

**OCEANO COMMUNITY SERVICES DISTRICT
RESOLUTION NO: 2023 - 03**

**A RESOLUTION OF APPLICATION BY THE BOARD OF DIRECTORS OF THE
OCEANO COMMUNITY SERVICES DISTRICT APPROVING INITIATION OF
PROCEEDINGS FOR DIVESTITURE OF FIRE PROTECTION SERVICES**

WHEREAS, the Oceano Community Services District was formed in 1981 by a reorganization dissolving County Service Area No. 13, Oceano Lighting District, Oceano Beach Lighting District, Oceano Sanitary District, Oceano Fire Protection District; and

WHEREAS, the Oceano Community Services District Board of Directors desires to initiate proceedings pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, commencing with Section 56000 of the California Government Code, for divestiture of Fire Protection Services; and

WHEREAS, this resolution is submitted to comply consistent with Government Code Section 56700 and 56824.10 et seq; and

WHEREAS, notice of the public hearing to consider this resolution was given pursuant to Government Code Section 56153, 56154, and 56654; and

WHEREAS, the nature of this proposal is for divestiture of Fire Protection Services within the territory of the Oceano Community Services District; and

WHEREAS, the territory proposed for divestiture is inhabited. A description and map of the boundaries of the territory are attached hereto as Exhibits A and B, and are incorporated herein by this reference; and

WHEREAS, the proposal for divestiture and transfer of Fire Protection Services are described in the Plan for Services attached hereto as Exhibit C; and

WHEREAS, LAFCO will assume Lead Agency status, responsible for compliance with the California Environmental Quality Act (CEQA) and the Oceano Community Services District shall pay for any studies needed to comply with CEQA; and

WHEREAS, the proposed divestiture is subject to the following terms and conditions:

1. That all Oceano Community Services District real and personal property currently being utilized for Fire Protection Services will be made available via lease at no cost to the successor agency; and
2. That all Development Impact Fee cash on hand and due but uncollected, be transferred to the successor agency; and

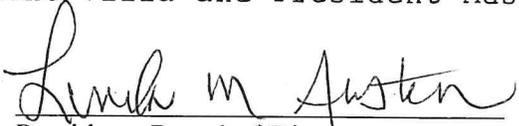
3. That 83.5% of the Oceano Community Services District ad valorem property tax revenues (approximately \$1,050,000) be permanently transferred to the successor agency upon the effective date of the divestiture.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Oceano Community Services District that:

1. The foregoing recitals are true and correct.
2. The Oceano Community Services District can no longer meet the needs and requirements for the purpose of providing Fire Protection Services.
3. This Resolution of Application is approved, and hereby requests that LAFCO proceed with the processing of this divestiture as authorized and in the manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

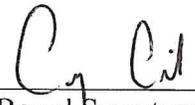
PASSED AND ADOPTED by the Board of Directors of the Oceano Community Services District on January 11, 2023, by the following vote:

AYES: Director Varni, Director Gibson, Director Joyce-Suneson,
NOES: NONE / Vice President Villa and President Austin
ABSTAIN: NONE
ABSENT: NONE



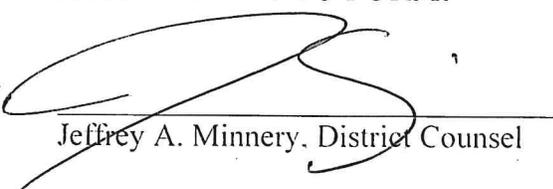
President, Board of Directors
of the Oceano Community Services District

ATTEST:



Board Secretary of the
Oceano Community Services District

APPROVED AS TO FORM:



Jeffrey A. Minnery, District Counsel

EXHIBIT A

LEGAL DESCRIPTION

PROPOSED
OCEANO COMMUNITY SERVICES DISTRICT
BOUNDARY DESCRIPTION

Beginning at the southwesterly corner of the Town of Grover, according to the map thereof recorded in Book A of Maps at Page 6, San Luis Obispo County Records, said point also being on the boundary line of the City of Grover City and the mean high tide line; thence along the boundary line of the City of Grover City over the following courses numbered 1 through 10:

- 1) S 69°15' E along the southerly line of said Town of Grover, 2,188 feet, more or less, to a point on the westerly line of the Southern Pacific Railroad Company's right-of-way, said westerly line also being the easterly line of Vista Del Encanto, Subdivision No. 2, according to the map thereof recorded in Book 5 of Maps at Page 3, San Luis Obispo County Records;
- 2) S 21°00'30" E, 2,461 feet, more or less, along the westerly line of said right-of-way to a point which bears West from the northwesterly corner of Lot 4 of Pismo Beach Gardens No. 2 according to the map thereof recorded in Book 3 of Maps at Page 49, San Luis Obispo County Records;
- 3) East 107 feet, more or less, across said railroad right-of-way, 100 feet wide, to the easterly right-of-way line of said railroad, said line also being a common line with the westerly line of that certain parcel described in the deed from Oscar Huber to Charles Linebarger, recorded in Volume 105 of Deeds at Page 347, San Luis Obispo County Records, said parcel being a portion of Lot 15 of Harris' Subdivision of the Rancho El Pismo according to the map thereof recorded in Book A of Maps at Page 157, San Luis Obispo County Records;
- 4) S 21°00'30" E, 190 feet, more or less, along said common line to the beginning of a curve;

Doc. No. 57777
Recorded 12/18/80
Vol. 2293 p. 144-150

CERTIFIED BY COUNTY SURVEYOR

OFFICIAL L.A.F.C. FILE
Attachment - Resolution

#3

- 5) Southeasterly along said curve, tangent to the last mentioned course and concave to the northeast with a radius of 5,800 feet through a central angle of $11^{\circ}16'$, an arc distance of 1,140 feet, more or less, to a point on the westerly prolongation of the northerly line of Lots 18 and 17 of Rio Vista Dell, according to the map thereof recorded in Book 3 of Maps at Page 98, San Luis Obispo County Records;
- 6) N $81^{\circ}47'$ E 356.6 feet along said prolongation and along said northerly line of Lots 18 and 17, as shown on said map, to the northeasterly corner of said Rio Vista Dell Subdivision, said corner also being the southeasterly corner of that certain parcel of land conveyed to John Loosemore by deed dated April 19, 1921, and recorded in Volume 145 of Deeds at Page 75, San Luis Obispo County Records;
- 7) N $36^{\circ}43'$ W, as shown on said map, 180 feet, more or less, along the northwesterly prolongation of the northeasterly line of said Rio Vista Dell Subdivision, said line also being the easterly line of said land conveyed to John Loosemore, to a point on the southerly line of the hereinabove mentioned portion of Lot 15 of Harris' Subdivision, described in the deed from Oscar Huber to Charles Linebarger, said point also being the northeast corner of that parcel of land conveyed to John Loosemore;
- 8) N $83^{\circ}43'$ E, 1,202 feet, more or less, along said southerly line to the southeast corner of the hereinabove mentioned portion of Lot 15 of Harris' Subdivision, said point also being on the south line of The Pike as shown on the map of Pismo Beach Gardens, recorded in Book 3 of Maps at Page 45, San Luis Obispo County Records;
- 9) N $83^{\circ}43'$ E, 78 feet along the south line of The Pike as shown on said map to a point on the easterly line of the herein above mentioned Lot 15 of Harris' Subdivision of the Rancho El Pismo;

- 10) N 89°45' E, 2,958 feet, more or less, along the southerly line of The Pike, 50 feet wide, according to said map, to a point on the southerly prolongation of the easterly line of Lot 16 of said Pismo Beach Gardens, at which point said boundary line of the City of Grover City bears north along the southerly prolongation of the easterly line of said Lot 16.

- 11) Thence, leaving the common line with said City boundary and continuing N 89°45' E, 577 feet, more or less, along said southerly line of The Pike and its easterly prolongation to a point on the southerly prolongation of the easterly line of Lot 19 and the westerly line of Tract 80 as recorded in Book 5 of Maps at Page 91, San Luis Obispo County Records, said point being an angle point in the boundary line of the City of Arroyo Grande;

thence along the boundary line of said City of Arroyo Grande over the following courses numbered 12 through 18:

- 12) N 89°45' E, 130 feet, more or less, along the easterly prolongation of the southerly line of The Pike, said line being also the northerly boundary line (blue border) of Tract No. 708 as recorded in Book 9 of Maps at Page 75, San Luis Obispo County Records, to the northeast corner of said tract, said corner being 10' westerly of and at right angles to the centerline of 24th Street as shown on said tract;

- 13) S 00°01' E 20 feet to a point which is 45 feet at right angles southerly of the easterly prolongation of the centerline of The Pike, as shown on said map of Tract No. 708, and on the westerly prolongation of the southerly line of The Pike as said line is shown on the aforementioned map of Pismo Beach Gardens;

- 14) N 89°45' E, 520 feet, along said westerly prolongation and the southerly line of The Pike as same existed on March 10, 1980, said line being also the northerly line of Lot E of the

Subdivisions of Property of E. L. Warner recorded in Book B of Maps at Page 50, San Luis Obispo County Records, to the northeast corner of said Lot E, said northeast corner being also the northwest corner of Lot F of said map and the northwest corner of the boundary of Tract No. 244, a subdivision of Lot F, recorded in Book 6 of Maps at Page 87, San Luis Obispo County Records;

- 15) South 817.24 feet, the bearing and distance shown on said Tract No. 244, along the westerly boundary of said Lot and Tract to the southwest corner thereof;
- 16) N 89°10'00" E, 566.48 feet along the southerly line of said Lot and Tract and the easterly prolongation thereof across Elm Street (26th Street) to a point on the easterly line of said street as shown on said Tract No. 244;
- 17) N 0°14'30" W, 742 feet, more or less, along the easterly line of Elm Street (26th Street) to its intersection with the southerly line of The Pike;
- 18) N 89°47'30" E, 2,638 feet, more or less, along the southerly line of The Pike and its easterly prolongation to a point on the easterly line of Halcyon Road, said southerly line being 25 feet at right angles southerly of and parallel with the centerline of The Pike as shown on Tracts 456, 498, 463, and 282 recorded in Book 8 Page 56, Book 8 Page 42, Book 8 Page 24, and Book 6 Page 99, respectively, of Maps, San Luis Obispo County Records, at which point said boundary line of the City of Arroyo Grande bears north along the easterly line of Halcyon Road;
- 19) Thence leaving the common line with said City of Arroyo Grande boundary S 0°07'15" E, 2,592 feet, more or less, along said easterly line of Halcyon Road and its southerly prolongation to its intersection with the centerline of the Arroyo Grande Creek Channel, the map of

which is on file in the Office of the County Engineer of San Luis Obispo County;

thence along the centerline of said channel over the following courses numbered 20 through 27:

- 20) S 18°55'15" W, 351 feet, more or less, to the beginning of a curve;
- 21) Southwesterly along said curve, tangent to the last mentioned course and concave to the northwest with a radius of 400 feet through a central angle of 45°43', an arc distance of 319.16 feet;
- 22) Tangent to said last mentioned curve S 64°38'15" W, 1,395.27 feet to the beginning of a curve;
- 23) Southwesterly along said last mentioned curve, tangent to the last mentioned course and concave to the northwest with a radius of 2,000 feet through a central angle of 25°29'45", an arc distance of 899.97 feet;
- 24) Tangent to said last mentioned curve N 89°52' W, 3,191.20 feet to the beginning of a curve;
- 25) Northwesterly along said last mentioned curve, tangent to the last mentioned course and concave to the northeast with a radius of 3,000 feet through a central angle of 34°50'30", an arc distance of 1,824.31 feet;
- 26) Tangent to said last mentioned curve N 55°01'30" W, 403.63 feet to the beginning of a curve;
- 27) Northwesterly along said last mentioned curve, tangent to the last mentioned course and concave to the southwest with a radius of 4,000 feet through a central angle of 12°30', an arc

distance of 873 feet, more or less, to a point of intersection with the westerly line of that property conveyed to Clayton L. Conrow, et ux., by deed recorded in Volume 502 of Official Records at Page 18, San Luis Obispo County, said point being southeasterly along the westerly continuation of said curve an arc distance of 1,041 feet, more or less, with a central angle of 14°55', from the westerly end of said curve (total central angle of curve is 27°25' and total arc distance is 1,914.04 feet);

- 28) thence leaving the centerline of said Arroyo Grande Creek Channel South 483 feet, more or less, along the westerly line of said Conrow property;
- 29) thence S 33°30' E, 66 feet, more or less, along the southwesterly line of said Conrow Property, to a point on the southerly line of Franklin Avenue, 40 feet wide, as said street is shown on the map of Beckett's Oceano Park Subdivision recorded in Book 1 of Records of Survey at Page 105, San Luis Obispo County Records;
- 30) thence West 560 feet, more or less, along said southerly line and the westerly prolongation thereof to a point on the westerly line of 10th Street (formerly Fourth Street), 70 feet wide, as said street is shown on the Map of Subdivision No. 1 Oceano Beach recorded in Book A of Maps at Page 149, San Luis Obispo County Records, and on said map of Becketts Oceano Park Subdivision;
- 31) thence N 0°45' W, 2 feet, more or less, along said westerly line to the northeast corner of Lot 36, Block 5, of said Map of Subdivision No. 1 Oceano Beach, said corner being on the southerly line of Franklin Avenue;
- 32) thence S 89°57' W, 604 feet, more or less, along said southerly line and the westerly prolongation thereof to the westerly line of Third Street, 40 feet wide, as shown on said Map of Subdivision No. 1 Oceano Beach;

- 33) thence N 1°33' W, 826 feet, more or less, along said westerly line to a point of intersection with the aforementioned centerline of Arroyo Grande Creek Channel, said point being N 82°26'30" W, 149 feet, more or less, along said centerline from the westerly end of the aforementioned 4000 foot radius curve;
- 34) thence N 82°26'30" W, 2,139 feet, more or less, along said centerline and its prolongation to a point on the aforementioned mean high tide line, said point being the approximate southwest corner of Lot D as shown on the Map of Subdivision No. 2 Oceano Beach recorded in Book A of Maps at Page 150, San Luis Obispo County Records;
- 35) thence northwesterly 6,300 feet, more or less, along said mean high tide line and the westerly lines of Lots D, E, and F of said map and Lots G, H, and I of the Map of Subdivision No. 3 Oceano Beach recorded in Book A of Maps at Page 151, San Luis Obispo County Records, to the aforementioned southwesterly corner of the Town of Grover and the point of beginning.

Area within boundary is 1,085 acres, more or less, or 1.70 square miles.

PROPOSED
OCEANO COMMUNITY SERVICES DISTRICT
BOUNDARY DESCRIPTION

Exhibit "A"

Beginning at the southwesterly corner of the Town of Grover, according to the map thereof recorded in Book A of Maps at Page 6, San Luis Obispo County Records, said point also being on the boundary line of the City of Grover City and the mean high tide line; thence along the boundary line of the City of Grover City over the following courses numbered 1 through 10:

- 1) S 69°15' E along the southerly line of said Town of Grover, 2,188 feet, more or less, to a point on the westerly line of the Southern Pacific Railroad Company's right-of-way, said westerly line also being the easterly line of Vista Del Encanto, Subdivision No. 2, according to the map thereof recorded in Book 5 of Maps at Page 3, San Luis Obispo County Records;
- 2) S 21°00'30" E, 2,461 feet, more or less, along the westerly line of said right-of-way to a point which bears West from the northwesterly corner of Lot 4 of Pismo Beach Gardens No. 2 according to the map thereof recorded in Book 3 of Maps at Page 49, San Luis Obispo County Records;
- 3) East 107 feet, more or less, across said railroad right-of-way, 100 feet wide, to the easterly right-of-way line of said railroad, said line also being a common line with the westerly line of that certain parcel described in the deed from Oscar Huber to Charles Linebarger, recorded in Volume 105 of Deeds at Page 347, San Luis Obispo County Records, said parcel being a portion of Lot 15 of Harris' Subdivision of the Rancho El Pismo according to the map thereof recorded in Book A of Maps at Page 157, San Luis Obispo County Records;
- 4) S 21°00'30" E, 190 feet, more or less, along said common line to the beginning of a curve: _____

- 5) Southeasterly along said curve, tangent to the last mentioned course and concave to the northeast with a radius of 5,800 feet through a central angle of $11^{\circ}16'$, an arc distance of 1,140 feet, more or less, to a point on the westerly prolongation of the northerly line of Lots 18 and 17 of Rio Vista Dell, according to the map thereof recorded in Book 3 of Maps at Page 98, San Luis Obispo County Records;
- 6) N $81^{\circ}47'$ E 356.6 feet along said prolongation and along said northerly line of Lots 18 and 17, as shown on said map, to the northeasterly corner of said Rio Vista Dell Subdivision, said corner also being the southeasterly corner of that certain parcel of land conveyed to John Loosemore by deed dated April 19, 1921, and recorded in Volume 145 of Deeds at Page 75, San Luis Obispo County Records;
- 7) N $36^{\circ}43'$ W, as shown on said map, 180 feet, more or less, along the northwesterly prolongation of the northeasterly line of said Rio Vista Dell Subdivision, said line also being the easterly line of said land conveyed to John Loosemore, to a point on the southerly line of the hereinabove mentioned portion of Lot 15 of Harris' Subdivision, described in the deed from Oscar Huber to Charles Linebarger, said point also being the northeast corner of that parcel of land conveyed to John Loosemore;
- 8) N $83^{\circ}43'$ E, 1,202 feet, more or less, along said southerly line to the southeast corner of the hereinabove mentioned portion of Lot 15 of Harris' Subdivision, said point also being on the south line of The Pike as shown on the map of Pismo Beach Gardens, recorded in Book 3 of Maps at Page 45, San Luis Obispo County Records;
- 9) N $83^{\circ}43'$ E, 78 feet along the south line of The Pike as shown on said map to a point on the easterly line of the hereinabove mentioned Lot 15 of Harris' Subdivision of the Rancho El Pismo;

10) N 89°45' E, 2,958 feet, more or less, along the southerly line of The Pike, 50 feet wide, according to said map, to a point on the southerly prolongation of the easterly line of Lot 16 of said Pismo Beach Gardens, at which point said boundary line of the City of Grover City bears north along the southerly prolongation of the easterly line of said Lot 16.

11) Thence, leaving the common line with said City boundary and continuing N 89°45' E, 577 feet, more or less, along said southerly line of The Pike and its easterly prolongation to a point on the southerly prolongation of the easterly line of Lot 19 and the westerly line of Tract 80 as recorded in Book 5 of Maps at Page 91, San Luis Obispo County Records, said point being an angle point in the boundary line of the City of Arroyo Grande;

thence along the boundary line of said City of Arroyo Grande over the following courses numbered 12 through 18:

12) N 89°45' E, 130 feet, more or less, along the easterly prolongation of the southerly line of The Pike, said line being also the northerly boundary line (blue border) of Tract No. 708 as recorded in Book 9 of Maps at Page 75, San Luis Obispo County Records, to the northeast corner of said tract, said corner being 10' westerly of and at right angles to the centerline of 24th Street as shown on said tract;

13) S 00°01' E 20 feet to a point which is 45 feet at right angles southerly of the easterly prolongation of the centerline of The Pike, as shown on said map of Tract No. 708, and on the westerly prolongation of the southerly line of The Pike as said line is shown on the aforementioned map of Pismo Beach Gardens;

14) N 89°45' E, 520 feet, along said westerly prolongation and the southerly line of The Pike as same existed on March 10, 1980, said line being also the northerly line of Lot E of the

Subdivisions of Property of E. L. Warner recorded in Book B of Maps at Page 50, San Luis Obispo County Records, to the northeast corner of said Lot E, said northeast corner being also the northwest corner of Lot F of said map and the northwest corner of the boundary of Tract No. 244, a subdivision of Lot F, recorded in Book 6 of Maps at Page 87, San Luis Obispo County Records;

- 15) South 817.24 feet, the bearing and distance shown on said Tract No. 244, along the westerly boundary of said Lot and Tract to the southwest corner thereof;
- 16) N 89°10'00" E, 566.48 feet along the southerly line of said Lot and Tract and the easterly prolongation thereof across Elm Street (26th Street) to a point on the easterly line of said street as shown on said Tract No. 244;
- 17) N 0°14'30" W, 742 feet, more or less, along the easterly line of Elm Street (26th Street) to its intersection with the southerly line of The Pike;
- 18) N 89°47'30" E, 2,638 feet, more or less, along the southerly line of The Pike and its easterly prolongation to a point on the easterly line of Halcyon Road, said southerly line being 25 feet at right angles southerly of and parallel with the centerline of The Pike as shown on Tracts 456, 498, 463, and 282 recorded in Book 8 Page 56, Book 8 Page 42, Book 8 Page 24, and Book 6 Page 99, respectively, of Maps, San Luis Obispo County Records, at which point said boundary line of the City of Arroyo Grande bears north along the easterly line of Halcyon Road;
- 19) Thence leaving the common line with said City of Arroyo Grande boundary S 0°07'15" E, 2,592 feet, more or less, along said easterly line of Halcyon Road and its southerly prolongation to its intersection with the centerline of the Arroyo Grande Creek Channel, the map of

which is on file in the Office of the County Engineer of San Luis Obispo County;

thence along the centerline of said channel over the following courses numbered 20 through 27:

- 20) S $18^{\circ}55'15''$ W, 351 feet, more or less, to the beginning of a curve;
- 21) Southwesterly along said curve, tangent to the last mentioned course and concave to the northwest with a radius of 400 feet through a central angle of $45^{\circ}43'$, an arc distance of 319.16 feet;
- 22) Tangent to said last mentioned curve S $64^{\circ}38'15''$ W, 1,395.27 feet to the beginning of a curve;
- 23) Southwesterly along said last mentioned curve, tangent to the last mentioned course and concave to the northwest with a radius of 2,000 feet through a central angle of $25^{\circ}29'45''$, an arc distance of 899.97 feet;
- 24) Tangent to said last mentioned curve N $89^{\circ}52'$ W, 3,191.20 feet to the beginning of a curve;
- 25) Northwesterly along said last mentioned curve, tangent to the last mentioned course and concave to the northeast with a radius of 3,000 feet through a central angle of $34^{\circ}50'30''$, an arc distance of 1,824.31 feet;
- 26) Tangent to said last mentioned curve N $55^{\circ}01'30''$ W, 403.63 feet to the beginning of a curve;
- 27) Northwesterly along said last mentioned curve, tangent to the last mentioned course and concave to the southwest with a radius of 4,000 feet through a central angle of $12^{\circ}30'$, an arc

distance of 873 feet, more or less, to a point of intersection with the westerly line of that property conveyed to Clayton L. Conrow, et ux., by deed recorded in Volume 502 of Official Records at Page 18, San Luis Obispo County, said point being southeasterly along the westerly continuation of said curve an arc distance of 1,041 feet, more or less, with a central angle of $14^{\circ}55'$, from the westerly end of said curve (total central angle of curve is $27^{\circ}25'$ and total arc distance is 1,914.04 feet);

- 28) thence leaving the centerline of said Arroyo Grande Creek Channel South 483 feet, more or less, along the westerly line of said Conrow property;
- 29) thence S $33^{\circ}30'$ E, 66 feet, more or less, along the southwesterly line of said Conrow Property, to a point on the southerly line of Franklin Avenue, 40 feet wide, as said street is shown on the map of Beckett's Oceano Park Subdivision recorded in Book 1 of Records of Survey at Page 105, San Luis Obispo County Records;
- 30) thence West 560 feet, more or less, along said southerly line and the westerly prolongation thereof to a point on the westerly line of 10th Street (formerly Fourth Street), 70 feet wide, as said street is shown on the Map of Subdivision No. 1 Oceano Beach recorded in Book A of Maps at Page 149, San Luis Obispo County Records, and on said map of Becketts Oceano Park Subdivision;
- 31) thence N $0^{\circ}45'$ W, 2 feet, more or less, along said westerly line to the northeast corner of Lot 36, Block 5, of said Map of Subdivision No. 1 Oceano Beach, said corner being on the southerly line of Franklin Avenue;
- 32) thence S $89^{\circ}57'$ W, 604 feet, more or less, along said southerly line and the westerly prolongation thereof to the westerly line of Third Street, 40 feet wide, as shown on said Map of Subdivision No. 1 Oceano Beach;

- 33) thence N 1°33' W, 826 feet, more or less, along said westerly line to a point of intersection with the aforementioned centerline of Arroyo Grande Creek Channel, said point being N 82°26'30" W, 149 feet, more or less, along said centerline from the westerly end of the aforementioned 4000 foot radius curve;
- 34) thence N 82°26'30" W, 2,139 feet, more or less, along said centerline and its prolongation to a point on the aforementioned mean high tide line, said point being the approximate southwest corner of Lot D as shown on the Map of Subdivision No. 2 Oceano Beach recorded in Book A of Maps at Page 150, San Luis Obispo County Records;
- 35) thence northwesterly 6,300 feet, more or less, along said mean high tide line and the westerly lines of Lots D, E, and F of said map and Lots G, H, and I of the Map of Subdivision No. 3 Oceano Beach recorded in Book A of Maps at Page 151, San Luis Obispo County Records, to the aforementioned southwesterly corner of the Town of Grover and the point of beginning.

Area within boundary is 1,085 acres, more or less, or 1.70 square miles.

Exhibit "A"

Annexation No. 5

**To The Oceano Community Services District
San Luis Obispo County, California**

A portion of Lot 109 of the Subdivisions of the Ranchos Corral de Piedra, Pismo, and Bolsa de Chamisal, in the County of San Luis Obispo, State of California, as per map filed in Book A, Page 65 of Maps in the Office of the County Recorder of said County, said portion being the land described in the deed recorded in Book 1524 at page 575 of Official Records in the Office of the County Recorder of said County, and Parcel 1 of Parcel Map CO-68-69 as per map filed in Book 3, Page 32 of Parcel Maps in the Office of the County Recorder of said County, and Parcel 1 of Parcel Map CO-70-51 as per map filed in Book 5, Page 1 of Parcel Maps in the Office of the County Recorder of said County, more particularly described as follows:

Beginning at the southwesterly corner of said Parcel 1 of Parcel Map CO-68-69, also being on the existing Arroyo Grande City limit line, and also being the easterly right of way line of the 60 foot wide Halcyon Road as shown on said Parcel Map;

Thence along the said City limit boundary and the westerly line of said Parcel 1, North 211.49 feet to the northwesterly corner of said Parcel 1;

Thence continuing along the said City limit line and the northerly line of said Parcel 1, East 200.00 feet to an angle point in the said northerly line;

Thence continuing along the said City limit line and the northerly line of said Parcel 1, North 25.00 feet to an angle point in the said northerly line;

Thence leaving said City limit line and along the said northerly line, East 375.00 feet to an angle point in the westerly boundary line of Tract 551 in the City of Arroyo Grande, as per map filed in Book 8, Page 72 of Maps in the Office of the County Recorder of said County, said point also being on the said City limit line;

Thence continuing along the said City limit line and the said northerly line, north 89°33'59" east 25.23 feet to an angle point in the said westerly boundary line of Tract 551;

Thence continuing along the said City limit line and the line common with said Parcel 1, and the land described in said deed, and the said westerly boundary line of Tract 551, south 00°00'01" east 437.32 feet to the southeasterly corner of the land described in said deed and also being on the northerly line of Parcel 1 of Parcel Map CO-70-51;

Thence continuing along the said City limit line and the said northerly line, north 89°38'00" east 444.80 feet to the northeasterly corner of said Parcel 1;

Thence leaving said City limit line and along the easterly line of said Parcel 1, south 05°43'12" west 225.67 feet to the southeasterly corner of said Parcel 1;

Thence along the southerly line of said Parcel 1, south 89°38'00" west 1022.90 feet to the southwesterly corner of said Parcel 1, also being a point in the current Ocean Community Services District's boundary line, also being a point on the said easterly right of way line of the 60 foot wide Halcyon Road;

Thence continuing along the westerly line of said Parcel 1, and the current Ocean Community Services District's boundary line, and the said easterly right of way line north 00°00'00" east 224.40 feet to the southwesterly corner of the land described in said deed;

Thence continuing along said Ocean Community Services District's boundary line and the westerly line of land described in said deed, north 00°00'00" east 200.00 feet to the Point of Beginning.

Containing 11.3 acres of land, more or less.



Joseph T. Morris

Joseph T. Morris P.L.S. 6192 exp 3/2010

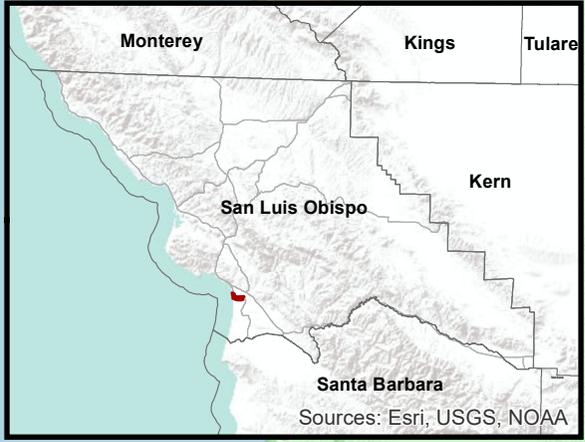
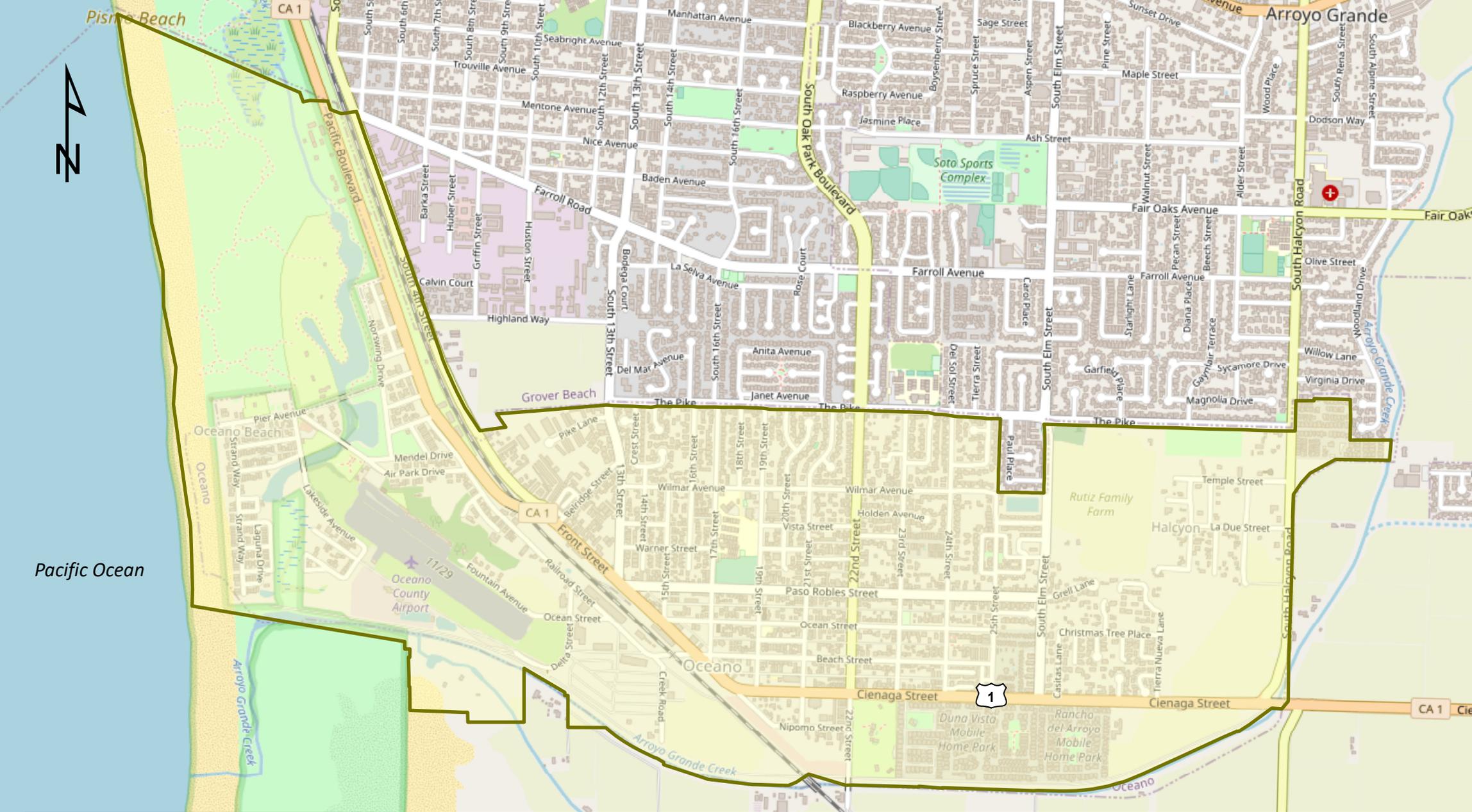
Date: September 1, 2009

APPROVED COUNTY SURVEYOR
By: *Daniel J. Morrison*
Date: *9/27/09*
San Luis Obispo County Dept. of Public Works

END OF DOCUMENT

EXHIBIT B

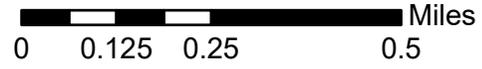
MAP OF SERVICE AREA BOUNDARIES



Oceano Community Service District

- LAFCO Boundaries**
- Sphere of Influence (Same as Service Area)
 - Service Area

Latest SOI Approval: Jul 2020



Prepared By SLOLAFCO
 Name: Oceano CSD
 Attachment: Resolution
 Date: 3/25/2022

EXHIBIT C

Oceano Community Services District

Divestiture of Fire Protection Services

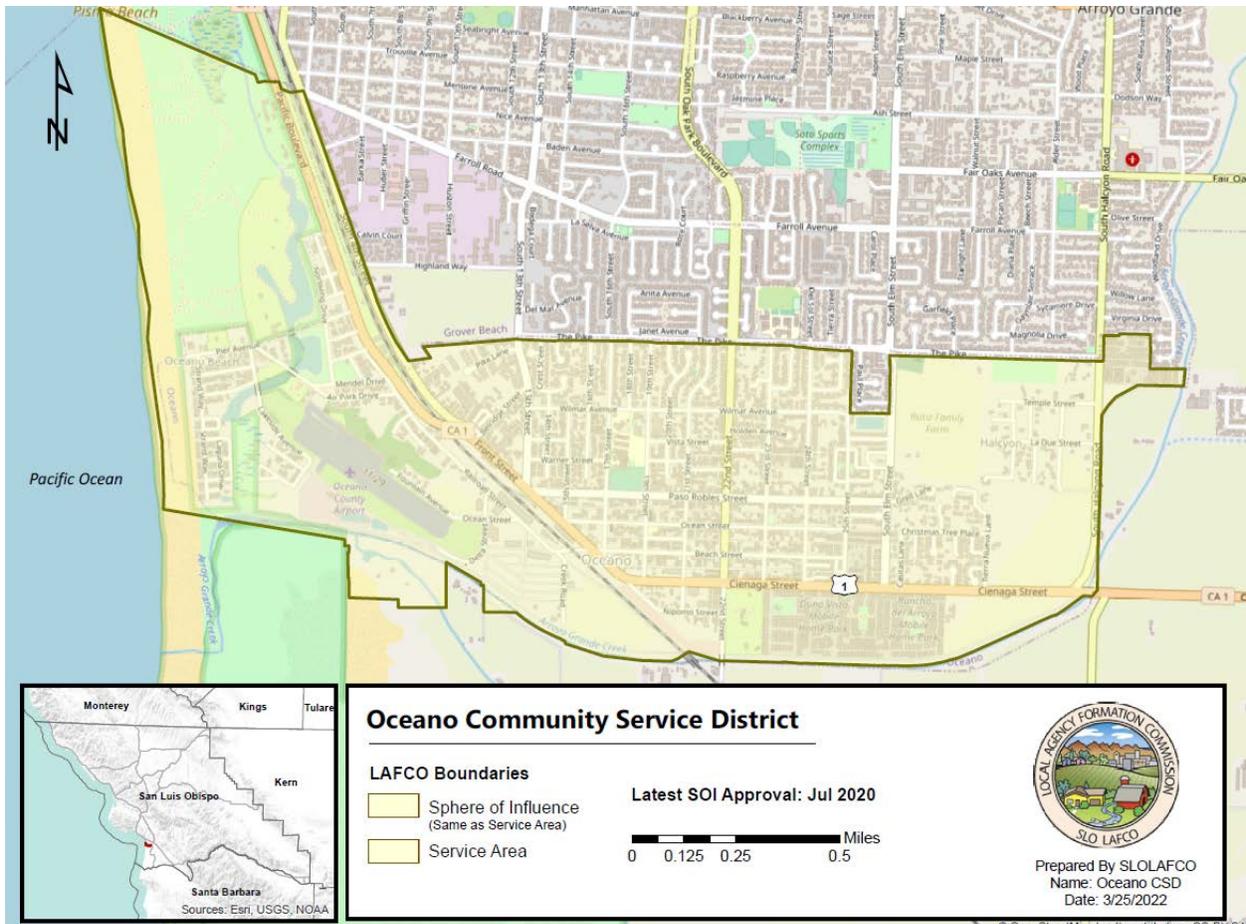
Plan for Services - January 2023

Contents:

1. Introduction & Background
2. Description of Services
 - a. Current Level of Fire Protection Services
 - b. Proposed Level of Fire Protection Services
3. Existing Service Providers and Fiscal Impact
4. Financing Plan

1. Introduction & Background:

The Oceano Community Services District (OCSD) was formed in 1981 by a reorganization (LAFCO Resolution 80-6) that combined the all-volunteer Oceano Fire Protection District, Oceano Beach Lighting District, Oceano Lighting District, Oceano Sanitary District, and County Service Area No. 13. The Oceano Fire Protection District had been in existence since 1947. The OCSD provides property tax supported services (fire protection, lighting, and parks & recreation) and enterprise fee supported services (water, wastewater collection, and solid waste). A five-member elected Board of Directors oversees the affairs of the District. See the figure below showing the current jurisdictional boundaries of OCSD.



A Fire Department Consolidation Feasibility Study was completed in 2005 which concluded that stand-alone fire departments are not cost effective and that Oceano, the cities of Grover Beach (GB) and Arroyo Grande (AG) should consolidate into one agency for fire protection services. In 2008, the OCSD Fire Oversight Committee directed efforts to consolidate with GB and AG. The Five Cities Fire Authority (FCFA), a Joint Powers Authority (JPA) was formed in 2010 and has been providing fire protection services for OCSD, GB, and AG ever since.

FCFA operates as a single fire agency utilizing fire stations and equipment from the three member agencies. FCFA has a three-member Board of Directors comprised of an elected official from each agency. The Fire Chief reports to the Board of Directors and administers all three fire stations. Funding for the FCFA is based on a negotiated cost formula between the member agencies.

In 2017 the FCFA Board adopted a five-year strategic plan that had a staffing plan which was prioritized to initially transition from part-time reserve firefighters to full-time firefighters over a three-year period. At the end of the three-year period, the Arroyo Grande and Grover Beach stations would have 3 full-time staff, and the Oceano station

2 full-time staff daily. The strategic plan also called for other positions, and the establishment of an equipment replacement program. The initial two phases of the three-year prioritization were accomplished (6 of 9 positions transitioned).

The FCFA strategic plan has resulted in significant cost increases to fund the additional career positions. However, due to insufficient resources, the OCSD station currently can only be staffed with two positions for one of three shifts each week. When the OCSD station is closed, service to Oceano is provided by FCFA with staff stationed at the GB and AG stations.

When the OCSD station is open, additional jurisdictional response is provided to Oceano from FCFA stations in GB and AG. Automatic aid is provided to FCFA by CAL FIRE (nearest stations in Pismo Beach and Nipomo). Should an incident require a mutual aid request for additional resources, those resources could be dispatched from anywhere in San Luis Obispo County, Santa Barbara County, or the City of Santa Maria.

The sole funding source for fire service is property taxes. Unlike the Cities or the County, other funding sources such as sales, transient occupancy, cannabis, and other taxes are not available to special districts like OCSD. In March of 2020, the OCSD placed a special tax measure (Measure A-20) on the ballot to fund its share of the JPA costs. The measure called for an annual special tax of \$180 per parcel to generate almost \$410,000 in additional funding. That measure failed to garner the necessary 2/3 majority vote to pass. A similar measure was placed on the June 2022 ballot (Measure A-22) and it also failed to pass.

Due to the inability of OCSD to fund its share of JPA costs, the OCSD will cease to be a member of the FCFA on July 1, 2023, and fire protection services for Oceano will need to be provided by another method. This would leave GB and AG as the remaining agencies of FCFA. The existing JPA would need to be revised if those agencies desired to keep a JPA as opposed to returning to stand alone fire departments.

2. Description of Services

a. Current Level of Fire Protection

The FCFA provides emergency and non-emergency fire protection services within OCSD boundaries. Service calls within OCSD boundaries average about 550 per year and account for less than 16% of the total calls for FCFA. Calls are assigned to the closest available apparatus based on GPS coordinates. The County prepared a Special Districts Fire Protection Study in 2018. The section covering OCSD is attached as Attachment 1. That report stated that the appropriate response time for Oceano would be based on the County Fire urban standard of 7 minutes. When the OCSD station is open, FCFA can cover 99% of the entire OCSD service area within 7 minutes. However, when the OCSD station is closed, the other FCFA stations can cover 30% of the OCSD service area within 7 minutes and 95% of the OCSD service area within 8 minutes. The study also concluded

that if the OCSD station was closed and service was provided from the CAL FIRE stations in Pismo Beach or on the Nipomo Mesa, those stations are too far away to provide an appropriate level of response to Oceano.

As indicated earlier, the OCSD only has sufficient funding to staff and keep the OCSD station open one of three (1/3) shifts each week resulting in reduced service levels in Oceano. In addition, this has the impact of increasing simultaneous service calls for the stations that are open in GB and AG by reducing the number of available engine companies, but also increases response times to all communities served by FCFA.

b. Proposed Level of Fire Protection

The complete divestiture of fire protection services by OCSD from its jurisdictional boundaries would transfer all fire protection services to the County of San Luis Obispo (County) as the successor agency. The County could provide service to Oceano as it currently does for other unincorporated areas of the County through the County Fire Department. County Fire could utilize its existing contract with CAL FIRE as it does in other communities, or it could have the option to contract with a reconstituted FCFA to provide service in Oceano.

The current available revenues from property taxes collected would transfer to the County to fund fire protection services. In addition, all existing Development Impact Fees collected and those collected in the future would transfer to the County to be used to improve facilities or replace equipment related to development. The OCSD would also make available through a no cost lease to the County, those facilities currently utilized to provide fire protection services on OCSD property located at 1655 Front Street in Oceano (FCFA Station 3).

The Oceano Fire Station could remain the primary response station for service calls within the Oceano community. Fire engine/apparatus could remain located in the current Oceano Fire Station. The types and quality of fire protection services would be similar to the existing services, however, the level of fire protection services provided to the community could be enhanced as the County's financial ability to provide additional staffing is much greater than OCSD is able to provide currently.

There will be no transfer of OCSD employees related to the divestiture of fire protection services as all employees of FCFA are employees of the City of Arroyo Grande. However, OCSD will be responsible to pay its share of any CALPERS unfunded accrued liabilities for the period it was a member of FCFA. The OCSD will provide fire protection services for the community of Oceano until the effective date of the divestiture. There will be no laws, ordinances, rules, or regulations of the OCSD related to fire protection services remaining in effect after the effective date of the divestiture.

In summary, the proposed divestiture will potentially provide for a higher level of fire service than what currently exists as the County has more funding options available to it than the OCSD. This may provide for the ability to keep the Oceano fire station open more shifts than the current single shift per week.

3. Existing Service Providers and Fiscal Impact

The FCFA is the only existing service provider of fire protection services in Oceano apart from the automatic and mutual aid provided by County Fire. County Fire would be the only option to provide fire protection services in Oceano other than FCFA.

The estimated cost of fire protection services for the citizens of Oceano would be \$1,050,000 annually and be covered by the current property taxes available for fire protection services. The Special Districts Fire Protection Study in 2018 estimated that it would cost the County an additional \$600,000 annually above the property tax revenues to fully staff and operate the Oceano station. Thus, the County of San Luis Obispo would have a fiscal impact as the successor agency.

4. Financing Plan

The financing plan outlined below is based on the estimated costs outlined in the Special Districts Fire Protection Study in 2018 and inflated to July 2023 based on the Consumer Price Index. It assumes the County provides fire protection services and utilizes its current contract with CAL FIRE to staff the Oceano station with two full-time firefighters on duty daily with support by reserves or paid call firefighters plus station operating costs. However, there could also be an option to contract with a reconstituted FCFA depending on future decisions by the Cites of GB and AG. This could bring the estimated cost of service lower.

Estimated Annual Cost	\$1,850,000
Property Tax Transfer	\$1,050,000
Additional County Funding Needed	\$800,000

In addition, there would be a one-time transfer of all Public Facility Fees on hand from the OCSD to the County of approximately \$210,000. The County would then receive all Public Facility Fees collected on new development in Oceano. These fees can be used to fund upgrades to the facilities or new equipment related to new development. The

latest Public Facility Fee report for OCSD calculates that these fees can fund 44% of any facility upgrades or new equipment.

OCSD would negotiate a lease with the County for use of all OCSD real and personal property that is currently being utilized for fire protection services by FCFA at no cost to the County other than required maintenance, repair, or replacement. The modular home currently housing firefighters at the Oceano station is reaching the end of its useful life and replacement or construction of a permanent structure will need to be addressed in the near future. OCSD would not be able to spend any funds on fire protection services, including facilities and equipment after divestiture.

OCEANO COMMUNITY SERVICES DISTRICT



KEY FINDINGS

1. **Oceano CSD** says they intend to remain with the Five Cities Fire Authority and are working on the following issues:
 - 1.1. Renegotiation of the funding formula for Five Cities JPA.
 - 1.2. Review of the Five Cities JPA strategic plan to reduce expenditures.
 - 1.3. There has been discussion by one of the other member agencies withdrawing from the JPA. If one of the other members withdraws, Oceano CSD will need to consider other delivery options.
 - 1.4. The District reports they are currently using reserve funds to fund FCFA services through FY 2019/2020 and will pursue a special tax or benefit assessment to fund service cost increases thereafter.
2. Divestiture would be an option in the event voters do not approve a special tax or benefit assessment.
3. Five Cities Fire Authority staff report difficulty utilizing reserve firefighters to augment career staff. They also report that efforts to sustain a volunteer/PCF program have been largely unsuccessful.
4. Based on the County Fire Strategic Plan service level analysis, if Oceano divested, County Fire will need to staff the Oceano fire station since there is not a reasonably proximal alternative.
5. The District did not have a specific request of the County but would like to share in any revenue enhancements opportunities and/or would like to have financial support for mobile data computers and dispatch costs

DISTRICT INTERVIEW ATTENDEES

September 20, 2018 meeting: Linda Austin, OCSD Director; Paavo Ogren, OCSD General Manager; Steve Lieberman, FCFA Fire Chief; Bob Neumann, OCSD consultant

BACKGROUND, HISTORY, AND SERVICES PROVIDED

The Oceano Community Services District (OCSD) was formed in 1981 by a reorganization that combined the all-volunteer Oceano Fire Protection District, Oceano Beach Lighting District, Oceano Lighting District, Oceano Sanitary District, and County Service Area No. 13. There is a five (5) member elected board of directors. The OCSD was formed post-Proposition 13 in 1981.

The OCSD provides property tax-supported services (fire, parks, and lighting) and enterprise services (water, wastewater, garbage and recycling). The 2018-19 OCSD budget is \$5,451,519; \$997,150 is from property taxes; the balance of the budget is from service enterprise funds and other sources.

FIVE CITIES FIRE AUTHORITY

Fire protection to Oceano CSD is from the fire station collocated with the OCSD offices and is staffed daily with a career Fire Captain and a Reserve firefighter provided by Five Cities Fire Authority.

Fire protection in OCSD is provided through the Five Cities Fire Authority (FCFA), a Joint Powers Authority (JPA) formed in 2010, which includes Oceano CSD, City of Grover Beach, and the City of Arroyo Grande. FCFA operates as a single fire agency utilizing fire stations and equipment from the three member's agencies, each of which previously operated their own separate fire departments. FCFA has a three (3) member board of directors comprised of an elected official from each of the three member agencies. The fire chief reports to the FCFA board of directors and administers all three fire stations. Funding for the FCFA is based on a cost formula agreed to by member agencies. In September 2017, the FCFA board adopted a five (5) year strategic plan that has a staffing plan for a complete phase-out of volunteer/PCF and reserve firefighters. All firefighter positions are planned to be full-time career positions and daily staffing at each fire station will be minimum of three (3) on duty. Oceano Fire Station's current daily staffing is one (1) career and one (1) reserve. The FCFA strategic plan implementation will result in a significant cost increase to OCSD to fund the additional career positions need to provide 3 career firefighters on duty daily. OCSD adopted the FCFA strategic plan in April 2018 contingent on a new Memorandum of Agreement which modified the original JPA. The modification allows for amendment of the current funding formula and establishment of procedures for a member of the FCFA to withdraw from the JPA. The amendments must be agreed upon by April 1, 2019.³⁸

The additional jurisdictional response is from FCFA stations in Grover Beach and Arroyo Grande. Automatic aid is provided to FCFA by the two City of Pismo Beach fire stations on Bello Street and Shell Beach Road and County Fire Station 22 on Highway 1. Next closest mutual aid fire stations are Cal Fire Station 20 in Nipomo and County Fire Station 62 in Avila Valley. Both Nipomo and Avila Valley area stations have approximately 15 minutes driving time to Oceano.

³⁸ 2018 Fire Service Analysis for Oceano Community Services District; Category Five Professional Consultants

FCFA reported having poor success recruiting Reserve Firefighters from Allan Hancock College Fire Academy. The FCFA strategic plan goal is to be 100% fulltime career firefighters in 5 years.

OCSD's primary funding source for their 2018-19 portion of the FCFA budget comes from property taxes in the amount of \$997,150. The budgeted amount for 2018/2019 fiscal year for fire protection is \$1,030,790. Reserve funding will be utilized to balance the budget. FCFA received a SAFER³⁹ grant that concluded in 2015 that funded additional full-time firefighters. The grant expired and no sustainable funding source was identified to continue funding and the positions were eliminated.

OCSD believes they have adequate budgetary reserve funding to carry them through 2019-20 fiscal year and to cover cost increases with the FCFA strategic plan. OCSD is considering a benefit assessment ballot measure to fund their future cost increases beyond 2019-20.

OCSD states their preferred action is to remain with the FCFA, renegotiate the JPA cost formula, determine possible cost reductions, service level changes, or new revenue options. They do not have a desire to divest fire protection to the county.

However, their caution is if the new JPA cost formula is not approved, which results in another FCFA member agency withdrawing, the JPA may not be sustainable. OCSD may not be able to afford to operate a standalone fire department. If the JPA dissolves, a new fire protection delivery plan will be required, which could include divestiture as one option.

OCEANO CSD UNIQUE RISKS AND HAZARDS

As a coastal community, Oceano is a destination for tourism, particularly as people pass through on their way to the Oceano Dunes State Vehicular Recreation Area. Tourism brings a high volume of visitors and short-term renters, which corresponds to higher emergency call volume above those caused by residents.

Due to proximity the district may respond to coastal emergencies including beach accidents and surf rescue. Specialized training and equipment are required to respond to this unique hazard.

There are vegetable packing plants in Oceano that present a special hazard of use of ammonia as a coolant for fresh vegetables. Ammonia emergencies require very specialized training.

The Union Pacific railroad runs through Oceano which presents specialized training and equipment needs to manage railroad emergencies involving freight and passenger accidents.

³⁹ SAFER Grant: Dept. of Homeland Security; FEMA, US Fire Administration grant program
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OCEANO CSD DATA SHEET

Authorizing Code	Cal. Govt. Code 61000 et. seq.
Address:	P.O. Box 599
	1655 Front Street
	Oceano CA 93475-0599
Telephone:	805-481-6730
FAX:	805-481-6836
Website:	www.oceanocsd.org
District Manager:	Paavo Ogren
Fire Chief:	Steve Lieberman (Five Cities Fire Authority)
Board Representative	Linda Austin
Board of Directors Meetings	Second and fourth Wednesday of the month at 5:30 p.m. in the OCSD Board Room
Board Members	Karen White Linda Austin Shirley Gibson Cynthia Replogle Vacant Position
Acreage	1163
Square miles	1.8
Population	7508
Number of parcels	2441
Assessed Valuation	\$627,100,773
2017/2018 Fire Actual Tot. Exp.	\$963,592
2017/2018 Property Tax: District	\$979,424
2017/2018 Property Tax: Fire	\$940,004 (96% of Property Tax)
Special Tax or Assessment	0
Number of Career/Paid personnel	19.5 (Total for Five Cities Fire Authority)
Number of Reserves	18 (Total for Five Cities Fire Authority)
Annual calls for service (2017 cy)	583 in Oceano CSD for Five Cities FA
Date of Formation	January 1, 1981

Figure 33 Oceano CSD Data Sheet

OCEANO CSD MAP

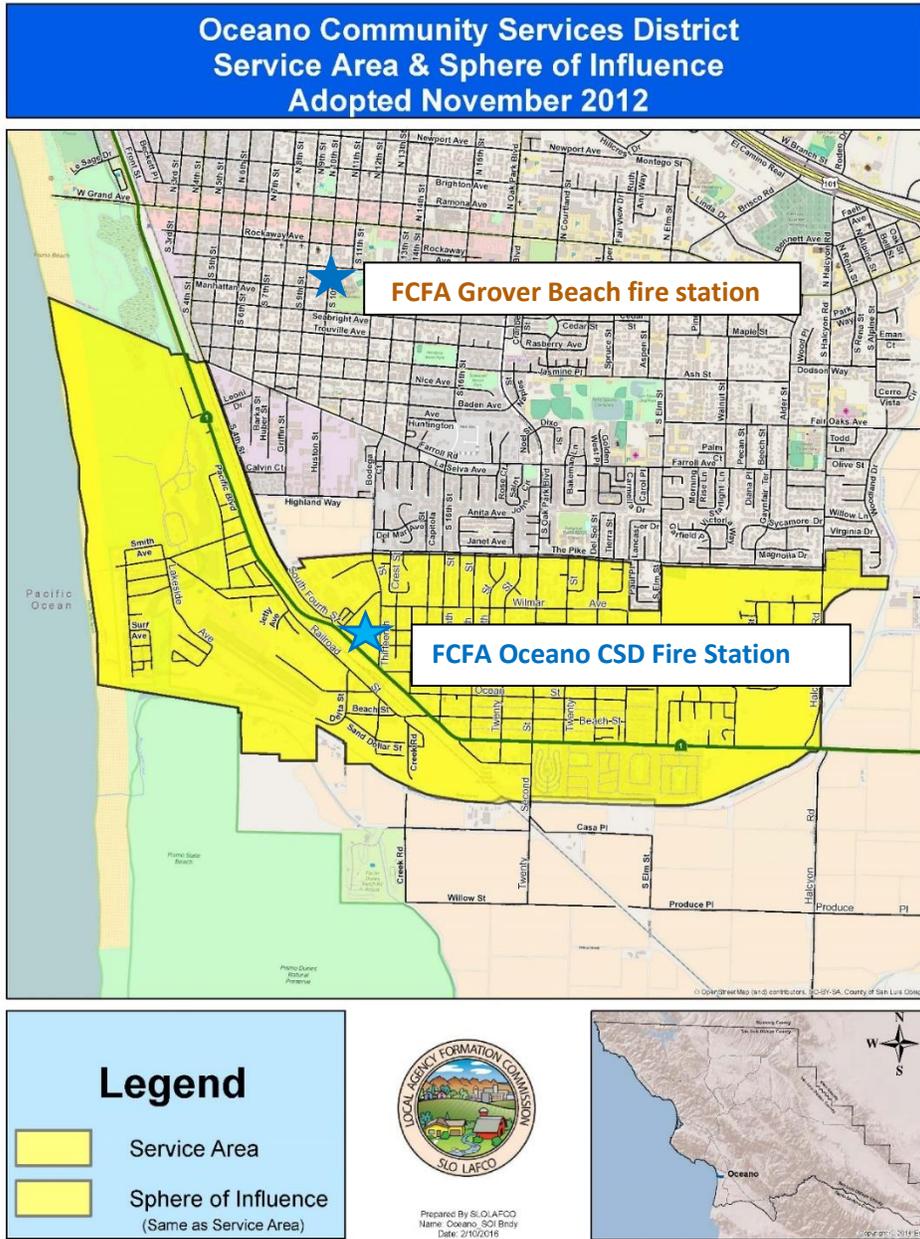


Figure 34 Map of Oceano CSD: LAFCO

LAFCO Map of Oceano CSD service area and sphere of influence⁴⁰

⁴⁰ San Luis Obispo County LAFCO

OCEANO CSD FIRE DEPARTMENT INCIDENT DENSITY

The following map represents the density of incidents in a given location of the District, known as a “heat map”. The District boundary is represented with an orange line. The shades of purple and blue represent incidents at that location. Light shades indicate few calls for service at that location, while the deep purple represents a high volume of calls at the same location. The purpose of the map is to evaluate historical incident data for planning deployment of emergency resources, including fire station placement.

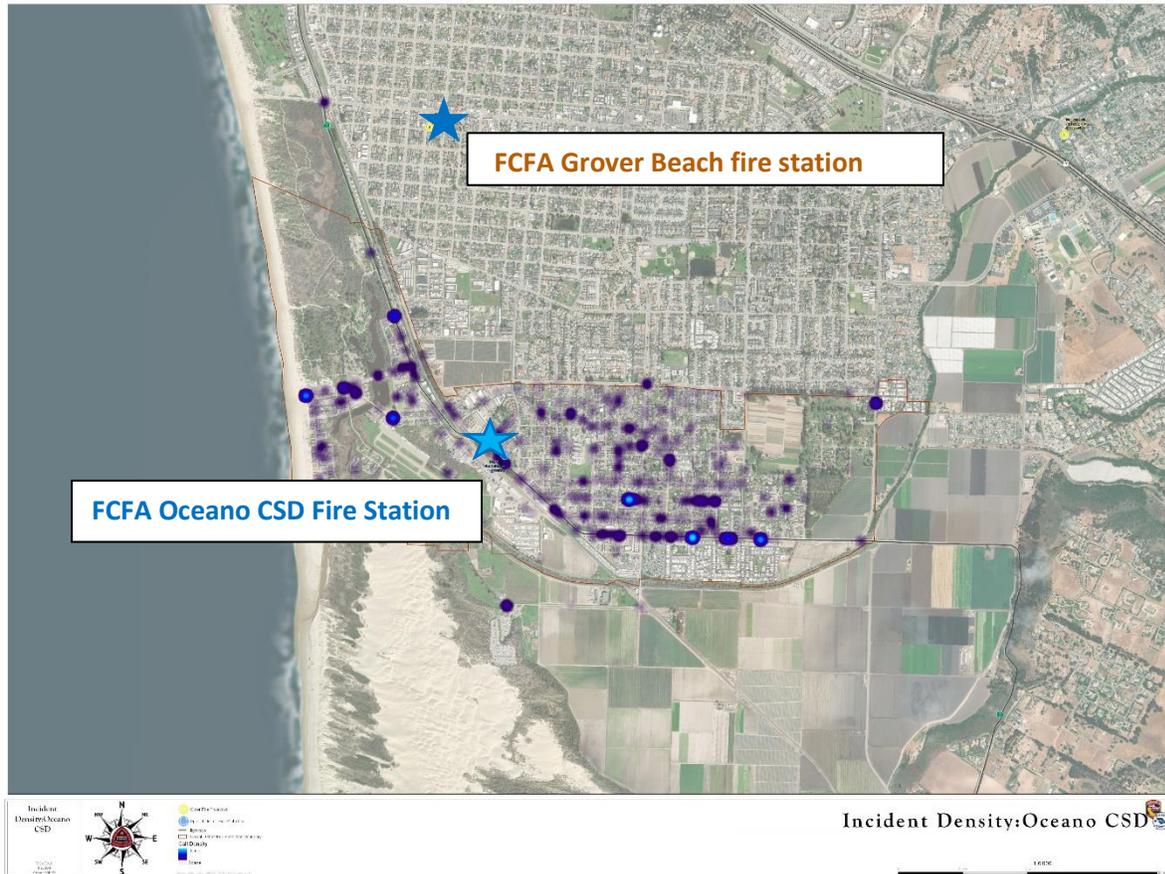


Figure 35 Heat Map of Incident locations in Oceano

RESPONSE TIME ANALYSIS: OCEANO CSD

Response Time	Dispatch and Get Away Time	Driving Time to Incident
Urban Standard == mins	3 minutes	4 minutes
Suburban Standard== 8 mins	3 minutes	5 minutes

Figure 36 Service Level Analysis: Oceano

Using the County Fire service level analysis standards, Oceano CSD warrants an urban response time standard (7 minute response time). The shaded green area represents a seven-minute response, the blue shaded area represents a drive time of over four (4) minutes and under five (5) minutes, while the yellow shaded area represents a drive time of five (5) to twelve (12) minutes. In all cases, 3 minutes are added for “reflex” time. Reflex time includes the time required to dispatch the call, assemble the crew, don the appropriate gear for the response and get out the door. The resulting total response times of seven, eight and fifteen minutes are based on industry standards for urban and suburban levels of service and fire progression. While not absolute, these tools are effective for planning purposes.

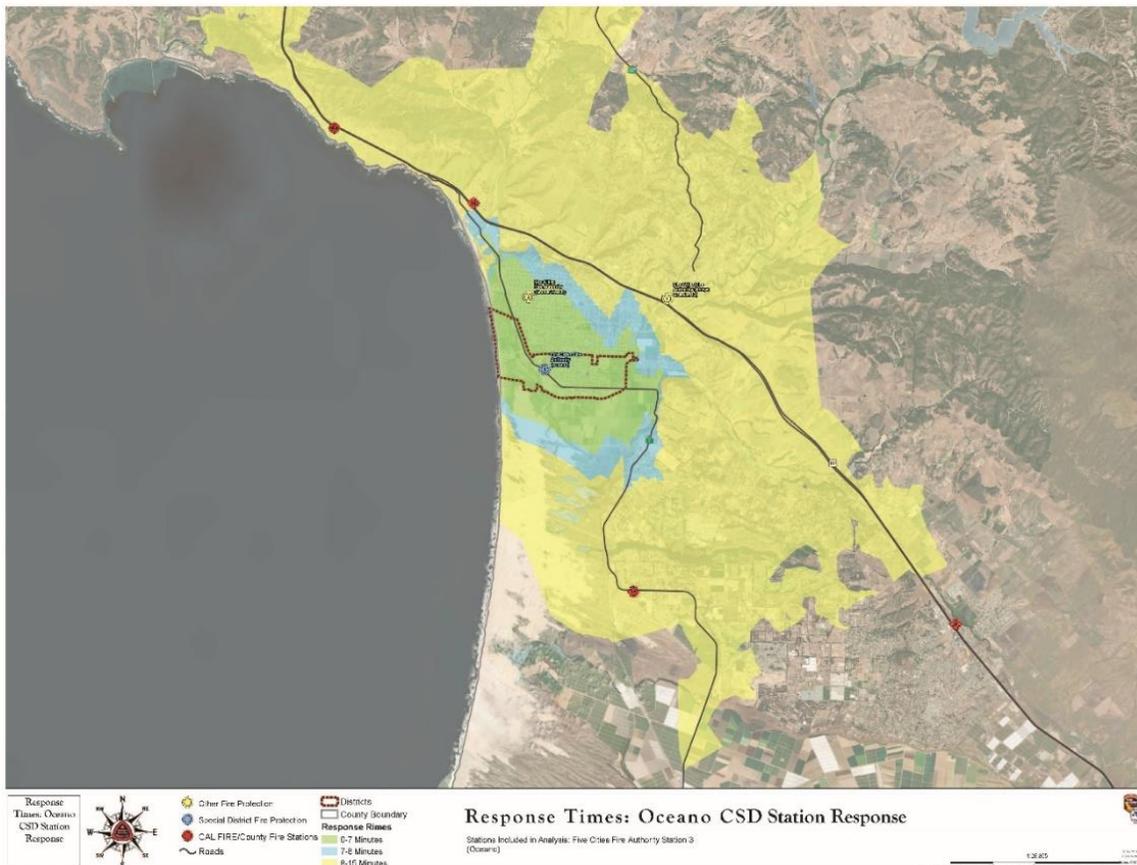


Figure 37 Response Time Analysis from Oceano Fire Station

This map represents the response times from **only** the FCFA Oceano Fire Station on Highway 1. The station can cover 99% of the district in 7 minute response time.

Automatic and Mutual Aid Response Time Analysis: Stations Near Oceano CSD

The map below represents response coverage times from adjoining fire stations as if the FCFA Oceano Fire Station were closed. The stations, primarily Grover Beach Fire Station, can cover 30% of the district in 7 minute response time, and 95% of the district in 8 minute response time.

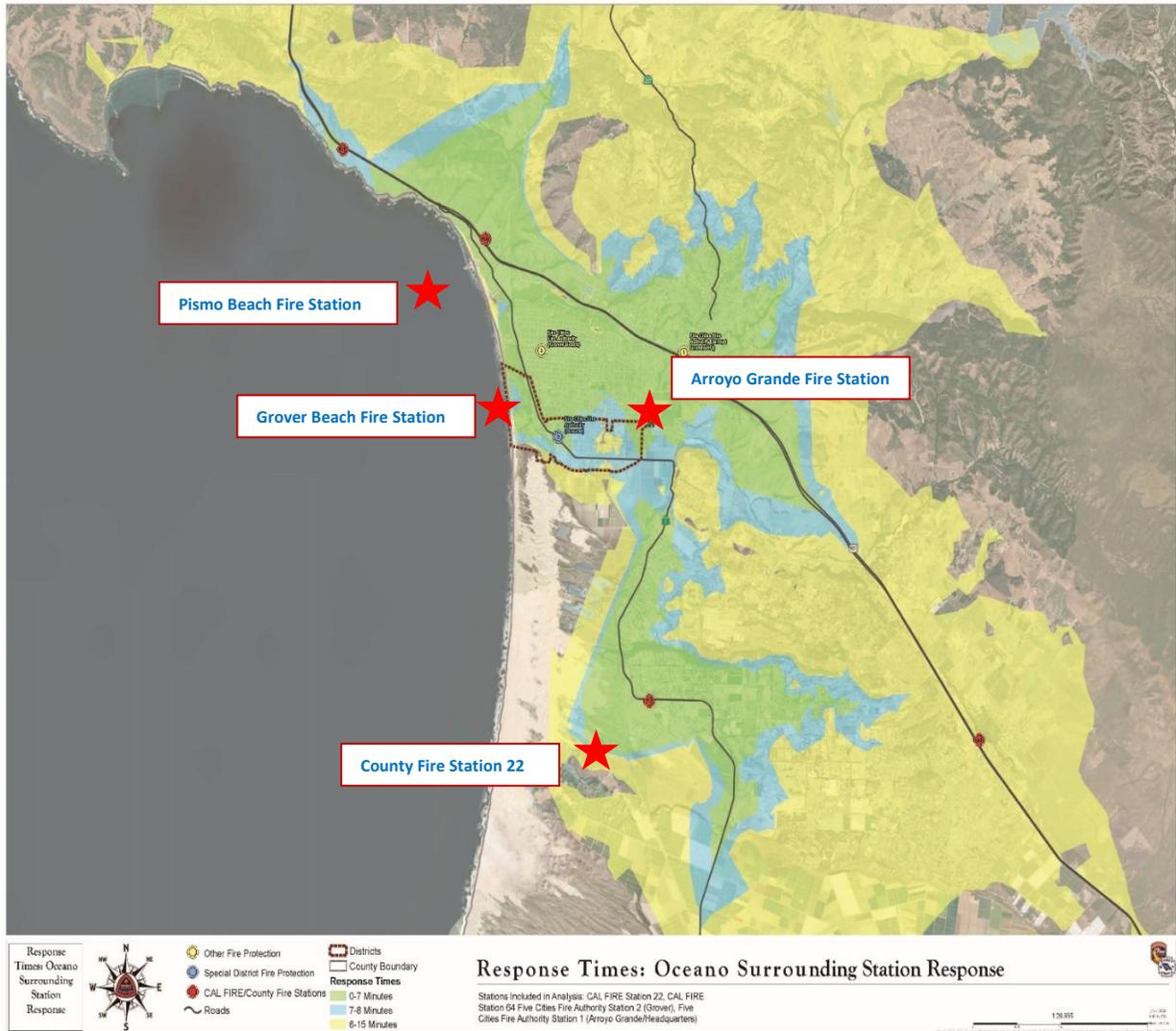


Figure 38 Response Times from adjoining fire stations

This map represents the response times from fire stations surrounding the FCFA Oceano Fire Station on Highway 1. FCFA Oceano is not represented here.

County Fire West Mesa Station 22 Response Time to Oceano

The map below reflects the response time from the closest County Fire Station (# 22 on Highway 1, West Mesa). Response time edge of Oceano CSD is 8 minutes. County Fire Station 22 is too far away to provide an appropriate level of response to the community if Oceano Fire Station were closed.

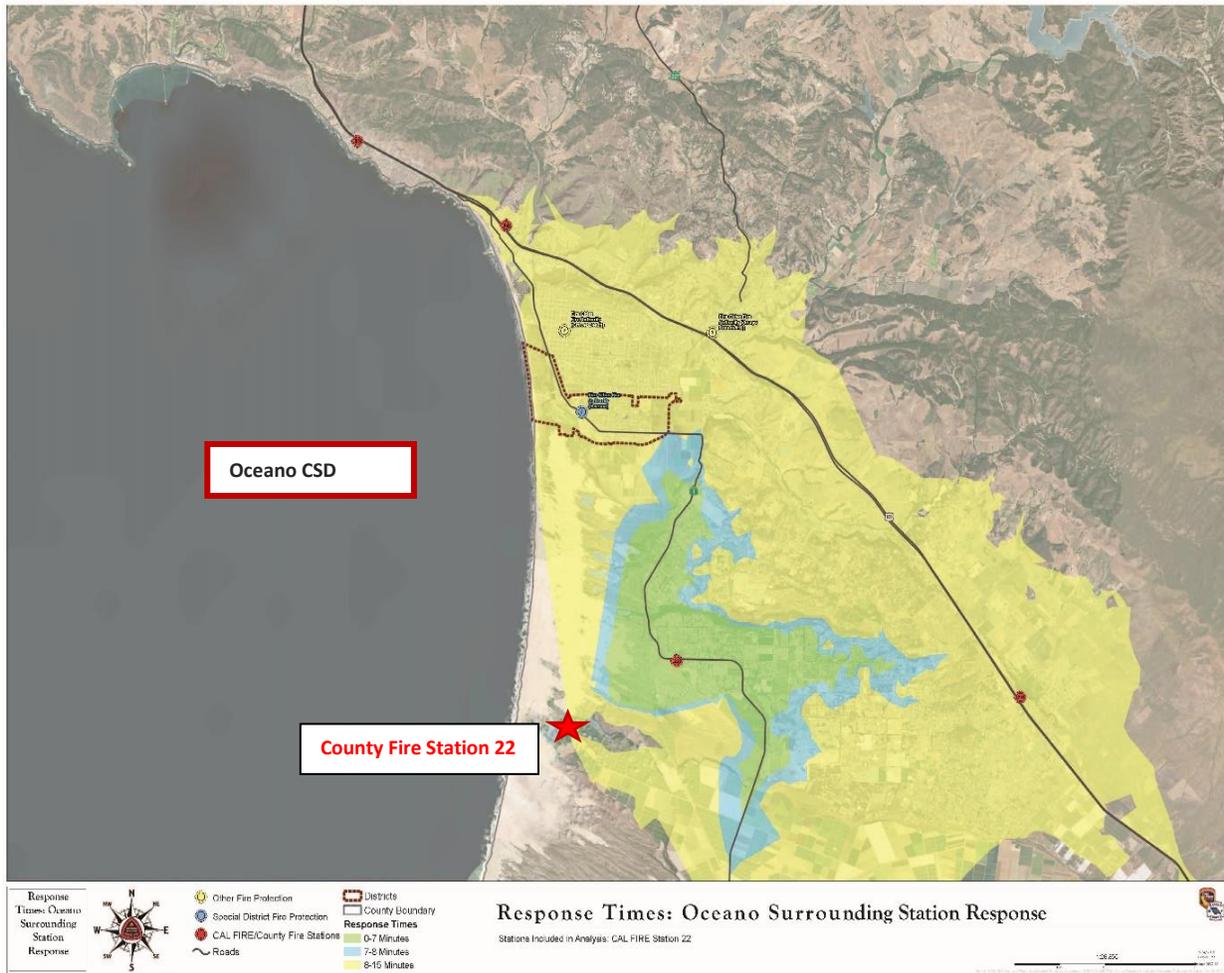


Figure 39 Response Time to Oceano from County Fire Station 22

Pismo Beach Bello Street Fire Station Response Time to Oceano

The map below reflects response time from Pismo Beach Fire Station on Bello Street. The response time edge of Oceano CSD is 8 minutes. The Pismo Beach Fire Station is too far away to provide an appropriate level of response to the community if the Oceano Fire Station were closed.

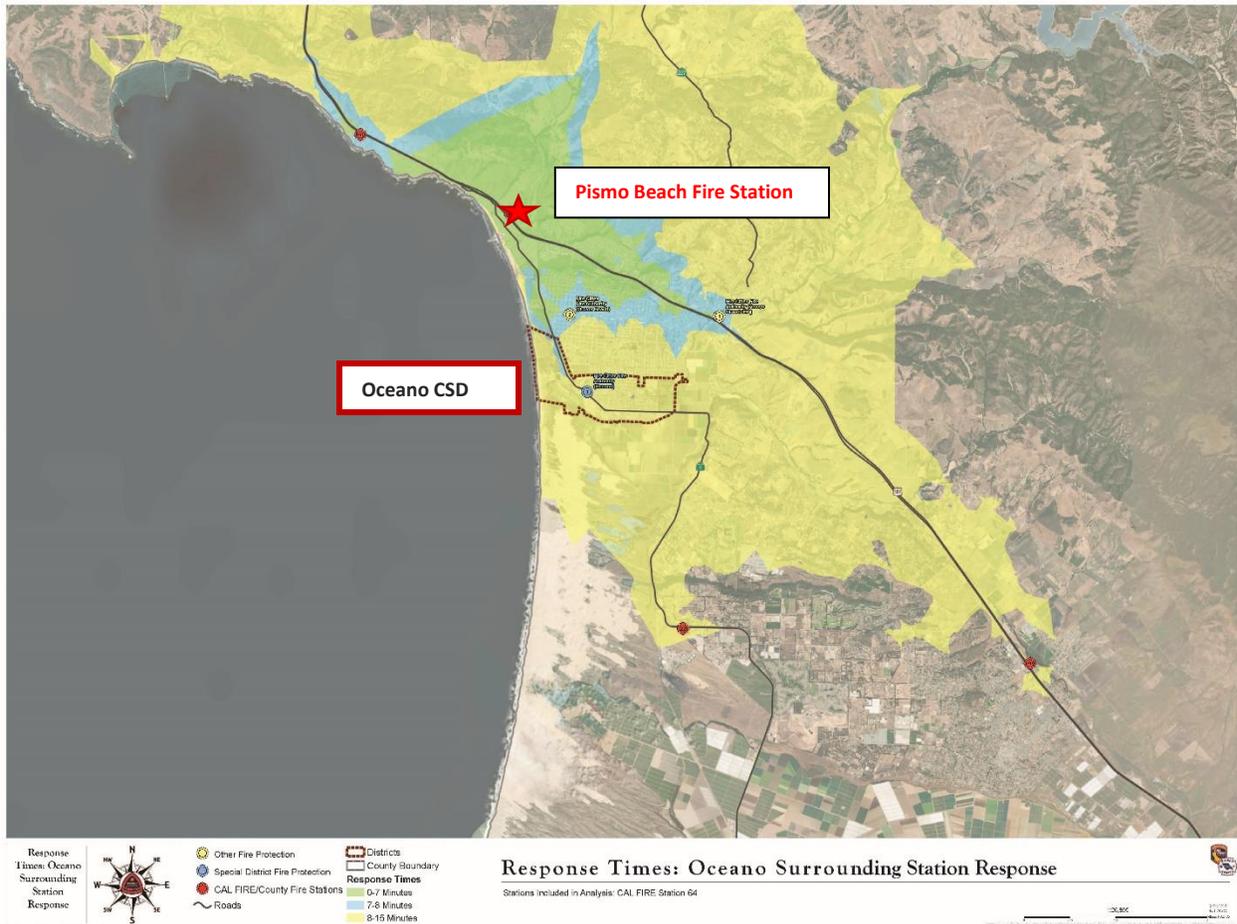


Figure 40 Response time to Oceano from Pismo Beach Fire Station on Bello Street

OCEANO CSD FUNDING

ASSESSED VALUATION⁴¹

The assessed value along with a percentage increase of growth of the district is listed in the table below. The total for San Luis Obispo County is listed as well for comparison purposes.

Agency	Secured and Utility		Growth from Prior Year		
	Assessed Valuation (after HOPTR)	Percent of Total	2015-2016	2016-2017	2017-2018
San Luis Obispo County	\$49,089,032,946	100.0000%	6.22%	5.67%	5.61%
Oceano CSD	\$627,100,773	1.2775%	4.65%	5.74%	3.86%

Figure 41 Oceano CSD Assessed Valuation

*HOPTR-Homeowners Property Tax Relief

DISTRICT PROPERTY TAX

As stated in the section regarding special district funding, the primary source of revenue for fire protection in special districts is property tax. The assessed value (chart above) and allocation formulas impact the amount of property tax allocated to the Oceano CSD.

OCEANO CSD PROPERTY TAX GROWTH TREND

Oceano CSD Property Tax⁴²

Fiscal Year	2014/2015	2015/2016	2016/2017	2017/2018
Property Tax Allocation	\$830,780	\$871,478	\$918,883	\$953,998
Growth from Previous Year	\$47,633	\$40,697	\$47,406	\$35,115
Incremental Growth %	6.08%	4.90%	5.44%	3.82%

Figure 42 Oceano CSD Property Tax 2014-2018

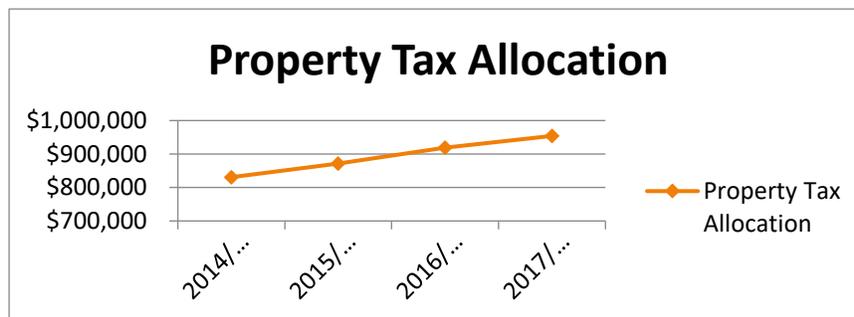


Figure 43 Oceano CSD Property Tax allocation 2014-2018

⁴¹ San Luis Obispo County Auditor, Controller, Treasurer, Tax Collectors Office

⁴² San Luis Obispo County Auditor, Controller, Treasurer, Tax Collectors Office

OCEANO CSD TAX RATE AREAS⁴³

Oceano CSD has eighteen tax rate areas within the district, which are listed below along with the total taxes collected in each TRA, percentage allocated to the District, and associated dollar allocation amounts.

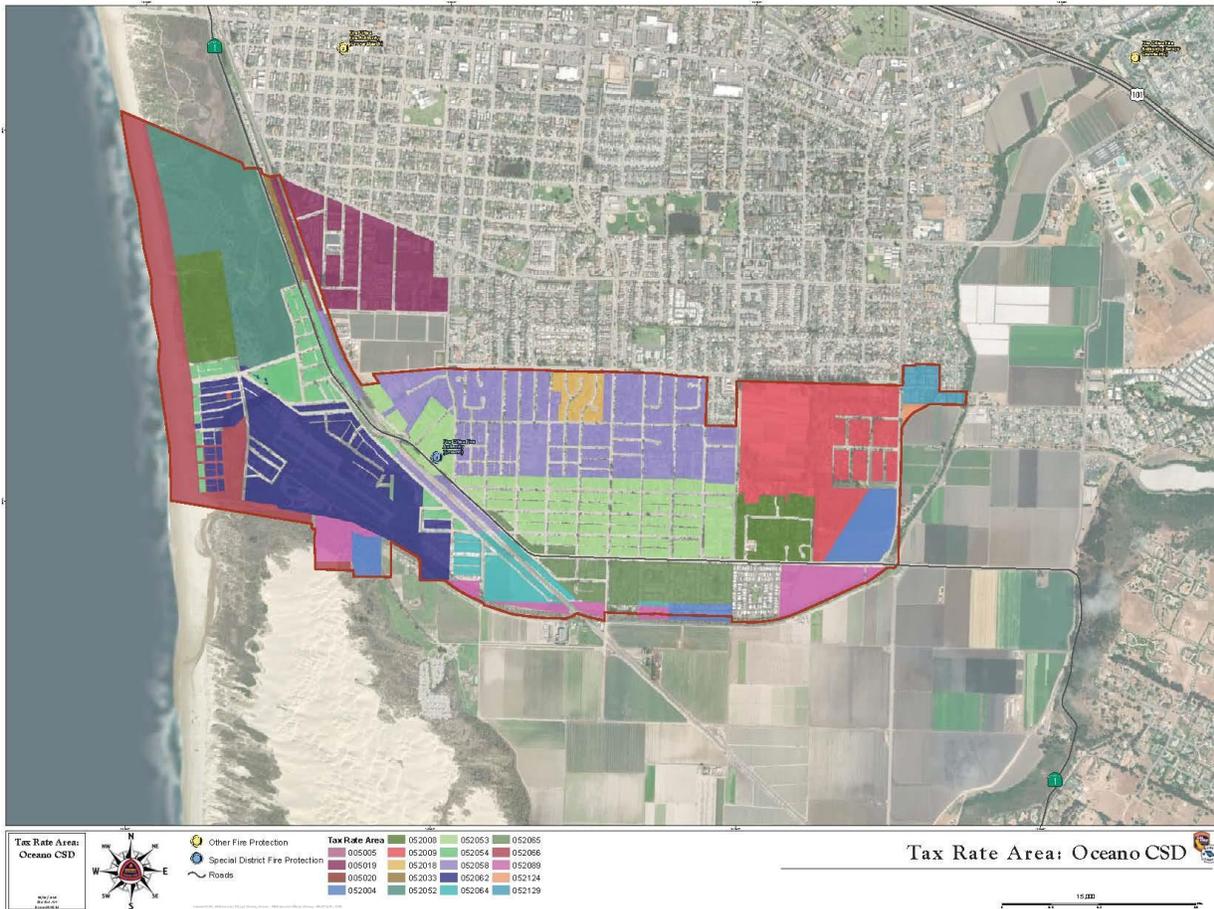
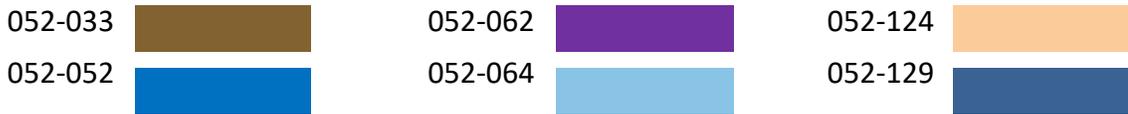


Figure 44 Map of Oceano CSD Tax Rate Areas

Tax Rate Area	Legend	Tax Rate Area	Legend	Tax Rate Area	Legend
052-004		052-053		052-065	
052-008		052-054		052-066	
052-009		052-056		052-069	
052-018		052-058		052-089	

⁴³ San Luis Obispo County Auditor, Controller, Treasurer, Tax Collectors, Office
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Oceano CSD 2017/2018 Tax Revenue % and \$ by TRA ⁴⁴			
TRA	Percent to CSD	Total Tax for TRA	Tax Dollars to OCSD
052-004	8.33261	\$17,206	\$1,434
052-008	14.34306	\$432,791	\$62,075
052-009	9.03435	\$174,292	\$15,746
052-018	19.15994	\$214,420	\$41,083
052-033	17.52493	-\$209	-\$37
052-052	8.26971	\$2,437	\$202
052-053	15.81544	\$1,727,637	\$273,233
052-054	15.61324	\$675,359	\$105,445
052-056	7.27873	\$5,547	\$404
052-058	14.34411	\$2,141,020	\$307,110
052-062	14.86340	\$964,198	\$143,313
052-064	13.64429	\$39,044	\$5,327
052-065	15.05579	\$260,179	\$39,172
052-066	2.50356	\$7,439	\$186
052-069	6.52668	\$70,999	\$4,634
052-089	8.43659	\$16,742	\$1,412
052-124	14.78972	\$87	\$13
052-129	11.05948	\$31,400	\$3,473
TRA Count = 18	Total	\$6,780,588	\$1,004,225

Figure 45 Oceano CSD Tax Revenue % and \$ by TRA

OCEANO CSD PROPERTY TAX ALLOCATION/TAX RATE AREA PERCENTAGES

The pie chart below represents the allocation of property tax to all the agencies that receive property taxes within the 052-058 tax rate area. This tax rate area was selected as a representative example of the allocation of property tax to the District and is the tax rate area that generates the greatest tax revenue within the District.

⁴⁴ San Luis Obispo County Auditor, Controller, Treasurer, Tax Collector’s Office
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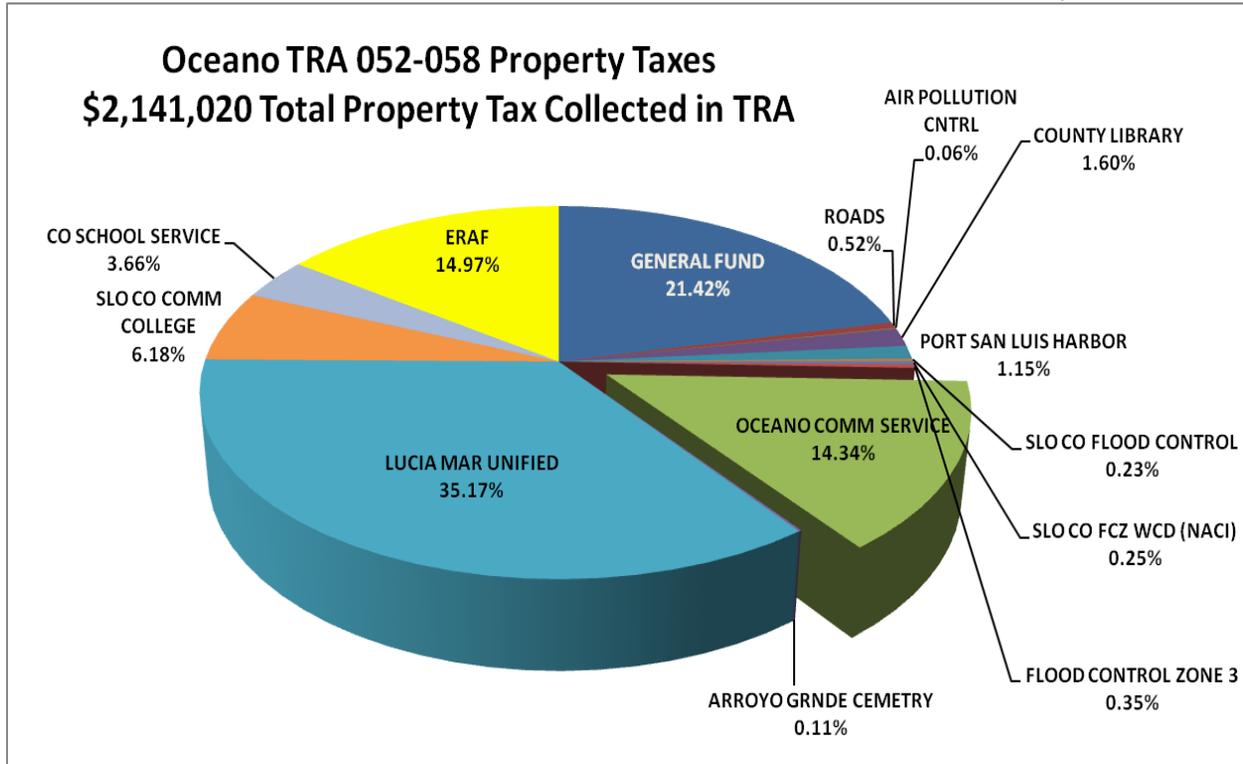


Figure 46 Oceano CSD TRA 052-058 Breakdown

Tax Rate Area 052-058 allocation between all agencies that collect property tax from the tax rate area.⁴⁵

Percentage of Property Tax Expended on Fire Protection in FY 2017/2018

Total Property Tax Received by Oceano CSD:	\$979,424
Property Tax Allocated to Fire Protection:	\$940,004
Percent of Total Allocated to Fire Protection:	96% ⁴⁶

OCEANO CSD NUMBER OF PARCELS

The number of parcels in the District impacts the ability of the District to pass a parcel based benefit assessment fee. An analysis was conducted to determine the fee burden per parcel based on generating an arbitrary amount of \$500,000 in revenue for the District. A flat fee of \$204.83 per parcel (all parcels charged the same amount) is required to generate \$500,000 in the Oceano CSD annually. Values may vary depending on number of exempt parcels.

District	Total Number Of Parcels	Per Parcel to Generate \$500,000.00
Oceano CSD	2441	\$204.83

⁴⁵ San Luis Obispo County Auditor, Controller, Treasurer, Tax Collector’s Office

⁴⁶ Oceano CSD Financial Documents

Figure 47 Oceano CSD Parcel Count

OCEANO CSD LOCAL REVENUE ENHANCEMENT EFFORTS

Benefit Assessment District

Oceano is considering a benefit assessment district ballot measure to fund their portion of the FCFA cost. District reserves can carry them through 2020 and expectations are for the ballot measure to be voted on in 2020. If the FCFA strategic plan is implemented, OCSD estimates their annual deficit will rise from \$75,800 in year one to \$223,500 in year five.⁴⁷ Preliminary estimates show a required parcel fee of \$87.66 to generate enough revenue to meet the projected cost at year five.

SAFER Grants

Five Cities Fire Authority (FCFA) applied for a federal FEMA SAFER grant that funded additional full-time firefighters for two years. The purpose of the grant was to enable FCFA to have additional full-time firefighters on duty daily. There was no source of funding to continue funding the firefighters after the grant expired.

OCEANO CSD SIGNIFICANT COST FACTORS

Payroll

FCFA is utilizing Reserve Firefighters to augment career firefighters in an effort to reduce payroll costs until permanent funding for career firefighters is in place. The FCFA strategic plan calls for the conversion of the Reserve Firefighter program to a fully staffed career operation.

Other Post Employment Benefits (OPEB)

FCFA employees are employees of the City of Arroyo Grande and the FCFA member agencies cost-sharing formula includes payment to Arroyo Grande for employment costs. An actuary has been completed regarding the OPEB liability for the FCFA. Four retirees currently receive benefits. Payment for retiree health care is funded out of the current year budget.⁴⁸

Workers' Compensation

No significant open workers' compensation claims were reported by the District, which would be managed by the City of Arroyo Grande as the employer of the FCFA firefighters.

Retirement

The City of Arroyo Grande has a contract with Cal PERS for retirement benefits for FCFA members. The unfunded liability for the retirement plan for both safety and miscellaneous employees is estimated at \$2.2 million.⁴⁹

⁴⁷ 2018 Fire Service Analysis for the Oceano Community Services District; page 5

⁴⁸ Correspondence from Chief Lieberman, FCFA, Sept. 24, 2018

⁴⁹ Correspondence from Chief Lieberman, FCFA, Sept. 24, 2018

Liabilities

The District reported that there are not any pending lawsuits involving fire protection.

Equipment Replacement Fund

The FCFA utilizes both lease-purchase agreements and a sinking fund for significant equipment purchases. The current fund balance is \$558,000 with no contributions budgeted for 2018-19 FY; FCFA will restart sinking fund contributions in 2019-20 fiscal year⁵⁰. They have also had success with grant funding to pay for some equipment.

Facility Costs

Oceano Fire Station is part of the Oceano CSD administrative complex. Fire apparatus garage is physically in the same building as the administrative staff. On duty, crew quarters are a separate mobile home building at the rear of the property.

⁵⁰ Five Cities Fire Authority 2018-19 FY budget

OCEANO CSD FIRE DEPARTMENT BUDGET

**Oceano Community Services District
Actual Revenue and Expenditures: Fire
Based on District's Financial Documents**

	2014/2015	2015/2016	2016/2017	2017/2018
Revenue				
Property Tax	854,256	895,820	958,154	979,425
Benefit Assessment: Fire	-	-	-	-
Interest Revenue	4,053	1,600	2,609	3,400
Public Facility Fee-Fire	17,691	6,258	25,358	27,280
Weed Abatement Fees	-	-	-	-
Reimbursement for Mutual Aid	-	-	-	-
SAFER Grant	-	-	-	-
Grant: Personnel Protection	-	-	-	-
Ambulance Reimbursements	-	-	-	-
General Fund Reserve	-	-	-	-
Misc. Revenue	9,739	8,441	5,948	4,998
Total Revenue	885,739	912,119	992,069	1,015,103
Less: Lighting Fund:	37,630	41,729	45,904	39,421
Net Revenue: Fire Budget	848,109	870,390	946,165	975,682
Expenditures				
Salaries, Stipends and Benefits	6,600	6,780	7,131	7,077
Serv and Supp (Inc. FCFA contract)	758,934	789,567	814,865	841,068
Debt Payments	-	-	-	-
Capital Outlay	-	-	-	-
Administrative Costs	24,788	28,188	31,325	34,093
Reserve Designation	15,030	-	-	81,354
Total Expenditures	805,352	824,535	853,321	963,592

Five Cities Fire Authority receives the following revenues directly on behalf of all three member agencies:

- SAFER Grant: Expired in 2015
- Equipment grants
- First Responder Reimbursement: Ambulance Reimbursement
- Reimbursement for Mutual Aid/Strike Teams
- Expense recovery

These revenues are used to reimburse expenses and reduce costs on behalf of the three member agencies: Oceano CSD, City of Arroyo Grande, City of Grover Beach

Figure 48 Oceano CSD Fire Budget 2014-2018

OCEANO CSD FIRE DEPARTMENT STAFFING PLAN

Current Staffing Provides for 1 career and 1 reserve on duty daily at Oceano Fire Station

- 1 Fire Chief -FCFA
- 3 Fire Captains
- 3 Reserves (Part-time)

Recruitment and Retention

- Fulltime firefighter turnover rate is low. FCFA has existed for only 8 years
- Reserve firefighters turn over on average every 2-3 years.
- FCFA no longer recruits PCF.

Proposed FCFA Staffing Plan Provides for 3 career on duty daily plus additional chief officer and administrative support

- 1 Fire Chief-FCFA
- 3 Battalion Chiefs-FCFA
- 1 Fire Marshal- FCFA
- 1 Administrative Assistant-FCFA

For Oceano Fire Station staffing:

- 3 Fire Captain
- 3 Engineer/Driver-Operator
- 3 Firefighter

Timeline for Implementation

3 career engineers and 3 firefighter positions desired within 5 years to provide 3 career on duty daily at each fire station;

OCEANO CSD RESOURCE NEEDS

The OCSD did not make a specific request for any County financial assistance; however, they are interested in sharing any new revenue source or cost reductions for fire protection services such as dispatch cost. In the event of an FCFA member agency withdrawing from the JPA, OCSD will need to develop a new fire protection delivery system that may include divestiture as one option.

OCEANO CSD OPTIONS CONSIDERED

- Oceano CSD has no plans or intention to divest fire protection. However, their caution is if the new JPA cost formula is not approved, which results in another Five Cities Fire Authority member agency withdrawing, the JPA may not be sustainable. If the JPA dissolves, a new fire protection delivery plan will be required, which could include divestiture as one option.

- Oceano CSD is considering a new benefit assessment ballot measure for 2020 to fund extra FCFA staff; OCSD reserves can fund extra costs until 2020.

COUNTY OPTIONS IN THE EVENT OF DIVESTITURE

Level of Service Analysis

County Fire Strategic Plan Level of Service Analysis recommends an “Urban Service Level” for Oceano which equates to a 7 minute response time for 90% of the District.

Response Time	Dispatch and Get Away Time	Driving Time to Incident
Urban Standard == 7 Minutes	3 minutes	4 minutes
Suburban Standard== 8 minutes	3 minutes	5 minutes

Figure 49 Oceano CSD Service Level Analysis

Closest Existing County Station

Station 22 (West Mesa) on Highway 1 is the closest county fire station. Station 22 driving time to Oceano CSD southern boundary is 5 minutes which equates to an 8 minute response time to the southern edge of the district and greater than 8 minutes to the balance. 8 minute response time exceeds the County Fire standard for urban response time warranted for Oceano’s demographic.

The impact on the County

If Oceano CSD divests fire protection to the county, County Fire will need to staff the Oceano Fire Station to meet the response time standard. Oceano CSD’s 2018/2019 property tax revenue funding of \$957,654 (96% of total property tax of \$997,150) is not sufficient to absorb the financial impact to the County.

COUNTY FIRE OPTIONS

1. 2 Full-time firefighters on duty daily in Oceano:

County Fire can staff the Oceano CSD Fire Station with 2 full-time firefighters on duty daily with support by reserves or PCF’s for \$ 1.3 million plus station operating expense. If current 2018-19 FY OCSD funding allocation for fire (\$957,654) is transferred to County through a property tax exchange, there will still be insufficient funding for the fire station staffing and operation. The County will need to additionally fund approximately \$600,000 annually.