

GRAEAGLE FIRE PROTECTION DISTRICT

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A recent article in the Portola Reporter was critical of the Graeagle Fire Protection District (GFPD) Board of Directors regarding the process for annexing the Feather River Inn (FRI) into the GFPD. The article did not provide important details of the annexation process and presented an inaccurate and incomplete history of the FRI annexation process. The GFPD board was not given the opportunity to provide this information for the article; therefore, we are writing this letter to inform the GFPD residents of the facts surrounding the FRI annexation.

The primary responsibility of the GFPD Board of Directors is to maintain a strong department that will provide the highest level of fire protection and emergency medical services to the district residents. When a new area requests annexation into the district, we have an obligation to be sure that the annexation does not degrade the service provided to existing district residents. We are committed to mitigating any negative impact so that protection to the existing district is not compromised.

Since 2000, GFPD has annexed four areas into the district. Each of these annexations went through a lengthy process (2-3 years) and was processed through Plumas County LAFCO to ensure that each annexation complied with LAFCO law and county requirements. The GFPD board examined each proposed annexation to determine the potential impact on the existing district. This process has been accomplished in public GFPD board meetings and, in accordance with the LAFCO process, includes public hearings, protest hearings, vote by area being annexed, and an Engineer's Report detailing the financial and technical aspects.

Has GFPD done AB1600 fee justification studies?

Formal AB1600 studies have not been done for any GFPD annexations because the engineer working the annexations determined they are not required. A recent opinion from our legal counsel:

"Such studies address the requirements in Government Code section 66001 to justify the levy of a "fee" on a "development project," as those terms are defined in Government Code section 66000. The District does not have statutory authority to levy such development impact fees. Any payments or transfers required in connection with an annexation to the District are instead "terms and conditions" that are authorized under Government Code section 56886 and approved by the Local Area Formation Commission and by the owners of the annexed property pursuant to the provisions of the Cortese-Knox-Hertzberg Act, Government Code sections 56010 et seq. As a result, there are no AB 1600 fee justification studies."

How did GFPD come up with the \$250,000 fee?

The Feather River Inn project is very different from the four previous annexations; it is a high density, high risk transient occupancy resort with numerous commercial facilities. The development plan allows for 53 buildings with 213 dwelling units. The 213 dwelling units are all transient occupancy and include 37 rooms in a three story lodge/restaurant and 176 condo units in 2, 4, and 8 unit buildings. The plans also include 14

commercial buildings including a theater/events center, museum, pool/spa/exercise center, golf shop/pavilion/maintenance buildings, two water treatment plants, and a maintenance shop/pet hotel.

The resort will substantially increase the district's responsibilities and will require a related immediate increase in GFPD assets, equipment, and operational programs with no potential for volunteer firefighters from the commercial development. A report was done by The McMullen Co. Inc. in 2008 to provide a needs assessment for fire prevention and fire suppression to facilitate annexation of the FRI. The primary finding of that report requires a minimum required fire water flow for the resort greater than any single engine can provide; therefore, an additional Type 1 engine would need to be added to the GFPD fleet so that service to the existing district is not compromised.

In 2008, special conditions of annexation were negotiated to address the McMullen Report findings. Those special conditions included an additional Type 1 engine, a fire house on site, five firefighters fully equipped including communications gear, and annual funding for special training.

In 2014, after further negotiations with FRI, a fee of \$250,000 was proposed in lieu of the 2008 special conditions that had an estimated value exceeding \$500,000. Specifically, the district will obtain an additional Type 1 engine in order to maintain the district's ISO (Insurance Services Office) rating and maintain the current level of service to the existing district in the event of a major incident at the FRI. In addition, special training and equipment will be required due to the multi-story lodge building and high density housing units. The \$250,000 fee is approximately one half of the anticipated cost of a new Type 1 engine and special training and equipment; GFPD would be responsible for the remaining cost. FRI representatives were involved in the negotiations and were aware of how these numbers were determined.

Has GFPD asked for a fee in other annexations?

Whitehawk Ranch was one of the four prior annexations and it presented a higher level of risk to the department compared to the other three. This was due to the commercial facilities of the golf course, lodge, water treatment facility, and CSD. This risk was mitigated by requiring the transfer of existing Whitehawk Ranch fire department assets to the GFPD department. This transfer included two fire engines, equipment and gear to outfit six firefighters, a rent-free building to house the engines and equipment, and a one acre parcel suitable for a future fire station. In addition, the six existing Whitehawk Ranch firefighters were added to the GFPD roster. These assets were in lieu of a fee to establish the same capabilities.

In September, 2014, GFPD received a letter stating that Feather River Inn does not accept the conditions of annexation and requested that GFPD table discussion of the annexation while Feather River Inn reviews other options. GFPD decided to withdraw the conditions of annexation and reopen negotiations should the Feather River Inn request to continue the annexation process with GFPD. The annexation was still in the negotiation phase and had not completed the LAFCO process to approve the conditions of annexation.

The GFPD Board of Directors is disappointed that the annexation process is not proceeding to a successful conclusion at this time. While the GFPD board enthusiastically supports the FRI as an important recreational destination facility for Plumas County, our primary obligation in any annexation is to ensure that the protection of district residents and the safety of our volunteer firefighters is not compromised.

Graeagle Fire Protection District,

John Sciborski, Board Chairperson
Dan West, Board Member
Don Clark, Board Member
Bob Anderson, Board Member
Terri Skutt, Board Member
Ed Ward, Chief