

RESOLUTION NO. _____

RESOLUTION OF APPLICATION BY THE CHESTER PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS REQUESTING THE PLUMAS LOCAL AGENCY FORMATION COMMISSION TO INITIATE PROCEEDINGS FOR THE ANNEXATION OF CHESTER PUBLIC UTILITY DISTRICT FIRE SERVICES TERRITORY TO THE PENINSULA FIRE PROTECTION DISTRICT AND THE DISSOLUTION OF CHESTER PUBLIC UTILITY DISTRICT'S FIRE SERVICES TERRITORY

WHEREAS, Chester Public Utility District in conjunction with Peninsula Fire Protection District approving substantially similar resolutions and listed within this resolution, 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 and California Health and Safety Code Sections 13800-13970, also known as the Fire Protection District Law of 1987, for the annexation of Chester Public Utility District's fire services territory to the Peninsula Fire Protection District and the concurrent dissolution of the Chester Public Utility District's fire services territory with transfer of responsibility to provide fire protection, emergency medical and rescue services contingent upon the annexation request as authorized by the Plumas Local Agency Formation Commission (LAFCo) and approved by the board of directors of Chester Public Utility District and the board of directors of Peninsula Fire Protection District; and

WHEREAS, the Chester Public Utility District, (CPUD) and the Peninsula Fire Protection District, (PFPD) hereinafter referred to as "Participating Fire Agencies," are authorized to provide fire protection, emergency medical and rescue services within their respective boundaries directly or by contract based on their respective formation documents and principal acts (California Government Code Section 38600, et seq., and California Health and Safety Code Section 13800, et seq.); and

WHEREAS, the Chester Public Utility District Board of Directors discovered serious issues within the department relating to lack of certain and adequate funding for Fire Department and EMS operations. Due to the CPUD Fire Department's historical dependence on one-time funds to finance standard operations, the Fire Department routinely financed itself by borrowing money from the CPUD Sewer Department reserves, which as of September 30, 2024 has resulted in a debt owed by the CPUD Fire Department to the CPUD Sewer Department of \$1,879,128.73. Because of the high cost of salaries and benefits that had been negotiated between CPUD's Fire Department and the International Association of Firefighters Local 5317, CPUD was burdened by a structural deficit whereby the Fire Department spent approximately \$2,000,000 annually to operate but only received annual tax revenues of \$320,000 (a mixture of ad valorem taxes and a special parcel assessment – Measure A – which contains no sunset clause). After successfully cutting costs, CPUD determined that to continue providing fire protection and emergency medical response services throughout its territory, more revenue would need to be approved by the voters. The CPUD Board of Directors placed an additional parcel tax question on the November 2023 UDEL ballot, asking voters to approve a parcel tax valued between \$350 and \$400 per year per parcel, which voters did not approve. The CPUD Board of Directors then placed two competing tax measures on a May 2024 Special election ballot, asking voters to choose between having no fire department (not approving the tax), having a volunteer fire department and paying \$450 per parcel per year (Measure B), or a full-service, full-time fire department and Advanced Life Support ambulance response for \$1,500 per parcel per year (Measure C). Both Measures B and C failed to win voter approval. CPUD has laid off all non-administrative firefighting employees effective November 1, 2024. CPUD no longer has a contract with NorCal EMS, Inc. to provide ALS ground transportation; and

WHEREAS, on June 26, 2024, representatives from the boards of directors and staff of CPUD and

PFPD met to discuss the feasibility of PFPD annexing CPUD's fire services territory and in subsequent meetings invited Plumas County Local Agency Formation Commission (LAFCo) to provide information to achieve successful annexation; and

WHEREAS, on November 6, 2024 the Board of Directors of CPUD voted to support and pursue the annexation of CPUD's fire services territory into the PFPD boundaries and service area to create an efficient, effective and sustainable emergency services system for the PFPD response area; and

WHEREAS, the Plumas LAFCo serves as the review authority over the formation and reorganization of cities and special districts as contained in and authorized by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, hereinafter referred to as "the Act", commencing with Section 56000 of the California Government Code; and

WHEREAS, the Act establishes the process pursuant to which citizens or legislative bodies of local agencies may seek the reorganization of cities and districts; and

WHEREAS, in order to facilitate the annexation of CPUD's fire services territory, through adoption of this resolution of application, the CPUD has assumed the principal role in initiating the proposal and requesting the Commission to commence its review process by the filing of an application with the appropriate fees paid by CPUD; and

WHEREAS, the proposed reorganization will be consistent with the adopted sphere of influence, updated by LAFCo, for CPUD's fire services territory and ensuring there is no duplication of services within the resulting boundaries, through dissolution of CPUD's fire services territory as indicated by the Municipal Services Review adopted for CPUD; and

WHEREAS, the PFPD sphere of influence will require amendment for consistency with the application; and

WHEREAS, notice of intent to adopt this resolution of application has been given, and this Board has conducted a public hearing based upon this notification, and has received and considered comments presented at that hearing; and

WHEREAS, the territory proposed to be annexed is considered to be inhabited (more than 12 registered voters) and a description of the boundaries of the territory to be included and a map of the proposed boundary designated as set forth in Exhibit #A, are attached hereto and by this reference incorporated herein; and

WHEREAS, the reasons for the proposed annexation are as follows:

1. CPUD's fire services territory boundary lies as a separate but adjacent service area to the PFPD service boundaries. The two fire departments have historically worked very closely as the Almanor Basin's only two emergency medical service agencies. Because of the complexities involved in running an Advanced Life Support (ALS) ground ambulance service, it is most logical to ask PFPD to expand their service territory than it is to seek an outside agency that would be able to provide both fire suppression and ALS ground transport.
2. Since February 29, 2024, PFPD has been responding to the vast majority of fire and emergency medical service calls within CPUD's fire services territory as a result of CPUD fire staff layoffs; and

WHEREAS, it is desired to require that the proposed annexation be subject to the following Terms and Conditions:

1. A territorial new boundary be established for PFPD as identified in Exhibit #A, map and legal description

of boundaries of the combined territories, including those territories currently within CPUD's Sphere of Influence.

2. CPUD's fire services territory and powers be dissolved, and PFPD named the successor, including all rights, responsibilities, contracts, assets and liabilities, and functions of the CPUD Fire Department and any funds to which it succeeds – with the exception of those items specified in Item 6a-d below – and may be expended and properly disposed of as provided by Division 12, Part 2.7, Chapter 1, Health & Safety Code, Fire Protection District Law of 1987 (commencing with Section 13800 et seq.), as itemized in Asset Transfer Schedules Exhibit #C.
3. PFPD, the successor agency, shall function under and carry out all authorized duties and responsibilities assigned to a Fire Protection District as outlined in the Division 12, Part 2.7, Chapter 1, Health & Safety Code, Fire Protection District Law of 1987 (commencing with Section 13800 et seq.) and other applicable laws.
4. If necessary, a tax exchange agreement shall be negotiated with the County of Plumas to allocate a property tax revenue structure for the PFPD to the successor agency, as provided for in Government Code Section 56810.
5. Pursuant to Government Code section 57330, owners of developed and undeveloped parcels within the newly adjust boundaries of PFPD will be assessed a 2021 voter approved annual Special Tax at the parcel level as currently administered by PFPD as described in **Exhibit #E**, that includes the following provisions:
 - a. A Special Tax of \$442.50 per year for each improved parcel.
 - b. A Special Tax of \$394.50 per year for each unimproved parcel.
6. All previously authorized charges, fees, assessments, and/or special taxes currently in effect and dedicated to fire protection or emergency medical response, now levied or collected by CPUD including improvement or assessment districts thereof, and including that portion of the ad valorem Plumas County property tax roll which is currently collected by the CPUD Fire Department, shall upon annexation, continue to be levied and collected by CPUD until such time as:
 - a. CPUD's California Public Employees Retirement System (CalPERS) Classic Safety and PEPRA Safety Plans are terminated and the resulting debt is paid off in full. The termination cost for both plans together is estimated to be approximately \$3,800,000 which will be paid using a Pension Obligation Bond or a Sewer Revenue Bond. The total bond amount is anticipated to be approximately \$4,000,000 with financing costs included, the total amount of which will likely be amortized over a 30-year term or less. The bond that is ultimately issued will have its debt serviced by the CPUD Fire Department's existing Special Tax (Measure A, \$95/year improved parcels, \$75/year unimproved parcels) and ad valorem tax revenue.
 - b. All debts owed by the CPUD Fire Department to the CPUD Sewer Department, with a current balance of \$1,879,128.73 (as of September 30, 2024), are paid in full. CPUD may not increase this debt from year to year. All CPUD Fire Department revenues not used for operating costs or the debt service identified in item 6a shall be swept to the CPUD Sewer Fund to pay back this balance. The CPUD Sewer Fund may assess reasonable interest on the Fire Fund's debt.
 - c. When items 6a and 6b have been completely satisfied, CPUD will cease to levy or collect any previously authorized charges, fees, assessments, and/or special taxes related to fire suppression or emergency medical services, and will additionally cease

the levy and collection of any CPUD Fire Department-related ad valorem property taxes.

- d. Nothing in this section shall prevent CPUD from utilizing these tax revenues to also pay for necessary operating costs, such as the cost of Other Post Employment Benefits, liability insurance, and auditing or legal costs. CPUD may not, however, create or increase any debt besides those items mentioned in 6a and 6b.
7. Upon annexation, all parcels within the boundary of PFPD are subject to all charges and fee structures that balance the needs of PFPD for funding and cost of services and the burdens on property owners. All charges and fee structure programs will be rendered and adopted by the PFPD Board of Directors and administered and codified through resolution or ordinance.
8. The current composition of the PFPD Board of Directors is a five (5) member board of directors, elected at-large, each of whom must be a registered voter residing within the district. Upon annexation and until such time as the next regularly scheduled election for PFPD directors, CPUD shall appoint two members to the PFPD Board of Directors which shall temporarily increase to seven (7) members. Upon the next regularly scheduled election for PFPD directors, membership shall revert to five (5) members elected by geographic area and who are registered voters residing within the boundaries of PFPD.
9. The services to be provided by the successor District shall be provided in a manner consistent with the “Plan for Services” attached hereto as Exhibit #B and incorporated herein by reference.
10. Upon annexation, PFPD shall staff and maintain a full-time fire station in Chester which shall provide both fire suppression and emergency medical services to the community of Chester, which may from time to time be adjusted by the PFPD Board of Directors. It is also acknowledged that due to start-up costs and delayed revenues and reimbursements, PFPD may need to delay initial implementation of this section; and

WHEREAS, CPUD and PFPD intend that this dissolution and annexation be effective no later than December 31, 2024; and

WHEREAS, the CPUD has assumed Lead Agency status for this project under the California Environmental Quality Act (CEQA), with PFPD serving as a Responsible Agency; and

WHEREAS, CPUD has determined that this project is categorically exempt from CEQA pursuant to CEQA Guidelines Section 15320 (Changes in organization of local agencies) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment – where the activity consists of changes in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised – and that does not involve development or a change in the manner for which an existing service is provided; and

WHEREAS, CPUD and PFPD have determined that since a majority of the members of both of the legislative bodies are adopting substantially similar resolutions of application for this annexation, the Resolution of Application meets the criteria for requesting a waiver of proceedings as set forth in Government Code Section 56853 with regard to the annexation and dissolution applications; and

NOW THEREFORE BE IT RESOLVED, by the Chester Public Utility District as follows:

SECTION 1. Findings of Facts. The above recitals are adopted as findings of fact.

SECTION 2. Adoption of Resolution of Application. This Resolution of Application is hereby

adopted and approved, and the Local Agency Formation Commission of Plumas County is hereby requested to take proceedings for the reorganization of territory described in Exhibit #A (Map and Boundary Description) consisting of the annexation and dissolution of EPRFPD according to the terms and conditions stated above and in the manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code Section 56000, et seq.

SECTION 3. California Environmental Quality Act CEQA. CPUD has determined that this project is categorically exempt from CEQA pursuant to CEQA Guidelines Section 15320 (Changes in organization of local agencies) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment – where the activity consists of changes in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised – and that does not involve development or a change in the manner for which an existing service is provided. PFPD concurs with this determination as the responsible agency.

SECTION 4. Other Acts. The Officers and staff of the District are hereby authorized and directed, jointly and severally, to do any and all things, to execute and deliver any and all documents, which, in consultation with District Counsel, they may deem necessary or advisable in order to effectuate the purposes of this Resolution, and any and all such actions previously taken by such Officers or staff members are hereby ratified and confirmed.

SECTION 5. Effective Date. This Resolution shall take effect upon adoption.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Chester Public Utility District at a regular meeting thereof held on the day of _____, 2024, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

President

District

ATTESTED:

District Secretary

Attachments:

- Exhibit A, Map and legal description of proposed fire protection district boundaries.
- Exhibit B, Plan for Services.
- Exhibit C, Schedule of Asset Transfer
- Exhibit D, Post-Annexation Financial Plan
- Exhibit F, placeholder exhibit

Page 6 of 25



Chester Fire Protection District to be Annexed to The Peninsula Fire Protection District

DIRECTION	DISTANCE	TRAVERSE
S 90-0-0.0000 W	300	1
S 0-0-0.0000 W	160	2
S 17-14-0.0647 W	825.001	3
S 75-30-1.2679 W	40	4
N 2-1-0.9403 W	211.963	5
S 75-13-8.4613 W	19.371	6
S 75-35-54.5893 W	149.669	7
S 75-33-18.2077 W	89.426	8
S 75-33-18.6661 W	1.539	9
S 75-33-18.8153 W	92.649	10
S 75-33-16.3517 W	64.488	11
S 75-33-18.1301 W	93.425	12
S 75-33-18.0502 W	51.541	13
S 75-33-18.4288 W	111.406	14
S 75-33-18.5815 W	89.786	15
S 75-33-16.5230 W	113.266	16
S 75-33-22.1307 W	86.902	17
S 75-33-11.1517 W	38.712	18
S 75-33-16.3228 W	62.856	19
S 75-33-19.7962 W	102.625	20
S 75-33-15.8880 W	95.699	21
S 71-2-17.4445 W	102.17	22
S 75-26-47.3474 W	17.542	23
N 1-30-7.9931 W	2024.654	24
N 1-36-16.0780 W	851.846	25
N 0-18-34.9246 E	236.25	26
S 66-9-11.5606 W	649.327	27
S 84-32-54.7758 W	728.962	28
N 0-52-4.6200 W	56.234	29
N 0-52-4.6145 W	20.476	30
S 87-54-17.0239 W	37.608	31
S 89-16-3.2801 W	348.906	32
S 89-31-3.7963 W	194.244	33
S 88-51-46.5153 W	7.256	34
S 88-51-54.4159 W	107.845	35
S 89-9-38.7499 W	154.504	36
S 89-28-39.0849 W	254.31	37
S 88-22-54.7830 W	75.962	38
S 89-6-51.8873 W	143.57	39
S 0-51-26.0390 E	280.663	40
S 0-44-0.7859 E	202.304	41
S 0-41-51.4305 E	167.714	42
S 0-38-32.8089 E	120.936	43
S 0-47-1.7474 E	124.052	44
S 0-35-47.2036 E	121.329	45
S 1-0-40.7862 E	102.379	46
S 1-34-30.2887 E	24.666	47
S 0-21-7.4934 E	89.993	48
S 0-21-11.6535 E	26.764	49
S 0-38-19.2699 E	150.893	50
S 0-57-20.8382 E	150.172	51
S 0-31-36.5739 E	133.229	52

DIRECTION	DISTANCE	TRAVERSE
S 0-35-57.5593 E	122.563	53
S 1-11-35.7529 E	116.831	54
S 0-40-42.7803 E	116.19	55
S 0-37-31.3709 E	57.17	56
S 0-35-2.9740 E	114.17	57
S 0-20-38.7502 E	405.455	58
S 85-11-50.5751 W	419.047	59
N 53-40-12.5823 W	89.776	60
N 64-47-55.9631 W	85.569	61
N 77-54-18.8605 W	64.838	62
S 88-23-42.0533 W	159.829	63
S 77-0-19.3737 W	121.526	64
S 69-13-39.8879 W	141.26	65
S 58-40-16.7083 W	35.837	66
S 58-40-16.7034 W	86.794	67
S 57-5-41.1313 W	92.219	68
S 61-55-39.0356 W	77.425	69
S 61-11-21.1495 W	61.133	70
S 61-11-21.1493 W	42.823	71
S 69-40-36.7032 W	131.132	72
S 79-59-31.2600 W	78.621	73
S 61-23-22.3562 W	57.066	74
S 62-6-9.8283 W	87.606	75
S 61-55-39.0456 W	77.425	76
S 56-18-35.7696 W	49.263	77
S 53-58-21.4521 W	123.893	78
S 38-39-35.3141 W	58.325	79
S 35-30-0.9129 W	21.188	80
N 0-4-52.5805 W	515.981	81
S 89-12-13.3832 W	662.359	82
S 0-0-0.0000 W	1195.368	83
N 41-14-6.9241 E	64.023	84
N 56-18-33.2730 E	46.168	85
N 62-21-12.1920 E	75.887	86
N 70-52-0.2074 E	166.03	87
N 55-55-22.1675 E	131.404	88
N 45-0-0.0000 E	108.651	89
N 36-29-28.7378 E	290.672	90
N 42-5-35.9661 E	133.557	91
N 43-21-48.3211 E	112.761	92
N 47-29-22.3810 E	74.14	93
N 75-57-49.5043 E	56.335	94
N 67-45-3.5269 E	108.257	95
N 66-30-5.1575 E	114.224	96
N 72-38-45.5358 E	76.346	97
N 64-47-55.9446 E	85.569	98
N 60-15-18.4381 E	36.719	99
N 64-41-35.8945 E	63.927	100
N 56-55-17.0086 E	85.779	101
N 67-22-48.4817 E	32.214	102
N 52-25-53.0543 E	74.698	103
N 58-23-33.0130 E	69.52	104

Chester Fire Protection District to be Annexed to The Peninsula Fire Protection District

DIRECTION	DISTANCE	TRAVERSE
N 68-11-54.9142 E	98.105	105
N 71-33-54.1984 E	86.414	106
N 69-4-18.3876 E	20.97	107
N 69-4-18.4342 E	55.532	108
N 75-57-49.5245 E	75.113	109
N 89-59-59.9963 E	60.622	110
S 70-53-36.9947 E	120.902	111
S 26-19-24.7576 W	298.986	112
N 83-57-19.9437 E	189.477	113
S 43-33-35.9966 E	57.484	114
S 19-15-50.3142 W	208.483	115
S 19-30-27.3964 W	250.024	116
S 83-43-46.6604 E	1.308	117
S 83-43-46.7086 E	357.305	118
S 82-28-17.2238 E	147.107	119
S 22-52-21.5221 W	56.596	120
S 72-18-7.0287 E	135.062	121
S 72-12-52.2062 E	123.871	122
S 72-8-7.1761 E	83.147	123
N 75-50-22.5377 E	280.807	124
N 75-53-19.9096 E	133.234	125
S 73-55-4.4749 E	114.633	126
S 73-43-47.8721 E	101.19	127
S 73-21-18.5735 E	247.359	128
S 73-3-16.7813 E	23.928	129
N 74-24-52.7415 E	173.385	130
N 74-43-45.0864 E	90.955	131
N 74-39-17.2983 E	68.226	132
S 73-34-17.9216 E	60.131	133
S 72-39-19.9802 E	100.327	134
S 72-43-51.5776 E	75.218	135
S 72-47-33.8201 E	72.971	136
S 72-50-6.3909 E	2.24	137
S 72-51-39.8925 E	75.177	138
S 72-55-21.5146 E	41.51	139
S 28-52-9.9993 W	83.183	140
S 30-21-53.7118 W	66.949	141
S 30-43-9.2808 W	343.92	142
S 31-1-41.8630 W	34.257	143
S 57-50-14.4386 E	87.46	144
S 31-19-22.8885 W	317.978	145
N 59-28-38.7682 W	130.846	146
N 59-28-38.7442 W	145.484	147
S 31-31-33.1485 W	365.665	148
S 1-6-5.3888 E	221.135	149
N 87-53-50.5986 W	90.98	150
S 0-24-29.0981 E	130.434	151
N 60-47-50.5343 W	136.343	152
N 89-26-46.6859 W	229.001	153
S 0-10-49.8600 W	369.453	154
S 89-26-29.3187 W	373.398	155

DIRECTION	DISTANCE	TRAVERSE
S 88-44-35.4096 W	1550.913	156
N 88-44-35.4096 E	32.686	157
S 88-44-35.4096 W	32.686	158
S 1-42-17.1800 E	1001.462	159
S 88-56-20.6349 W	1886.016	160
S 1-13-7.8926 E	1657.664	161
N 88-2-50.9450 E	1899.973	162
S 1-42-19.4669 E	59.214	163
S 1-20-46.2690 E	149.778	164
S 1-29-36.5634 E	57.092	165
S 1-29-25.6193 E	77.2	166
S 1-29-32.9215 E	68.84	167
S 1-29-25.3352 E	69.322	168
S 1-29-31.9868 E	68.161	169
S 1-29-26.2067 E	67.735	170
S 1-28-32.8582 E	71.017	171
S 1-27-32.5702 E	68.964	172
S 1-26-13.3391 E	91.553	173
S 1-24-44.1864 E	115.595	174
S 1-23-27.7037 E	68.917	175
S 1-57-30.0298 E	309.31	176
S 1-45-17.0205 E	348.22	177
S 21-43-35.8661 W	91.715	178
N 84-17-22.8341 E	99.063	179
S 30-22-45.2499 W	91.552	180
S 30-22-44.6908 W	376.935	181
S 30-22-44.9389 W	359.885	182
S 30-25-49.8335 W	452.555	183
N 7-58-49.0733 W	572.322	184
S 55-56-43.8091 W	787.687	185
N 31-19-46.1719 W	29.285	186
S 87-43-37.9608 W	189.02	187
N 89-30-14.0951 W	66.758	188
S 0-21-12.8046 E	139.855	189
S 0-21-13.1518 E	658.58	190
S 59-37-14.9241 E	165.675	191
S 58-19-28.5180 E	327.217	192
S 58-19-28.4158 E	36.134	193
S 51-38-55.5021 W	113.019	194
S 30-31-33.3776 W	2221.292	195
N 57-15-53.8540 W	111.182	196
S 24-4-32.1342 W	411.944	197
S 2-46-46.2812 E	543.607	198
N 32-24-44.6769 E	451.983	199
S 42-16-24.5753 E	59.029	200
S 21-2-14.7214 E	93.045	201
S 0-0-0.0000 W	298.352	202
S 89-34-9.2994 W	290.638	203
S 26-33-54.3868 E	455.332	204
N 89-27-52.5173 E	681.573	205
N 0-56-20.9464 W	407.552	206

Chester Fire Protection District to be Annexed to The Peninsula Fire Protection District

DIRECTION	DISTANCE	TRAVERSE
S 89-34-8.9468 W	488.055	207
N 1-19-55.5667 W	270.954	208
N 10-0-29.2453 W	115.319	209
N 16-41-57.5626 W	69.744	210
N 46-58-28.5069 W	96.084	211
N 32-24-44.1126 E	317.992	212
N 58-23-29.5271 W	101.97	213
N 29-15-35.0553 E	617.05	214
N 29-15-36.4692 E	100.703	215
N 29-15-32.7050 E	121.493	216
N 29-16-0.3523 E	7.135	217
N 29-15-33.4037 E	143.481	218
N 29-15-35.7861 E	220.528	219
N 29-15-34.2897 E	254.058	220
N 69-33-29.7133 E	1211.58	221
N 10-25-33.6111 W	597.799	222
N 10-25-33.3307 W	582.242	223
N 29-40-11.3174 E	548.195	224
N 30-21-52.7875 E	258.446	225
N 30-25-37.6226 E	258.395	226
N 31-31-0.1544 E	113.981	227
S 62-42-27.6728 E	105.208	228
S 62-42-26.7269 E	146.484	229
S 54-26-40.1250 E	239.004	230
S 32-20-14.7439 W	95.862	231
S 31-37-19.4854 W	102.484	232
S 27-36-36.9359 W	107.799	233
S 27-19-26.3542 W	44.264	234
S 28-50-24.1255 W	263.85	235
S 56-4-45.6013 E	86.176	236
S 27-58-1.8271 W	470.702	237
S 11-8-34.4097 E	494.964	238
N 80-26-24.1360 E	354.432	239
N 16-15-36.8446 W	459.881	240
N 29-44-41.5725 E	59.322	241
S 60-46-50.7979 E	248.709	242
N 30-42-0.7471 E	249.484	243
S 59-25-38.8861 E	23.084	244
S 59-35-43.0365 E	188.724	245
S 57-2-42.5023 E	76.02	246
S 59-20-41.0758 E	104.632	247
S 59-20-40.3746 E	103.806	248
S 59-20-40.2008 E	136.018	249
S 59-20-41.8193 E	196.105	250
N 81-1-41.8779 E	70.768	251
N 69-36-1.8995 E	152.945	252
N 69-36-4.5705 E	114.267	253
N 69-36-3.5549 E	125.337	254
N 69-36-1.9713 E	119.608	255
N 69-36-6.9144 E	115.639	256
N 69-36-2.4456 E	126.458	257

DIRECTION	DISTANCE	TRAVERSE
N 69-36-4.5878 E	235.291	258
N 69-36-3.3706 E	263.16	259
S 69-36-3.3706 W	9.083	260
N 69-36-3.3706 E	12.441	261
N 0-12-52.0137 W	219.621	262
N 0-10-47.6131 E	167.213	263
N 89-59-53.7243 E	131.469	264
N 89-59-53.6833 E	58.273	265
N 89-59-53.9473 E	102.234	266
N 89-59-53.2606 E	91.818	267
N 89-59-51.4244 E	96.21	268
N 89-59-53.5131 E	95.391	269
N 89-59-53.1003 E	89.684	270
N 89-59-53.7324 E	98.729	271
N 89-59-51.1613 E	93.347	272
N 89-59-55.6734 E	95.347	273
N 89-59-53.5752 E	96.313	274
N 89-59-53.2473 E	91.637	275
N 89-59-53.5613 E	96.105	276
N 89-59-54.4041 E	82.02	277
N 0-26-25.1009 E	151.339	278
N 1-21-40.8690 E	60.906	279
N 0-15-45.2255 W	141.405	280
N 0-33-12.0795 W	143.823	281
N 0-37-40.1497 E	60.508	282
N 1-46-6.2987 W	145.788	283
N 1-49-11.1275 W	139.346	284
N 1-9-30.2788 W	59.06	285
N 0-36-13.1461 W	137.725	286
N 0-5-4.1899 W	197.999	287
N 43-12-28.6703 E	154.799	288
N 78-19-33.3092 E	68.843	289
N 48-24-41.6107 E	25.322	290
N 18-54-47.5141 E	218.679	291
N 38-42-29.6662 E	301.25	292
N 19-9-31.9044 E	129.802	293
N 4-51-5.2035 E	157.742	294
S 4-51-5.2841 W	0	295
N 4-51-5.2841 E	0	296
N 54-54-32.8308 E	161.578	297
N 13-6-35.4160 E	103.562	298
N 45-59-34.7073 E	97.18	299
N 0-5-31.7005 E	96.211	300
N 20-18-38.9114 W	146.382	301
N 30-56-36.9857 W	94.27	302
N 13-32-23.5214 W	83.761	303
N 47-59-54.3948 E	168.879	304
S 84-1-28.5981 E	140.316	305
N 34-7-41.8687 E	301.501	306
N 25-52-43.3165 E	195.002	307
N 17-50-45.5729 E	125.522	308

Chester Fire Protection District to be Annexed to The Peninsula Fire Protection District

DIRECTION	DISTANCE	TRAVERSE
N 74-5-59.3204 E	134.062	309
N 0-1-26.9868 W	887.871	310
S 56-53-1.1480 W	1535.054	311
S 56-36-59.5461 W	78.52	312
S 56-33-15.5704 W	230.061	313
S 56-40-9.9458 W	274.852	314
S 57-13-6.0212 W	1027.505	315
N 0-27-28.5948 W	1.274	316
S 0-27-28.5948 E	1.274	317
S 0-28-0.6972 E	34.34	318
S 56-13-16.8703 W	1114.784	319
S 55-42-21.9554 W	1096.852	320
S 56-9-3.6195 W	711.412	321
N 32-31-13.6344 E	252.833	322
N 56-55-49.0236 E	300.947	323
N 56-55-49.0408 E	109.052	324
N 56-55-50.4831 E	106.137	325
N 56-55-47.0502 E	124.402	326
N 57-13-28.7019 E	206.467	327
N 56-46-45.9563 E	21.087	328
N 4-45-45.0882 E	42.589	329
N 56-8-49.5286 E	101.577	330
N 55-20-25.7213 E	93.06	331
N 54-49-5.0955 E	104.113	332
N 54-41-45.7215 E	130.668	333
N 54-41-57.9463 E	52.332	334
N 55-0-31.8290 E	708.766	335
N 56-12-15.6576 E	383.793	336
N 57-15-0.7098 E	70.614	337
N 57-21-58.9199 E	217.219	338
N 56-13-17.1465 E	12.391	339
N 57-52-9.2914 E	82.273	340
S 57-58-53.2919 W	98.218	341
S 57-12-39.1074 W	213.665	342
S 57-15-0.7098 W	70.614	343
N 57-25-32.8377 E	394.364	344
N 57-44-27.9935 E	112.754	345
N 57-33-6.4300 E	138.658	346
N 56-51-20.3961 E	1180.516	347
N 88-50-29.7081 E	39.917	348
N 48-59-34.0851 E	156.123	349
N 57-3-7.1682 E	372.563	350
N 57-14-35.3932 E	41.431	351
N 57-15-13.4448 E	191.112	352
N 50-1-15.7593 E	192.851	353
N 56-13-36.4549 E	180.433	354
N 56-0-59.3915 E	178.061	355
N 55-27-55.6517 E	267.201	356
N 55-11-14.3914 E	28.865	357
N 55-11-14.3873 E	0	358
N 0-14-53.5723 W	147.962	359

DIRECTION	DISTANCE	TRAVERSE
N 0-56-4.9010 W	50.758	360
N 1-11-44.8284 W	51.033	361
N 1-17-34.2823 W	51.235	362
N 1-7-12.5072 W	154.177	363
N 0-54-12.7574 W	103.176	364
N 0-42-16.7628 W	134.572	365
N 0-29-5.1574 W	134.15	366
N 0-14-19.6661 W	11.037	367
S 89-16-52.3994 E	260.269	368
N 41-45-37.5280 W	145.46	369
N 53-30-10.6207 W	5.852	370
N 53-30-10.6215 W	190.416	371
N 1-34-16.0361 W	132.943	372
N 1-34-15.8262 W	323.707	373
N 1-34-16.2375 W	120.246	374
N 1-34-15.2216 W	103.269	375
N 1-34-15.7436 W	84.767	376
S 32-49-59.9180 E	950	377
S 0-0-0.0000 W	160	378
N 90-0-0.0000 E	300	379
N 0-0-0.0000 E	160	380
S 90-0-0.0000 W	276.2	381
N 32-49-59.9445 W	994.711	382
N 2-22-46.9592 W	41.689	383
N 0-35-19.5622 W	76.88	384
N 0-35-16.8687 W	76.88	385
N 0-35-17.5627 W	100.72	386
N 0-35-16.8432 W	105.53	387
N 76-48-23.3014 E	50.675	388
N 0-7-7.5424 E	100.348	389
N 3-41-47.4498 W	49.634	390
N 0-26-20.2262 W	29.892	391
N 0-25-6.5305 W	82.559	392
N 0-25-3.5342 W	0	393
N 0-16-54.5222 W	80.427	394
N 0-16-45.3543 W	10.55	395
N 0-6-6.7195 W	68.62	396
N 0-1-27.1336 E	82.516	397
N 0-1-26.4142 E	88.662	398
N 4-17-27.3788 W	87.957	399
N 2-16-4.0361 W	193.252	400
N 1-1-48.4312 W	102.737	401
N 1-4-20.3322 E	101.58	402
N 0-45-27.1901 W	31.086	403
N 75-30-0.1414 E	56.039	404
N 17-14-0.0288 E	842.35	405
N 90-0-0.0000 E	279.06	406
N 0-0-0.0000 E	160	407

Together therewith the following described parcel:

All that certain real property, situate in portion of Section 6, T 28 N, R 7 E, MDB&M, in the County of Plumas, State of California, described as follows:

Beginning at a point on the South line of said Section 6, distant thereon S 89°20'53" W 790.01 feet from the southeast corner of said Section 6 and a point on the existing boundary of the Chester Public Utility District;

thence (L1) S 89°20'53" W 903.11 feet along said District Boundary;

thence (L2) N 10°52'27" W 388.26 feet leaving said District boundary;

thence (L3) N 89°20'53" 976.91 feet;

thence (L4) S 0°04'56" W 12.13 feet to a point on said existing boundary;

thence (L5) S 0°04'56" W 370.00 feet along said existing boundary to the point of beginning.

NOTE:

For assessment purposes only. This description of land is not a legal property description as defined in the Subdivision Map Act and may not be used as the basis for an offer of sale of the land described.

Exhibit B: Plan for Services

This plan for service supports the proposed annexation and details how services will be provided and funded by PFPD. It has been prepared according to the information required by §56653(b) of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH act) which states: (b) The plan for providing services shall include all of the following information and any additional information required by the commission or the executive officer: (1) An enumeration and description of the services currently provided or to be extended to the affected territory. (2) The level and range of those services. (3) An indication of when those services can feasibly be extended to the affected territory if new services are proposed. (4) An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed. (5) Information with respect to how those services will be financed. A plan for services considers the services, capacity, cost and adequacy of services within an area and how those services would be affected by the proposed action.

Proposed Annexation

The proposed annexation would serve to consolidate and reorganize services currently provided by CHESTER PUD FIRE SERVICE, including structural fire response, emergency medical response and rescue services, into an existing fire district, PFPD. This annexation will enhance services and response to the communities served by CHESTER PUD FIRE SERVICE and PFPD and will provide consistency in levels of service throughout the entirety of the PFPD boundaries. The consistent and reliable funding sources of PFPD to support services throughout the annexed territory will be carried forward to Chester residences, including,

- a) Application of the approved PFPD Special Tax ballot measure dated **November 7, 2021**, across all parcels within the service territory of CHESTER PUD FIRE SERVICE.
- b) CalFire and USFS large incident support response revenue.
- c) Fundraising efforts.
- d) Ambulance and miscellaneous service fees enacted by the board of directors of PFPD.

Since March 2024, PFPD has provided fire and emergency medical services to CHESTER PUD FIRE SERVICE and has become familiar with its territories, customers, and nuisances, all without compensation to PFPD. Without the ability for CHESTER PUD FIRE SERVICE to re-establish their operations, this annexation provides a path forward for CHESTER PUD FIRE SERVICE, and establishes a revenue source for services already being provided by PFPD.

PFPD will endeavor to adhere to the National Fire Protection Association (NFPA) performance standard for volunteer and other combined fire departments, (NFPA 1720). This standard, among other guidelines, identifies target response time performance for structure fires.

With services already being provided by PFPD to CHESTER PUD FIRE SERVICE, these services are planned to continue and improve through the annexation process.

The annexation will result in the dissolution of the CHESTER PUD FIRE SERVICE. Assets of

CHESTER PUD FIRE SERVICE with the exception of real property will be transferred to the PFPD as the successor agency. The PFPD is governed by a five-member board of directors with staggering terms in office and elected by the registered voters residing within the boundaries of the entirety of the district.

Current Challenges

Lack of Revenue to Conduct Business:

CHESTER PUD FIRE SERVICE has been non-operational since November 1, 2024 with only limited services offered since February 29, 2024. As mentioned in the resolution, CHESTER PUD FIRE SERVICE has attempted to both reduce operating costs and increase tax and non-tax revenues, however the operating deficit under current employee MOUs and service model is not sustainable.

No Fire Personnel:

CHESTER PUD FIRE SERVICE ceased operations on November 1, 2024, due to lack of sustainable funding mechanism.

Strain on Neighboring Fire Agencies to Cover Without Compensation:

Fire districts were formed to provide structure fire and all risk services within a specific jurisdictional boundary where services are supported by revenue from a combination of taxes and fees. When a fire district is unable to provide these services, it places tremendous pressure on neighboring agencies to ensure emergencies are being handled. In the case of CHESTER PUD FIRE SERVICE, the district's inability to retain employees due to financial problems has increased the use of mutual aid requests and has burdened the neighboring fire departments on a regular basis without compensation.

Population and Growth

According to the 2020 Census, the Chester Public Utility District (CPUD) has a population of 2,187 people. Alternately, according to the 2010 Census, the District had a population of approximately 2,144. Accordingly, CPUD's average annual population growth rate (AAGR) from 2010 to 2020 was roughly 0.2 percent. The Department of Finance (DOF) projects a 34 percent decline in Plumas County's population from 2020 (19,847) to 2060 (13,025). This represents an average annual growth rate (AAGR) of negative one percent, indicating an approximate one percent annual population decline from 2020 through 2060. Utilizing the County's AAGR and CPUD's 2020 population estimates, the population within the District is anticipated to decrease to approximately 1,435 by 2060.

According to the 2020 Census, the Peninsula Fire Protection District (PFPD) has a population of 817 people. This is based on the census-designated place (CDP) population for Lake Almanor Country Club CDP (451) and Lake Almanor Peninsula CDP (366).¹⁷ Alternately, according to the 2010 Census, the District had a population of approximately 775.¹⁸ Accordingly, PFPD's average annual population growth rate (AAGR) from 2010 to 2020 was roughly 0.53 percent. The Department of Finance (DOF) projects a 34 percent decline in Plumas County's population from 2020 (19,847) to 2060 (13,025). This represents an average annual growth rate (AAGR) of negative one percent, indicating an approximate one percent annual population decline from 2020

through 2060. Utilizing the County's AAGR and PFPD's 2020 population estimates, the population within the District is anticipated to decrease to approximately 536 by 2060.

It should also be noted that there is a significant seasonal variation in population, particularly as it relates to tourists and resort facilities within the area.

Affected Agency	Population
Chester PUD	2,187
Peninsula FPD	817
Total Proposed Population Served	3,004

Source: Plumas LAFCo Municipal Service Review + SOI Update CPUD & PFPD 10/2024

Sphere of Influence

Chester's SOI extends beyond the District's boundaries in several directions: south beyond Rogers Field Airport and State Routes 36 and 89; southwest along Chester Ski Road; west along Chester Warner Valley Road; east along Fourth Avenue and Melissa Avenue, reaching towards the southeast of SR 36 near Lake Almanor; and north of Last Chance Creek and Mud Creek. The PFPD Sphere of Influence will require an amendment to include the territory within CHESTER PUD FIRE SERVICE prior to the annexation for consistency.

Infrastructure Needs

Chester PUD will retain ownership of the 198 Main Street facility as well as 251 Airport Road as part of their continued water and sewer operation. A long-term lease will be negotiated between CPUD and PFPD for housing equipment and personnel in one of the properties. By leasing the facility it will put the responsibilities of building maintenance on CPUD, thus providing PFPD with a fixed cost for facilities in the Chester community. The terms of the lease are still under review and will be presented as soon as it is completed.

Exhibit C: Schedule of Asset Transfer

Schedule of Asset Transfer

Upon completion and certification of annexation, CPUD Fire Department shall transfer the following personal property to PFPD. This list does not preclude a further transfer of property in the future.

SCBA:		
Packs	12 MSA	
Bottles	25	
Radios:		
Mobile		
Portable		
Structual FF PPE		
Jackets	37	
Pants	62	
Helmets		
Wildland PPE		
Jackets		
Pants		
Helmets		
Fire Hose		
Double jacket (Structual)		
0.75		
1"		
1.5	84	
2"	15	
1.75	42	
5"	36	
Single Jacket (wildland)		
1"		
1.5"		
Hydrolic Extrication Tools		

EMS Equipment		
Cardiac Monitors		2
Automatic External Defibrillators		2
Stryker E Gurney	2	
Misc Tools & Equipment:		

Exhibit D: Post-Annexation Financial Plan

Financial Plan

The Annexation of CHESTER PUD FIRE SERVICE will be effective January 1, 2025, however until assessments can be collected PFPD will continue to maintain its current staffing level and respond out of one of the 2 PFPD fire stations for calls for service in Chester. Using a proposed budget, estimates were made to include CHESTER PUD FIRE SERVICE costs of operation once assessments are collected and dispersed to PFPD. Initial estimates indicate the two sources of revenue will be sufficient to provide services to the district.

There are no plans to finance services. It is anticipated that all services post-annexation will be administered through identified revenue sources.

2021 Peninsula Fire Protection District Special Tax

Owners of developed and undeveloped parcels within the boundaries of CHESTER PUD FIRE SERVICE will be assessed the 2021 PFPD voter approved annual Special Tax at the parcel level as is currently administered by PFPD. The application of the PFPD Special Tax across all parcels within the territory of CHESTER PUD FIRE SERVICE and a conservative projection of ambulance billing for service is expected to generate \$916,000.00 in revenue for PFPD. The application of this tax is not subject to a ballot measure for voters within the CHESTER PUD FIRE SERVICE.

The first Plumas County filing of the Special Tax for CHESTER PUD FIRE SERVICE property owners requesting the County to collect the tax will occur on the October 2025 Plumas County Property Tax Statements. CHESTER PUD FIRE SERVICE property owners will see the first billing on their October 2025 property tax bill.

AMBULANCE BILLING FOR SERVICE

PFPD will continue to bill for ambulance transport using the set billing rates adopted by the PFPD board of directors. A conservative estimate of billing shows that it is reasonable to assume that PFPD will collect at least \$300,000 annually for services in Chester and West Shore FPD.

INCIDENT SUPPORT DIVISION

PFPD will continue to administer the Chester PUD Fire Service incident support division for response and support of large Cal Fire and Forest Service incidents. Due to the inconsistent nature of this revenue, any excess revenues from the incident support division will be allocated to build reserves and is not accounted for in the operating budget at this time.

CHESTER PUD FIRE SERVICE SPECIAL ASSESMENT

The special assessment of \$95.00 (improved parcels) and \$75.00 (unimproved parcels) for fire service in the Chester community will remain in place and will be used by CPUD to repay the CPUD Sewer Fund and PERS retirement termination liability. Once the debt has been repaid, the assessment in Chester will cease.

CHESTER AD VALOREM TAX

The ad valorem tax collected in the Chester community will also be used to repay the CPUD Sewer Fund and PERS retirement termination liability. Once the debt has been repaid the Chester ad valorem tax will be forwarded to PFPD to be used for fire service operations in Chester.

Conclusion:

The Peninsula FPD will build and sustain adequate community fire and advanced life support services for the Chester area and the entire region that is equitably supported in the communities served. By annexing Chester, increased funding paired with more efficient use of regional resources will provide consistent levels of service throughout the communities served and will ensure consistency in fire fighter training, personal protective equipment, emergency medical and firefighting equipment, and apparatus equipment, as well as to improve response times and operational efficiencies. This will be accomplished through hiring 3 additional Firefighter Paramedics and onboarding additional Per Deim Firefighter EMTs required to properly staff the Chester community. The overall objective is to include Chester residents with a cost effective, well trained, and professional fire agency for years to come through the implementation of modern and efficient programs.

District Dissolution:

The Chester PUD fire service will be dissolved. Identified personal property assets belonging to Chester PUD fire service will be transferred to Peninsula FPD and as such, the Peninsula FPD will be the successor for the dissolved district in accordance with §57451(d) of the CKH Act. Should Peninsula FPD be unsuccessful in negotiating a tax exchange agreement with Plumas County or, either agency otherwise fails to meet the conditions of approval for annexation, then the Chester PUD Fire Department will not be dissolved. They will retain their assets and powers to provide fire and emergency response services.

**Chester Fire Preliminary Budget
Peninsula Fire
2025/2026**

Account #	Salaries and Benefits	Budget 25/26
	<u>Description</u>	
51000	Regular Wages FT medic step 3+ Per Deim EMT	384,299.60
51020	Other wages	0
51040	Holiday Pay	11,188.80
51060	Overtime Wages	15,104.88
51070	Unemployment Insurance	3,000.00
51080	PERS	55,424.61
51090	Group Insurance	84,924.30
51100	OASDI - FICA & Medicare Deductions	0
51110	Compensation Insurance	60,000.00
51140	Clerical Wages	35,200.00

Total Labor Costs

\$649,142.19

Services and Supplies

Account #	Description	
	Clothing -Personal Supply	
52010	Communications	12,000.00
52020	Insurance - District and Liability	15,347.00
52050	Maintenance - Equipment	81,996.00
52090	Maintenance - Trucks	12,000.00
52092	Vehicle Fuel	31,000.00
52110	Maintenance - Building and Grounds	14,000.00
52130	Office Expense	1,500.00
502180	Professional Services	5,000.00
52190	Publications - Legal Notices	5,000.00
52370	Rents and Leases	500.00
52380	Heating	14,400.00
52390	Special Dept. Expense -Station Items	5,000.00
52440	Special Dept. Other - Non-Safety Equipment	2,000.00
52470	Special Dept. Tax & Assessment Admin Fee	2,000.00
52550	Special Dept. - Medical Supplies	7,500.00
52710	Travel Routine - In County	10,000.00
52740	Travel Routine - Out of County	500.00
52750	Utilities	500.00
52780	Contingencies	16,000.00
52840	Apparatus Vehicle Loan re-payment	0.00
52950	Fire Calls	0.00

52960	Training	5,000.00
		10,000.00
	Total Services and Supplies	
		\$251,243.00

		<u>Tax Revenue</u>
<u>Account #</u>	<u>Description</u>	
40130	Ambulance Billing	\$300,000
40150	Special Assessment	\$616,000
	Total Revenue	\$ 916,000.00
	Total Labor	\$ 649,142.19-
	Total Service and Supply	\$ 251,243.00-
	Total:	\$15,614.81

Exhibit E: Peninsula Fire Protection District Special Tax