



RESOLUTION No. 23-429

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

RESOLUTION APPROVING MEMORANDUM OF UNDERSTANDING BETWEEN THE COUNTY OF NEVADA, ROUGH & READY FIRE PROTECTION DISTRICT, PENN VALLEY FIRE PROTECTION DISTRICT, AND NEVADA COUNTY CONSOLIDATED FIRE DISTRICT TO SUPPORT THE REORGANIZATION OF THESE DISTRICTS INTO ONE CONSOLIDATED DISTRICT AND PROVIDE GAP FUNDING IN AN AMOUNT NOT TO EXCEED \$1,000,000 TO OPERATE ROUGH & READY FIRE STATION NO. 59 PRIOR TO CONSOLIDATION (FISCAL YEARS 2023/24 AND 2024/25) AND DIRECTING THE AUDITOR-CONTROLLER TO AMEND THE FISCAL YEAR 2023/24 BUDGET (4/5 AFFIRMATIVE VOTE REQUIRED)

WHEREAS, in Nevada County, California, under the Fire Protection District Law of 1987, the fire districts provide the inhabitants within district boundaries with various services, including, but not limited to, fire protection services, rescue services, emergency medical services, hazardous material emergency response services, ambulance services, and other services relating to the protection of lives and property (“Services”); and

WHEREAS, on March 20, 2023, Rough & Ready Fire Protection District (“RRFPD”) filed a Resolution of Application for Dissolution with the Local Agency Formation Committee of Nevada County (“LAFCo”) and notified the public that the Rough & Ready Station No. 59 would close by June 30, 2023, and all parties recognize that it is imperative that the Rough & Ready community has adequate fire protection services; and

WHEREAS, on April 11, 2023, Penn Valley Fire Protection District (“PVFPD”) filed a Resolution of Application for Annexation of the RRFPD territory, once RRFPD was dissolved; and

WHEREAS, LAFCo has undertaken a countywide Municipal Services Review, which should be complete by the end of 2023; and

WHEREAS, at the June 22, 2023, LAFCo meeting, RRFPD, PVFPD, and Nevada County Consolidated Fire District (“NCCFD”), (“the Districts”), announced that they would explore reorganizing into one district to increase the effectiveness and efficiency of fire protection and other services delivery, by seeking, pursuant to the provisions of Government Code section 56000 et seq., a consolidation (“Reorganization”); and

WHEREAS, in recognition that independent fire protection districts in Nevada County are essential in ensuring public peace, health and safety, the County supports the Districts’ efforts to reorganize into one district; and

WHEREAS, California Government Code section 26227 provides that the County Board of Supervisors may appropriate and expend money to finance programs deemed to be necessary to meet the social needs of the population of the county, including, but not limited to, the areas of health, law enforcement and public safety; and

WHEREAS, the Districts have requested funding from the County for temporary support of fire protection services at Rough & Ready Fire Station No. 59; which all parties acknowledge is an important location to respond to the Rough & Ready community, to Penn Valley and other surrounding districts; and

WHEREAS, the County Board of Supervisors, by this Memorandum of Understanding, supports the Districts' efforts to reorganize, which may take at least a year, and will also identify temporary gap funds to be used as match funding roughly in the amount of \$400,000 for Fiscal Year 2023/24 and \$600,000 for Fiscal Year 2024/25 to operate Rough & Ready Fire Station No. 59 prior to consolidation, with all parties signing on by August 8, 2023.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Nevada, State of California, approves the Memorandum of Understanding between the County of Nevada and the Districts, and authorizes the Chair of the Board of Supervisors to execute the Memorandum of Understanding on behalf of the County. The Board of Supervisors further resolves that the Auditor-Controller is directed to release unassigned general fund balance in the amount of \$400,000 and amend the Fiscal Year 2023/24 budget as follows:

Increase:
0101 10206 2721000 532200 \$400,000

PASSED AND ADOPTED by the Board of Supervisors of the County of Nevada at a regular meeting of said Board, held on the 8th day of August, 2023, by the following vote of said Board:

Ayes: Supervisors Heidi Hall, Edward C. Scofield, Lisa Swarthout,
Susan Hoek and Hardy Bullock.
Noes: None.
Absent: None.
Abstain: None.

ATTEST:

JULIE PATTERSON HUNTER
Clerk of the Board of Supervisors

By: 


Edward C. Scofield, Chair



Penn Valley Fire Protection District
10513 Spenceville Road
Penn Valley, CA 95946
(530) 432- 2630
www.pennvalleyfire.com



Nevada County Consolidated Fire
640 Coyote Street
Nevada City, CA 95959
(530) 265-4431
www.nccfire.com

Nevada County Board of Supervisors
Attention Chairman Scofield
950 Maidu Avenue
Nevada City, CA 95959

From: NCCFD Board of Directors & PVFPD Board of Directors
Subject: Temporary Gap Funding to Operate Fire Station #59 During Reorganization Efforts
Date: July 5, 2023

Chairman Scofield,

Nevada County Consolidated Fire District (NCCFD) and Penn Valley Fire Protection District (PVFPD) officially request funding to maintain operational effectiveness for Rough and Ready Fire Station 59. Rough & Ready Fire Protection District (RRFPD) has experienced a significant decline in revenues required to maintain minimum staffing of two firefighters on duty each day over the last several years. Despite all efforts, the Rough & Ready Fire Board of Directors' only option was to lay off all remaining employees and file for dissolution with the Nevada County LAFCo.

To avert a catastrophic gap in coverage, PVFPD and NCCFD have partnered to develop a short-term plan that would maintain critical staffing levels needed for the RRFPD community. When presented to the Nevada County LAFCo during their June 2023 commission meeting the plan received clear support. Cooperatively our two fire districts, along with county staff, have determined a distinct path forward. This plan makes certain that Station 59 is staffed with two firefighters twenty-four hours a day for response.

We request that the County of Nevada provide the necessary gap funding of \$500,000 per year for the next two years. This will allow PVFPD and NCCFD to conduct the necessary phases to reorganize the three organizations into one. We anticipate the merger of our organizations will eliminate costly redundancies while enhancing the overall efficiencies within our local government. The purpose of this gap funding will ensure that the services for the citizens of PVFPD and NCCFD will not be diluted by the fiscal demands of co-staffing the RRFPD fire station. We appreciate your continued support as we navigate through this process.

Thank you for your consideration,

Kindly,

A handwritten signature in black ink, appearing to read "Bruce Stephenson".

Bruce Stephenson
Board President, PVFPD

A handwritten signature in black ink, appearing to read "Keith Grueneberg".

Keith Grueneberg
Board President, NCCFPD

Cc: Allison Lehman
Nevada County CEO

**MEMORANDUM OF UNDERSTANDING
BETWEEN COUNTY OF NEVADA, ROUGH & READY FIRE PROTECTION DISTRICT, PENN VALLEY FIRE
PROTECTION DISTRICT, AND NEVADA COUNTY CONSOLIDATED FIRE DISTRICT**

This Memorandum of Understanding (“Memorandum”), dated as of August 8, 2023, is by and between the County of Nevada, hereinafter referred to as the “County”, and Rough & Ready Fire Protection District (“RRFPD”), Penn Valley Fire Protection District (“PVFPD”), and Nevada County Consolidated Fire District (“NCCFD”), hereinafter referred to as the “Districts”.

RECITALS

WHEREAS, in Nevada County, California, under the Fire Protection District Law of 1987, the Districts provide the inhabitants within District boundaries with various services, including, but not limited to, fire protection services, rescue services, emergency medical services, hazardous material emergency response services, ambulance services, and other services relating to the protection of lives and property (“Services”); and

WHEREAS, on March 20, 2023, RRFPD filed a Resolution of Application for dissolution with the Local Agency Formation Committee of Nevada County (LAFCo) and notified the public that the Rough & Ready Station #59 would close by June 30, 2023, and all parties recognize that it is imperative that the Rough & Ready community has adequate fire protection services; and

WHEREAS, on April 11, 2023, PVFPD filed a Resolution of Application for Annexation of the RRFPD territory, once RRFPD was dissolved; and

WHEREAS, LAFCo has undertaken a countywide Municipal Services Review, which should be complete by the end of 2023; and

WHEREAS, at the June 22, 2023, LAFCo meeting, the Districts announced that they would explore reorganizing into one district to increase the effectiveness and efficiency of fire protection and other services delivery, by seeking, pursuant to the provisions of Government Code section 56000 et seq., a consolidation (“Reorganization”); and

WHEREAS, in recognition that independent fire protection districts in Nevada County are essential in ensuring public peace, health and safety, the County supports the Districts’ efforts to reorganize into one new district; and

WHEREAS, California Government Code section 26227 provides that the County Board of Supervisors may appropriate and expend money to finance programs deemed to be necessary to meet the social needs of the population of the county, including, but not limited to, the areas of health, law enforcement and public safety; and

WHEREAS, the Districts have requested funding from the County for temporary support of fire protection services at Rough & Ready Fire Station #59; which all parties acknowledge is in an important location to respond to the Rough & Ready community, to Penn Valley and other surrounding districts; and

WHEREAS, the County Board of Supervisors, by this Memorandum, supports the Districts' efforts to reorganize, which may take at least a year, and will also identify temporary gap funds to be used as match funding for Fiscal Years 2023-24 and 2024-25 to operate Rough & Ready Fire Station #59 in the interim, with all parties signing on by August 8, 2023.

AGREEMENT

NOW, THEREFORE, the parties agree as follows:

1. The County will support the Districts' Reorganization efforts by providing gap funding towards operation of Rough & Ready Fire Station #59 while the effort is underway:
 - a. The Districts will submit a funding request to the County no later than July 21, 2023, that includes a plan and budget for the operation of Rough & Ready Fire Station #59 (see Attachment A, operation budget request for Rough & Ready Fire Station #59).
 - b. The County will provide temporary gap funding to support the operations of Rough & Ready Fire Station #59 to serve the residents of the RRFPD and other surrounding districts (e.g. PVFPD and NCCFD), in the amount of \$500,000 per year for two years (Fiscal Years 23-24 and 24-25), not to exceed a combined total of \$1,000,000 to support the long-term goal of the Districts' Reorganization.
 - c. The County funds will serve as a match to RRFPD's annual revenue, estimated at \$490,000 per fiscal year in tax revenues and special assessment fees, which shall be used for the sole purpose of operating Rough & Ready Fire Station #59.
 - d. The County's contribution may be provided from any available source including grant funds (including the SAFER grant that PVFPD applied for), at the County's discretion.
2. The Districts will provide fire protection and other services within RRFPD boundaries:
 - a. The Districts will memorialize agreements to provide fire protection and other services to the area formerly covered by the RRFPD, which services commenced starting July 1, 2023.
 - b. The Districts agree to utilize County funds for the sole purpose of operating Rough & Ready Fire Station #59.
 - c. The Districts will provide the County with a copy of their budgets and revenue and expenditure detail for Fiscal Years 2023-24 and 2024-25, which shall include a clear accounting of where the funding is appropriated in their budgets and its intended use. Accounting records of the Districts shall be open to inspection by the County Auditor-Controller at any time during business hours for the purpose of determining

whether the funds were utilized only for the purpose of fire protection services within RRFPD's boundaries.

- d. The Districts will develop and adopt a budget for the ongoing operation of Rough & Ready Fire Station #59 that does not assume County contributions in Fiscal Year 25-26 or beyond.
3. The Districts will initiate a Reorganization process with LAFCo. The Reorganization process will include the following actions:
 - a. The Districts will enter into an agreement regarding coordination of efforts for preparation of substantially similar resolutions of applications for the Reorganization pursuant to Government Code section 56853, for consideration for approval by each of their Boards of Directors, and if the Resolutions of Application are approved, for preparation, completion, and submission of an application and related documents to LAFCo for the Reorganization no later than February 1, 2024.

The agreement will define the level of service the newly reorganized district ("Reorganized District") will provide, and will address governance, administration, and operations for the Reorganized district.
 - b. The Districts agree to cause to be prepared a comprehensive financial analysis to support the Districts' Reorganization proposal.
 4. The County will make monthly payments to PVFPD based on the Districts meeting continued expectations and requirements towards the Districts' Reorganization, the Districts' operation of Rough & Ready Station #59 and tied to the "milestones" listed below.
 - a. Milestone 1: The Districts will provide fire protection and other services to the area formerly covered by the Rough & Ready Fire Protection District starting July 1, 2023.
 - b. Milestone 2: RRFPD, PVFPD, and NCCFD districts will bring the agreement regarding Reorganization for approval by each of their Boards of Directors by December 1, 2023.
 - c. Milestone 3: The Districts will apply to LAFCo for reorganization by submitting Resolutions of Application materials to LAFCo by February 1, 2024.
 - d. Milestone 4: The Districts will complete reorganization of the new district by July 1, 2024, if approved by LAFCo.
 - e. Milestone 5: The Districts will provide enhanced services to the newly formed district by December 31, 2024.

5. The Reorganized District may work with other interested fire districts on future reorganizations.
6. The Districts are a separate legal entity from the County with respect to all matters set forth in this Memorandum. This Memorandum is not intended, and shall not be construed, to create the relationship of agent, servant, employee, joint venture, joint powers, or association between County and Districts.
7. The Districts agree to cooperate and supply any documentation reasonably necessary for the convenience and information of the County.
8. The Districts shall comply with all applicable federal, state and local laws affecting the services covered by this Memorandum.
9. This Memorandum may only be revisited and modified by written agreement of all the parties.
10. This Memorandum shall commence on the date executed by the County and the Districts.
11. This Memorandum contains all the terms and conditions agreed upon by the parties.
12. This Memorandum may be executed in counterparts. The execution of a signature page of this Memorandum shall constitute the execution of the Memorandum, which shall be binding on each party upon that party's signing of such a counterpart.
13. This Memorandum will expire June 30, 2025.
14. NOTICES: All notices, requests, demands, or other communications under this Memorandum shall be in writing as follows:

To COUNTY: County of Nevada
Executive Office
950 Maidu Avenue
Nevada City, CA 95959
ATTN: Alison Lehman, CEO

To RRFPD: Rough and Ready Fire Protection District
14506 Rough and Ready Hwy
Mailing address: PO Box 10
Rough and Ready, CA 95975
ATTN: Chief Don Wagner

To PVFPD: Penn Valley Fire Protection District
10513 Spenceville Rd.
Penn Valley, CA 95946

ATTN: Chief Don Wagner

To NCCPD:

Nevada County Consolidated Fire District
640 Coyote Street
Nevada City, CA 95959
ATTN: Chief Jason Robitaille

IN WITNESS WHEREOF, County and District, by their duly authorized representatives, have executed this Memorandum on the day and year first written above.

COUNTY OF NEVADA

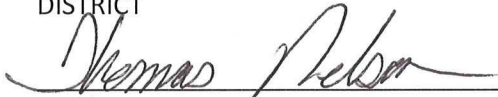

Edward C. Scofield
Chair, Board of Supervisors

Date: 8/8/23

APPROVED AS TO FORM:

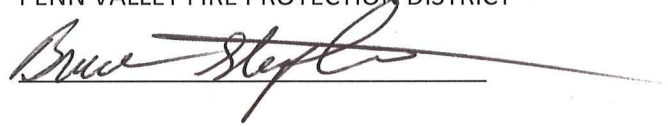

Katharine L. Elliott, County Counsel

ROUGH AND READY FIRE PROTECTION DISTRICT



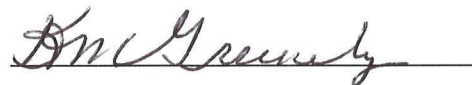
Date: 7-12-23

PENN VALLEY FIRE PROTECTION DISTRICT



Date: 7/11/2023

NEVADA COUNTY CONSOLIDATED FIRE DISTRICT



Date: 7/20/23

RECEIVED

AUG 01 2023

NEVADA COUNTY
BOARD OF SUPERVISORS

Nevada County
Local
Agency
Formation
Commission

LAFCo
950 Maidu Avenue
P.O. Box 599002
Nevada City, CA 95959-7902

Phone: 530-265-7180

E mail: lafco@nevadacountyca.gov
<https://www.mynevadacounty.com/907>

Bob Branstrom
Cities

Hardy Bullock
County

Ricki Heck
Districts

Gordon Mangel, Vice-Chair
Districts

Sue Hoek
County

Josh Susman, Chair
Public

Jan Zabriskie
Cities

Cheryl Dell
Public Alternate

Rich Johansen
Districts Alternate

Gary Petersen
Cities Alternate

Lisa Swarthout
County Alternate

SR Jones
Executive Officer

P. Scott Browne
Legal Counsel

Deborah Gilcrest
Clerk/Analyst

July 28, 2023

Nevada County Board of Supervisors
950 Maidu Avenue
Nevada City, CA

Dear Chair Scofield,

As Chair of the Nevada County Local Agency Formation Commission, I am pleased to see the Board of Supervisors considering entering into an agreement with the Penn Valley, Rough and Ready and Nevada County Consolidated Fire Districts to support their efforts to reorganize into a single fire and emergency response agency.

As we have all seen this year, the financial state of several of our fire agencies is precarious. The failure of even one agency would have serious and widespread impacts on public safety, given the coordinated response patterns of our emergency response providers.

Nevada LAFCo recognizes and appreciates the work of the Board's Fire Services Ad Hoc Committee (co-chaired by Supervisors Hoek and Swarthout) and County Executive Office staff to coordinate the County's support for a comprehensive effort to ensure lasting financial stability for critical fire and emergency response services.

LAFCo also applauds the dedication and tireless efforts of the officials and staff of each fire district. We realize the path forward is long, but with this coordinated approach and the support of the County, the future of fire and emergency response services in our county looks brighter.

Sincerely,



Josh Susman, Chair
Nevada County LAFCo

Attachment A
 MOU- County, RRRFD, PVFPD, NCCFD
 Operating Budget - Rough & Ready Fire Station #59
 2024/25 Fiscal Year

	24/25 Budget - Monthly												Budget Total				
	24/25 Budget	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May		Jun			
Revenue*																	
RRFD Fire Assmt	144,200																144,200
RRFD 1% Ad Valorum	301,888																301,888
RRFD Prop 172	43,750	3,646	3,646	3,646	3,646	3,646	3,646	3,646	3,646	3,646	3,646	3,646	3,646	3,646	3,646	3,646	43,750
RRFD Current Unsecured	4,200																4,200
RRFD Supplemental Secured	7,000																7,000
County Support*	632,450	115,388	90,788	90,788	90,789	90,788	90,789	90,788	90,789	90,789	90,789	90,788	90,789	90,789	90,789	90,789	632,450
NCCFD Contribution	24,322																24,322
Total Revenue	1,157,810	119,034	94,434	94,435	94,435	94,434	94,435	94,435	94,435	94,435	94,435	94,435	94,435	94,435	94,435	94,434	1,157,810
Expenses																	
Payroll Related Costs	936,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	936,000
Fuel	18,360	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	18,360
Tablets	4,000	4,000															4,000
Dispatch Services	16,480	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	16,480
Vehicle Maintenance	16,480	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	16,480
Household supplies	6,180	515	515	515	515	515	515	515	515	515	515	515	515	515	515	515	6,180
Professional Services	22,660	1,888	1,888	1,888	1,888	1,888	1,888	1,888	1,888	1,888	1,888	1,888	1,888	1,888	1,888	1,888	22,660
Office Expense	5,150	429	429	429	429	429	429	429	429	429	429	429	429	429	429	429	5,150
Utilities	30,600	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	30,600
Structure Maintenance	15,300	1,275	1,275	1,275	1,275	1,275	1,275	1,275	1,275	1,275	1,275	1,275	1,275	1,275	1,275	1,275	15,300
Engine Payment**	36,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
Liability Insurance**	20,600	20,600															20,600
Training/New Hire Expenses**	30,000	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
Total Expenses	1,157,810	119,034	94,434	94,434	94,434	94,434	94,434	94,434	94,434	94,434	94,434	94,434	94,434	94,434	94,434	94,434	1,157,810
Net Change in Fund Balance	(0)	(0)	(0)	1	(0)	1	(0)	(89,788)	(69,972)	1	88,647	(88,647)	0	(0)	(0)	(0)	(0)
Beginning Fund Bal RRRFD*	-	-	-	(0)	(1)	0	(0)	159,760	69,972	(0)	0	88,647	(0)	(0)	(0)	(0)	(0)
Ending Fund Bal RRRFD	(0)	(0)	(0)	(1)	0	(0)	0	159,760	69,972	(0)	88,647	(0)	(0)	(0)	(0)	(0)	(0)

*Notes:
 Revenues are estimates based on 21/22 actuals
 County Contribution not to exceed \$1M total for 23/24 + 24/25
 Fund balance is estimated pending close of 22/23 Year End

**Penn Valley Fire Protection District
Nevada County Consolidated Fire District
Additional Costs to Staff Station 59**

Payroll Related Costs	900,000	Includes 90 days of Overtime for hiring per
Fuel	18,000	
Tablets	4,000	Update iPads
Dispatch Services	16,000	
Vehicle Maintenance	16,000	
Household Supplies	6,000	
Professional Services	22,000	
Office Expense	5,000	
Utilities	30,000	
Structure Maintenance	15,000	Deferred Maintenance
Engine Payment	36,000	
Liability Insurance	20,000	
Training/New Hire Expenses	60,000	Includes 3 new hire costs -> training, etc.
Total Additional Expenses	1,148,000	

		3034																
		Step	Hourly Rate	ST Wages	Holiday	Overtime	Vacation Sell Back	Uniform Allowance	Medicare	Workers Comp	OT Workers Comp	SUI	Life Insurance	Health Insurance	PEFS - PEPPA	Cost	3 annual	
Firefighter Operator 23/24 rates w. AA		5	24.38	73,982.88	2,414.08	10,534.15	1,072.92	930.00	1,289.54	5,989.52	550.94	112.00	276.00	20,322.96	10,504.58	127,979.56	383,538.69	
Lieutenant BA (2.75% & 15 year longevity 2.5%)		5	31.06	94,236.04	3,074.94	13,417.92	1,366.64	930.00	1,638.87	7,629.18	701.76	112.00	276.00	20,322.96	13,380.26	157,086.57	471,259.70	
																	total annual	855,198.39
Firefighter Overtime (720 hours)			24.38			26,330.40			381.79		1,377.08					28,089.27	3 (90 days)	84,267.81
Lieutenant Overtime (720 hours)			31.06			33,544.80			486.40		1,754.39					35,785.59	3 (90 days)	107,356.78
Lieutenant (2315 hours)																129,609.10		388,837.30
																	23/24 fiscal year	899,674.51