



**NEVADA  
COUNTY**  
CALIFORNIA

**BOARD OF SUPERVISORS**

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**NEVADA COUNTY BOARD OF SUPERVISORS**  
**BOARD AGENDA MEMO**

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**MEETING DATE:** August 8, 2023

**TO:** Board of Supervisors

**FROM:** **Supervisor Lisa Swarhout, District III and Supervisor Sue Hoek, District IV**

**SUBJECT:** Resolution approving Memorandum of Understanding between 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 #59 prior to consolidation (FY 2023/24 and 2024/25) and directing the Auditor-Controller to amend the FY 2023/24 budget (4/5 Affirmative Vote Required).

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**RECOMMENDATION:**

Approve the attached Resolution for the County of Nevada to enter a Memorandum of Understanding (MOU) with Rough & Ready Fire Protection District (“RRFPD”), Penn Valley Fire Protection District (“PVFPD”), and Nevada County Consolidated Fire District (“NCCFD”) 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 #59 prior to the consolidation (FY 2023/24 and 2024/25) to serve the residents of the RRFPD and other surrounding districts.

**FUNDING:**

The County will provide temporary gap funding to support the operations of Rough & Ready Fire Station #59 (e.g. PVFPD and NCCFD), roughly in the amount of \$400,000 in Fiscal Year 2023/24 and \$600,000 in Fiscal Year 2024/25 for a total amount not to exceed \$1,000,000 to support the long-term goal of the three Districts’ Reorganization for up to two years.

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 prior to the consolidation of districts. NCCFD will be the "final gap" funder if expenses are greater than all other combined revenues (estimated at approximately \$25,000 in FY 2024/25). 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. The County will continue to seek other funding sources, using General Fund unassigned fund balance if no other funding sources materialize. If there is a year-end surplus in FY 2022/23, the county will prioritize use of surplus funds for this purpose.

The Districts will submit a monthly request for funds from the County, including showing actual revenue and expenses and the gap funding needed from County funds (see Attachment A).

## **BACKGROUND:**

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. On April 11, 2023, PVFPD filed a Resolution of Application for Annexation of the RRFPD territory, once RRFPD was dissolved.

The three fire districts (Rough & Ready Fire Protection District, Penn Valley Fire Protection District, and Nevada County Consolidated Fire District), the County of Nevada, LAFCo, and other stakeholders came together to find a solution to ensure that the Rough & Ready community and other surrounding districts had adequate fire protection services in the immediate and long-term.

To support these efforts Board Chair Ed Scofield appointed Supervisor Sue Hoek and Supervisor Lisa Swarthout to co-chair the Fire Services Ad Hoc Committee in May 2023. In addition to the Supervisors, the Ad Hoc Committee included staff from the CEO's office (Caleb Dardick, Martin Polt), County Counsel (Kit Elliott), Information and General Services (Steve Monaghan), and the Auditor-Controller Gina Will. The Fire Services Ad Hoc Committee met weekly, often with PVFPD Chief Don Wagner and NCCFD Chief Jason Robitaille, and several times with board members representing all three districts, as well as with LAFCo's Executive Officer, SR Jones.

Over these past months, the Districts, led by Chief Wagner and Chief Robitaille, developed a plan to reorganize into one district to increase the effectiveness and efficiency of fire protection and other services delivery. At the same time, the three Districts developed a plan to keep Rough & Ready Station #59 fully operational beginning July 1, 2023.

On July 20, 2023, the PVFPD and NCCFD submitted the attached funding request to the County that includes a plan and budget for the operation of Rough & Ready Fire Station #59 (see Attachment A, operational budget request for Rough & Ready Fire Station #59).

The Fire Services Ad Hoc Committee ("Committee") has worked with the Districts to develop the attached MOU (see Attachment B, Memorandum of Understanding) in recognition that it may take at least a year or more to complete the reorganization. The Committee has reviewed the Districts funding request for temporary gap funds to be used to match RRFPD's funding for Fiscal Years 2023/24 and 2024/25 to operate Rough & Ready Fire Station #59 while the reorganization effort is underway.

If approved, the Auditor-Controller will review the monthly financial reports for operating Rough and Ready Fire Station #59 to provide the needed contributions to maintain operations.

**Item Initiated by:** Caleb Dardick, Assistant County Executive Officer

**Approved by:** Alison Lehman, County Executive Officer