fire agencies in the region under mutual aid agreements to provide services to Shasta County residents and visitors. Dispatching for the district is provided through the E-911 system by Shas-com and the SCFD/CDF Emergency Command Center in Redding. Services provided outside of the District are reimbursed by requesting agencies unless services are provided by mutual aid agreement.

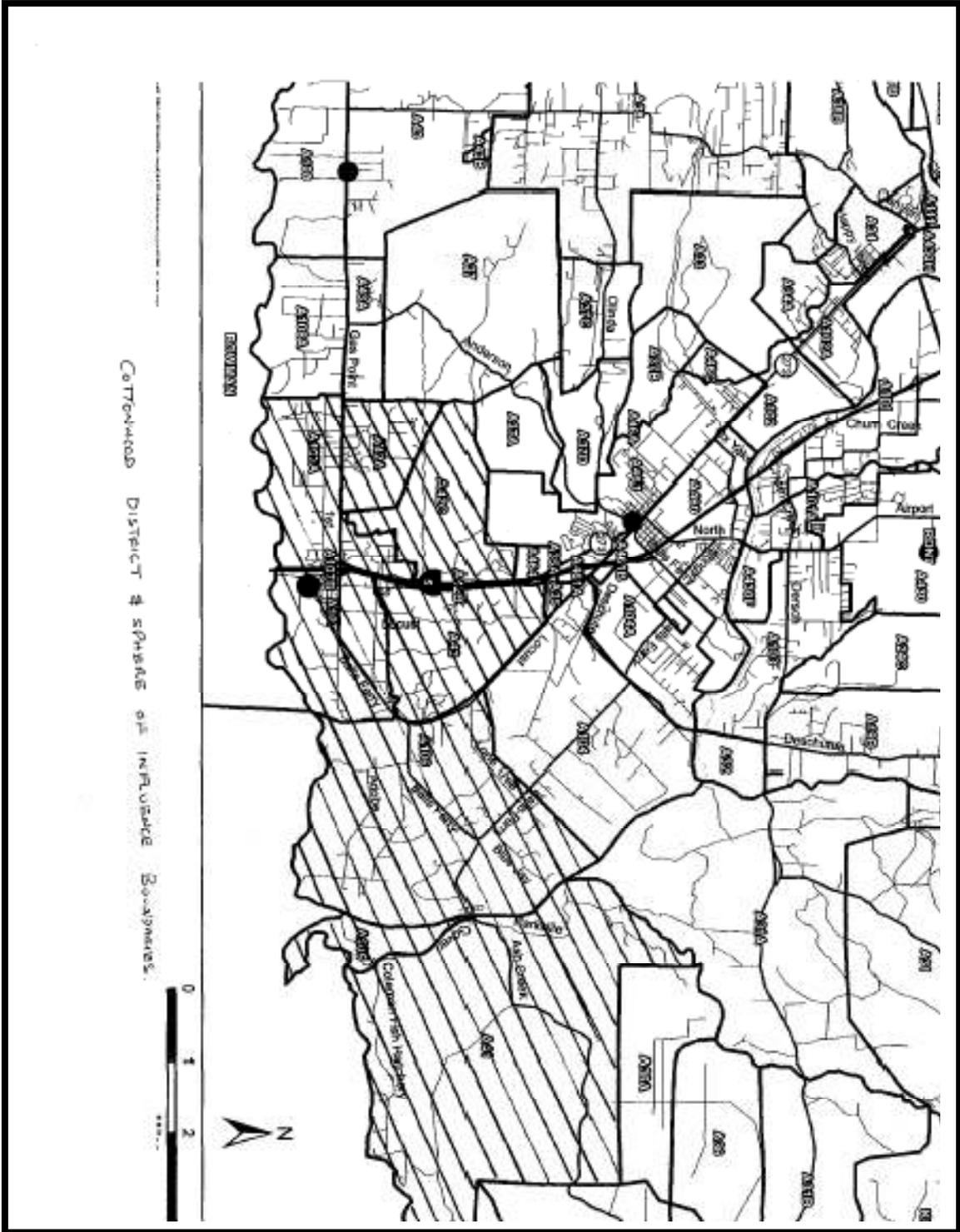


Exhibit A. Cottonwood Fire Protection District Boundaries and Sphere of Influence

**INFRASTRUCTURE, FACILITIES AND SERVICES**

The Cottonwood Fire Protection District Board of Directors, the Fire Chief and members meet to discuss the needs and direction of the District. This roundtable-type discussion takes place on an as needed basis. All discussion items are reviewed and then prioritized for future consideration. Items are considered as a part of a ten-year plan. The last ten-year plan closed in 2004 with 20 of 21 items completed. The new main fire station proposed for construction at the corner of Brush and Forth Street was listed as item 21. Another planning session took place in 2005, with several items listed as priorities for the District. Again, the proposed fire station was slated as a priority. The District purchased a 1.6 acre parcel at the corner of Fourth and Brush Street for the new main station. The long term strategic plan of this new main station is to not only house the Fire Department, but it will have provision for an office for a Shasta County substation, the Citizens Patrol and possibly an office to house an ambulance company. This location is considered efficient since it being centrally located to the projected District growth. Due to unprecedented growth in the west, the District is now considering station needs in the northwest, in addition to a second station planned for the 1.25 acre site in the eastern portion of the District, located on donated lands at the southeast corner of 4425 Balls Ferry Rd. The Capitol Improvement Fund will fund a portion of the new infrastructure. A major portion of the funding will come from some form of bond, special tax or grant funding as well as budgeted revenue from property tax and user based fees for structures, improvements, equipments and personnel. Apparatus upgrades are accomplished by either being replaced entirely or purchasing a newer used piece of equipment.

Currently the District has one fire station and 8 pieces of fire and rescue equipment, including a new Type II/III engine that is capable of handling wild land as well as structure fires. The fire station is located at 3271 Brush Street.

The main Fire Station is a remodeled garage built in the 1930's and was donated to the then, Volunteer Fire Department. There have been a few changes to the building through out the years. Some of the external changes to the building include, stucco finish to the front of the building, installation of roll up doors, a parapet and a back

porch to house a large generator and barbeque. Internal upgrades and improvements to the facility include adding a meeting room, bedroom, kitchen & 1-½ bathrooms. The plumbing and electrical is not all up to code, but is being replaced as changes are made, as well as whenever it is possible to do so. One major concern about the current fire station is that newer apparatus cannot be parked inside the station due to the floor being raised 10 inches to mitigate water-flooding issues. This building is in fair to poor condition. Future improvements needs include; updating the electrical & plumbing, installing insulation throughout the entire building, upgrading restrooms to be ADA compliant and ensuring the building is structurally sound.



*Main Fire Station*

A lot located behind the main Fire Station was purchased and in 1976 a small building was moved from Main Street onto that lot. At that time it housed 1 fire engine and provided additional storage space. In 1982 there was an addition to this structure; this addition was made up from material scavenged from Cottonwood Creek. This building now houses two of the older International Fire Engines.



*Building behind  
Main Fire Station*

In the late 1980's it became evident that a large Water Tender and housing for this Tender would be needed. Though it took nearly 10 years to come to fruition, a Water Tender and a metal building to house the Tender was purchased and funded with budgeted expenses as well as donations.



*Metal Building &  
Water Tender*

Fire protection and medical apparatus and equipment are located at the fire station. A complete inventory of existing apparatus and equipment and valuation is included in the appendices of this document. All vehicles and apparatus are monitored on a daily, weekly, monthly and annual schedule. Everything from water to tire pressure is checked, as well as equipment stored on the apparatus. All vehicles are considered to be in good to excellent condition.

The Cottonwood Fire Protection District has responded to approximately 2,400 calls over the past three years. The district responded to 822 incidents in 2004, 467 of which were medical calls, 244 were structure or vegetation fires, 22 false alarms, 34 were mutual aid (Anderson Fire District) and 1 call was an automatic aid. The District currently is able to respond to any area of the district in a timely manner and is able to arrive either at the same time or prior to other neighboring agencies. The District has a working relationship and mutual aid agreement with Anderson Fire Protection district. This agreement primarily comes into play for service calls that are on the I-5 corridor. The Anderson Fire Protection District is usually able to respond to the southbound side of I-5 prior to the District. The District is able to respond to the North bound side of I-5 prior to the Anderson Fire Protection District. Having a good working relationship with Anderson Fire Protection District ensures that an undue response time does not occur with incidents on the I-5 corridor. The District currently has an average response time of approximately 2 minutes from receipt of an alarm at the station. Response time standards of five or less minutes are typical for fire protection agencies.

The town is under a hydrant system approximately 2 square miles with a system in place, tested and operating at the new North Cottonwood School located two miles West of Interstate 5 on Gas Point Road. The water is supplied by the Community water system in Cottonwood with a dedicated 12" line. The District is currently conducting flow testing on all hydrants in the district for pressure and gallons per minute flow. Thus far all hydrants have met the Shasta County Fire Safe Standards of 500 to 800 gallons per minute. As with any fire district there is always a need for more hydrants. The town has sufficient hydrants for the existing buildings but the outlying and surrounding areas should ideally be put under hydrants. This is not economically feasible for the existing homeowner or water district. One way this is being remedied is through development requirements placed on a developer as required by the County. Aside from the above mentioned there is no plan for location or funding for placement of fire hydrants.

Another standard used for planning fire facilities is a rating provided by the Insurance Services Organization (ISO). The insurance industry uses ISO ratings to assist in determining insurance premiums for building owners. The ISO rating is based on travel

distance (not travel time) to the nearest fire station, and other factors such as availability of water supply for fire protection. Currently the District has an ISO rating class of 7.0 in the area served by fire hydrants and an 8.0 outside of the hydrant systems.

**Administration, Management and Operations**

For the purposes of preparing a Municipal Services Review, information with respect to administrative, management and operational functions including employee categories and internal organization, agency policies, rules and regulations are evaluated with respect to efficiencies and/or cost avoidance opportunities.

The Cottonwood Fire Protection District Board of Directors operates as the administrative and financial governing body of the district. The Board of Directors in concert with the Fire Chief makes administrative decisions. At times consultants will be hired to advise the Board of Director or the Fire Chief on matters of law, litigation and drafting resolutions for ordinances. In December 2005 the District finalized their policy and procedures manual for all employees, which includes policies for communicating with the board of directors.

The Cottonwood Fire Protection District has three full-time employees, and four part time paid employees. Full-time positions include one Fire Chief/Fire Marshal, two Fire Captains. Part-time positions include three part-time on call firefighters and one part-time administrative assistant. The Fire Chief is supported by thirteen active volunteer firefighters, a dispatcher and two members who act as liaisons between the fire department and the public. Annual audits, attorney needs and impact fee studies are contracted out to save the costs that would otherwise be associated with staff positions for those services.

The main Fire Station is manned 24 hours a day, seven days a week, on a rotational basis by the Chief and two Captains. The Chief and captains operate a Duty Officer Program that provides supervision 24 hours a day, seven days a week, year round for responses and volunteer member direction.

Training for fire district personnel and volunteers consists of ethics (qualified employees), sexual harassment, SIDS, HAZ-MAT, extrication, medical first aid, CPR, as well as courses and programs for firefighting in structure, wild-land & automobiles. The District is working on an employee handbook and completion is expected by January 2007. Volunteer firefighter requirements include attendance at trainings, meetings, medical certification and a Class B driver's license to drive and operate District apparatus.

The District is a member of the Shasta County Fire Chiefs Association, Fire Association Self Insurance System (FASIS), Cottonwood Chamber of Commerce, Cottonwood Community Planning Group and is represented on the Shasta County Regional Transportation Planning Agency.

**FISCAL**

The Cottonwood Fire Protection District budget for the fiscal year 2005-2006 is \$460,604.00. The District's operating budget is included in the appendices. The District receives most of its revenue from property taxes, annual assessments and impact fees. Revenue is received for responses outside the district area and from various grant sources. Grant funding has totaled approximately \$286,000 over the past three years. The District recently received confirmation that an additional grant in the amount \$165,000 will be obtained, bringing the total grants to approximately \$451,000. These grants have all been obtained without incurring any cost to the District.

An assessment fee is placed on parcels that have completed improvements of at least \$1,500. Revenues will provide funding for the maintenance for the current fire station and equipment as well as construction of, and equipment for the new fire station.

The Board of Directors operates as a financial committee with guidance from the Shasta County Auditor Controller and help from the Fire Chief. All financial surpluses are handled by the Auditor Controllers office and are usually transferred into the Districts' Capital Outlay Reserve account. The annual budget is drafted and recommendations are made to the Board for approval. In addition, monthly financial statements are presented to the Board for review and comment.

The District currently has no policy for replacement of infrastructure.

Capital equipment needs, such as new fire engines, rescue equipment, etc., are typically paid from the operating budget. Personnel, training, operating and maintenance needs are also paid out of the operating budget. Due to the multitude of demands on the operating budget, sufficient revenue to purchase all needed capital equipment and facilities has been limited. The Cottonwood Fire Protection District is in the process of gaining approval to be able to increase the existing fire suppression assessment fee. They are also researching the formation of a Mello-Roos District.

A new substation on Rhonda or Gas Point Road may be needed due to a recently announced growth-inducing project in the northwest area of the District. The District is looking to retest their ISO rating to be able to improve their current rating thereby providing a reduction in homeowner insurance rates for the community. This station would serve support services throughout the District.

The District's ability to generate new revenue is relatively limited. Increases in taxes and fees are a possible increased revenue source, but the probability of acceptance by the community is low. One approach would be to create a taxing method by which developers will be required to place a tax on new homes and developments in the District. The district continues to pursue multiple avenues of revenue generation and cost savings.

## **GOVERNANCE**

The Board of Directors operates as the governing body for the Cottonwood Fire Protection District. The Board consists of five persons, elected at large, who serve a four-year term. Three of the five board members are elected at once, and the other two are elected together on an alternating two-year rotation. Board members are required to live within the district boundaries and be registered voters. Board members do not receive any form of payment.

Board meetings are held the second Monday of the month at 6:00 pm at 3269 Brush Street, Cottonwood, CA. 96022. Agendas for board meetings are posted and available to the public 72 hours in advance.

**REGIONAL CONTEXT/IMPACTS**

At this time there is no district-level consideration of combining fire protection districts. A proposed development in Anderson has indicated a desire to detach a large section of area from the District. The District believes that this would have a negative impact on them since the District has looked to the development of this area to help with the overall benefit of building a District infrastructure. The District believes that the revenue from this development could be sufficient to provide the construction of a new third station in the northern part of the District. Ongoing discussion regarding this potential detachment and the impacts of such a decision will continue over the coming months.

**WRITTEN DETERMINATIONS**

The following nine determinations are required to be made by the Commission pursuant with Government Code Section 56430. The following determinations have been prepared consistent with Shasta LAFCo's policy and procedures for review of municipal services.

**a. Infrastructure Needs and Deficiencies**

The existing and planned infrastructure adequately meets the needs of the public, currently and for the near future. Current infrastructure capacity, condition, availability and quality are in fair condition.

In an effort to increase provision of services, a new main fire station is planned for construction in the near future to help provide better service. The location of this station is at the corner of Fourth and Brush Street. Development in the northwest area may dictate the construction of a site to meet the needs of the rapid expansion of the District prior to construction of a new main fire station. An impact fee, adopted in April of 2004, will finance equipment and provide outfitting support for firefighters

**b. Growth and Population Projections for Affected Area**

Attempting to establish the existing or projected population for the District is not an easy task. Since the area is unincorporated, the State Department of Finance does not keep population growth figures for the area or the Fire District as they would for cities and counties. Further, the Fire District boundaries are not coterminous with Census tracts. Considering these inconsistencies, the population serviced by the Cottonwood Fire Protection District is estimated at approximately 5,000 in 2004 reflecting new homes constructed since the 2000 census.

The District estimates that, over the next 10 years, between 300 and 1,000 new residential dwelling units could be constructed within the District. With the adoption of the impact fee in April 2004, the District is attempting to accommodate for future growth, however the high growth projections for areas in the near vicinity of the District will likely have a higher impact on service needs than growth within the actual District boundaries.

**c. Financing Constraints and Opportunities**

The District currently utilizes a number of funding sources including tax revenue, bonds, grants, impact fees and assessment fees. Based on the need to construct and outfit a new fire hall and serve an increase in residential dwellings, the District completed and adopted an impact fee study. With this impact fee in place it is estimated that the District will acquire additional revenues necessary to meet the demands for its public services.

The impact fee will off-set near future costs that result from increased growth, however the per-parcel fee may not be enough to provide long-term protection services to the greater District. After a period of time (perhaps the five years between now and the next scheduled MSR update for the District,) the District should be able to determine if the impact fee passage has stabilized their revenue stream for the long-term. The capital improvement fee has increased District revenue by approximately \$80,000 over the last three years. Future growth will determine the longer term effects of this revenue source.

Future District finances and subsequent operations rely heavily on the revenue generated by the adopted Impact Fee. Given the conflict in the enabling legislation regarding the ability to assess such fees, LAFCO has determined that alternate revenue sources should be identified. In addition, LAFCO would encourage the District to confer with its own legal counsel regarding means to determine that the adopted Impact Fee is legally feasible, including consideration of pursuing special legislation to clarify the legality of the Impact Fee as imposed.

**d. Cost Avoidance**

Cottonwood Fire Protection District utilizes cost avoidance techniques that increase efficiency and decrease operating costs of the District. Techniques include eliminating duplicate services, reducing high-administrative-to-operational-cost ratios, reducing inventories of inefficient and/or outdated equipment, implementing economies of scale and creative use of personnel and volunteer resources.

**e. Opportunities for Rate Restructuring**

The Cottonwood Fire Protection District currently utilizes assessment fees and impact fees for improvements to existing structures and construction of new residences within the district boundaries. Impact fees are identified in the District Impact Fee Study that was adopted in April of 2004.

**f. Opportunities for Shared Facilities**

District facilities are currently being utilized to their capacity with opportunities to accommodate training facility needs to adjacent agencies. Shared facilities promote decreased training and maintenance costs to the fire agencies that utilize the District's training facilities.

**g. Government Structure Options**

Shasta LAFCO has determined that Cottonwood works effectively with other fire protection agencies in exploring inter-governmental options that have the potential to achieve economies of scale and greater efficiencies in the delivery of services.

Shasta LAFCO has determined that Cottonwood FPD administrators and the FPD Board of Directors have developed an understanding of the various governmental restructuring and jurisdictional change options provided under the LAFCO statute as they would pertain to and affect FPDs.

Shasta LAFCO notes that compared to some districts, Cottonwood has been relatively inactive in the annexation arena over the years. They have initiated annexations three times over a thirty year period. The District has periodically looked at areas for potential growth and will continue to review service areas outside of the District boundary for potential annexation. A large-scale detachment proposal is currently being discussed at the planning and staff level.

**h. Evaluation of Management Efficiencies**

The Cottonwood Fire Protection District has established an effective internal organization to provide efficient, high-quality public fire protection service. It is an on-going effort of the District to improve services, reduce waste, eliminate duplications of effort, contain costs, maintain qualified employees, build and maintain adequate contingency reserves, encourage and maintain open dialogues with public and other public and private agencies. The District maintains an on-going analysis of agency functions, operations and practices and the agency's ability to serve current and future service demands.

**i. Local Accountability and Governance**

The Cottonwood Fire Protection District's local accountability is good, with recognition by county fire agencies as well as industry insurance and worker's compensation groups. Shasta LAFCO has determined that the Fire District administrators recognize the importance of fostering local accountability. It appears that District decision makers are accessible and accountable to the public. They actively encourage and value public participation. They solicit public input when considering program and infrastructure plans and disclose the result to the public.

In reviewing the District operations and records, three areas were noted for improvement in this area:

1. The format of the Board minutes is somewhat difficult to follow. They are presented in an all capital format, which precludes the document program from conducting a successful spell check, thus the documents often have numerous spelling errors which can make understanding more difficult.
2. The scoping meetings held by and for the Board of Directors do fall under the purview of the Brown Act and must be properly noticed.
3. A District website would promote an ease of information and accessibility for the public.

### **Conclusion**

In this review, Shasta LAFCO has endeavored to accurately assess the current services and organizational status of Cottonwood Fire Protection District as a provider of fire protection. As well, LAFCO has made what we believe are substantiated determinations based upon prescribed statutory factors.

Shasta LAFCO thanks Cottonwood Fire Protection District for their prompt and timely response to the Request for Information, as well as their ongoing review of the MSR.