



Staff Report

RESOLUTION DECLARING RESULTS OF FIRE SUPPRESSION ASSESSMENT BALLOTING

Honorable President and Board Members:

Summary

Adoption of the attached resolution declares that a majority protest exists for the proposed Fire Suppression (Assessment) and the Fire Board shall not impose the Assessment.

Background & Discussion

On July 25, 2006, the Fire Board adopted three resolutions, which initiated proceedings to form a Assessment, approved a preliminary Engineer's Report (the "Report") related to the proposed Assessment, and declared the Fire Board's intention to hold a property owner protest ballot proceeding and set a time and place for a public hearing on the Assessment in compliance with the State Constitution. Notices and ballots were mailed to all affected property owners on September 29, 2006, which provided property owners at least 45 days prior to the November 14, 2006 Public Hearing to cast their support for or opposition to the proposed Fire Suppression Assessment.

On November 14, 2006, the Fire Board conducted a Public Hearing on the proposed Assessment to provide property owners a forum to address the Board and give their testimony. After all testimony was received, remaining ballots were collected, and the Public Hearing was continued to tonight's meeting.

In the interim, MuniFinancial tabulated the ballots to determine whether there was a majority protest to the Assessment. It was concluded that a majority protest exists since ballots submitted in opposition to the Assessment exceed ballots submitted in favor of the Assessment. In tabulating the ballots, the ballots were weighted according to the proportional financial obligation of the affected property.

The landowners of record within the Belmont Fire Protection District, as of the close of the Public Hearing held on November 14, 2006, did cast their ballots, the results of which are illustrated below:

Yes: \$195,901.47

Yes: 41%

No: \$276,769.45

No: 59%

There were 3,307 ballots cast. 1,920 or 58% voted Yes and 1,387 or 42% voted No.

Fiscal Impact

Staff anticipated generating approximately \$1,106,947 per annum for 15 years from the levy of the proposed Assessment. The anticipated revenue was intended to stabilize the structural funding deficit in the Fire Department, enhance fire suppression by restoring limited engine service through cross-staffing and improve replacement of fire equipment. By addressing these uses, the Assessment would have created the ancillary benefit of allowing the Fire Department to implement a 15 Year service plan that included 4 fully operational, paramedic staffed fire stations, long term labor stability, sinking fund for replacement of equipment and buildings, and full amortization of long term obligations. The FY 2006-07 contribution by the Fire District to Belmont-San Carlos Fire Department is \$5,267,467 and does not include funding from the proposed Assessment.

Public Contact

Posting of City Council Agenda.

Recommendation

Adopt resolution certifying ballot results.

Alternatives

The majority protest of the Assessment raises a number of issues for the Fire Board. Those issues range from how should services be provided, from whom and how much should be paid. Heretofore, the District has worked closely with the City of San Carlos in drafting and adopting an amended and restated Joint Powers Agreement (JPA). On July 1, 2006, that JPA resulted in the formation of the Belmont-San Carlos Fire Department, which amongst other things, included a streamlined management structure, change in governance on key matters of importance, and a revised funding formula that was contingent upon imposition of an Assessment in both communities. As a consequence of the protest, the Assessment can not be imposed and thus the funding formula reverts back to existing formula of 50%-50% from both agencies. Clearly, this provision, as well as other long term funding implications resulting from the failure to impose the Assessment, raises issues for the District and San Carlos and was one reason for inclusion of the six month provision that allows either agency to withdraw from the JPA by issuing written notice by December 31, 2006 for termination of the JPA on June 30, 2007. After that point, the JPA withdrawal provisions are at least 18 months prior to the date of termination.

Staff has outlined a number of alternatives for consideration. Those alternatives include:

1. Work with Fire Services Subcommittee, Fire Chief and the City of San Carlos to provide for continued services within available resources by the Belmont-San Carlos Fire Department. This alternative likely includes providing fire suppression services at diminishing levels of service.
2. Seek alternative revenue sources, such as a flat rate assessment, special tax measure requiring 2/3 vote or imposition of special fire service fees as may be authorized by the Health and Safety Code 13900, et. seq.
3. Pursue alternative fire services from the City of San Mateo or California Department of

Forestry with effective start date of July 1, 2007. This option would likely require giving notice to the City of San Carlos of the District's intent to withdraw by the December 31, 2006 notice deadline.

4. Provide staff with alternative direction.

Attachments

Resolution declaring the results of a property owner protest.

Respectfully submitted,

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Finance Director

Terry L. Belanger
Interim Executive Director

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BELMONT FIRE PROTECTION DISTRICT RESOLUTION NO. _____

**RESOLUTION OF THE BELMONT FIRE PROTECTION DISTRICT
DECLARING THE RESULTS OF A PROPERTY OWNER PROTEST PROCEEDING**

WHEREAS, the Board of Directors of the Belmont Fire Protection District, California (hereafter referred to as Board of Directors) called and duly held a property owner protest proceeding for the Belmont Fire Protection District Fire Suppression Assessment (hereafter referred to as Assessment) pursuant to the provisions of *Title 5, Division 1, Part 1, Article 3.6 of the Government Code of California, beginning with Section 50078* (hereafter referred to as the Code), and *California Constitution Articles XIII C and XIII D*, for the purpose of presenting to the qualified property owners within the Belmont FPD service area, the proposed imposition of said Assessment, and the annual levy of assessments for the costs and expenses of fire suppression services providing special benefits to the properties within; and,

WHEREAS, the landowners of record within the Belmont FPD service area as of the close of the Public Hearing held on November 14, 2006 did cast their ballots, the results of which are illustrated below:

Yes: \$195,901.47	Yes: 41%
No: \$276,769.45	No: 59%

NOW, THEREFORE, BE IT RESOLVED that the Belmont Fire Protection District does hereby order and determine:

Section 1 The above recitals are true and correct.

Section 2 The results of the tabulation of the valid property owner protest ballots returned by the property owners within the Belmont FPD service area, prior to the conclusion of the Public Hearing and property owner protest proceeding held for the District on November 14, 2006, is hereby confirmed and made public record.

Section 3 The tabulation of the valid property owner protest ballots returned by the property owners within the Belmont FPD service area indicates a majority protest exists for the proposed Assessment, and the Board of Directors shall not impose the Assessment.

Section 4 The Board Clerk is hereby directed to enter this Resolution on the minutes of the Board of Directors' meeting which shall constitute the official declaration of the result of such property owner protest proceeding.

Section 5 This Resolution shall become effective immediately upon its adoption.

Section 6 The Board Clerk shall certify the adoption of this Resolution.

* * * * *

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the Belmont Fire Protection District at a special meeting thereof held on November 28, 2006 by the following vote:

AYES, DIRECTORS: _____

NOES, DIRECTORS: _____

ABSTAIN, DIRECTORS: _____

ABSENT, DIRECTORS: _____

Secretary, Belmont Fire Protection District

APPROVED:

President, Belmont Fire Protection District