



**Board of Directors  
Regular Meeting Agenda  
Wednesday, November 12, 2025 7:00 P.M.  
Scotts Valley City Hall  
One Civic Center Drive, Scotts Valley CA 95066**

Agendas and Board Packets are available on the Scotts Valley Fire Protection District (SVFPD) website at [www.scottsvalleyfire.com](http://www.scottsvalleyfire.com).

Any person who requires a disability-related modification or accommodation in order to participate in a public meeting should make such a request to Mark Correia, Board Secretary, for immediate consideration.

**1. Opening Business**

- 1.1 Call to Order
- 1.2 Pledge of Allegiance and Moment of Silence
- 1.3 Roll Call

**2. Special Presentations and Introductions**

- 2.1 Cardiac Arrest Recognition
- 2.2 Kosmont Companies – Infrastructure Financing District Analysis

**3. Public Comment (GC §54954.3)**

This portion of the meeting is reserved for persons wishing to address the Board on any matter that is within the subject matter of the jurisdiction, and either on the agenda or not on the agenda. To ensure fair and equal treatment of all who appear before the Board, and to expedite Agency business, speakers will be limited to three minutes. The three-minute per speaker time limitation may be extended for good cause by the Board President, or by majority vote of the Board Members. Anyone wishing to be placed on the Agenda for a specific topic should contact the Fire Chief's Office and submit correspondence at least 10 days before the desired date of appearance. Any matter that requires Board action will be referred to staff for a report and action at a subsequent Board meeting.

**4. Agenda Amendments (GC§54954.2) – Discussion/Action**



## 5. Consent Calendar

(Consent calendar items will be considered and enacted upon by one motion. There will be no separate discussion on items unless a Board Member, Staff, or member of the public requests the removal of the item for separate action.)

- 5.1 Minutes: Approve Regular Board Meeting Minutes of October 8, 2025
- 5.2 Approve SVFPD Claims Disbursements for the Month of October 1, 2025 through October 31, 2025 in the Amount of:

Payroll and Benefits:	\$ 868,383.08
General Fund:	\$ 72,738.75
Capital Outlay:	\$ 12,647.14
SCHMIT:	<u>\$ 2,301.12</u>
TOTAL:	<u>\$ 956,070.09</u>
- 5.3 Accept the CERBT and CEPPT Account Update Summary as of September 30, 2025
- 5.4 Approve Revised Policy 1505: Career Development Guide
- 5.5 Approve Revised Policy 1504: Temporary Positions
- 5.6 Adopt New Policy 701: Knox box / Knox Keys
- 5.7 Adopt New Policy 1602: Investment Policy
- 5.8 Authorize the appointment of a Term Limited Administrative Accounting Specialist (Retired Annuitant) pursuant to Government Code § 7522.56.
- 5.9 Adopt Resolution 2025-15: Establishing Appropriation Limit for Fiscal Year 2025/2026

## 6. Discussion Items

- 6.1 La Madrona Fire Station Planning / Safety Measures to Address Seismic Concerns for Firefighters at Fire Station One, located at Erba Lane
- 6.2 Shared Services Update
- 6.3 Motor Vehicle Accident Billing Program

## 7. Public Hearing I/Action Items

- 7.1 Scheduled Public Hearing to Adopt Ordinance No. 2025-2: The Fire Code of the Scotts Valley Fire Protection District with Amendments



Public Hearing Process: District staff will make a summary of the proposed ordinance. The Board President will ask for public comment. Each speaker should go to the podium, sign in for the record and state their name and address. Each speaker will be allowed three (3) minutes to speak in an effort to have as much public input as possible. Upon completion of the public hearing, the matter will be brought before the Board for discussion and action.

- 7.2 Accept the Environmental Check List as Submitted and Direct the Fire Chief to Make the Appropriate Filings, Discussion/Action
- 7.3 Adopt Ordinance No. 2025-2: The Fire Code of the Scotts Valley Fire Protection District with Amendments

## **8. Public Hearing II/ Action Items**

- 8.1 Scheduled Public Hearing to Adopt Resolution 2025-18: Approving a Fire Facilities Impact Fee Study, Delegation of Authority, and Other Related Matters

Public Hearing Process: District staff will make a summary of the proposed ordinance. The Board President will ask for public comment. Each speaker should go to the podium, sign in for the record and state their name and address. Each speaker will be allowed three (3) minutes to speak in an effort to have as much public input as possible. Upon completion of the public hearing, the matter will be brought before the Board for discussion and action.

- 8.2 Adopt Resolution 2025- 18: Approving a Fire Facilities Impact Fee Study, Delegation of Authority, and Other Related Matters

## **9. Action Items- Discussion/Action**

- 9.1 Adopt Resolution 2025-17: Graydon Resolution Approving Direct Solicitation of Quotes for Branciforte Bathroom Construction Project
- 9.2 Approve Capital Improvement Plan
- 9.3 Regional Interoperable Next Generation (RING) Radio System

## **10. Board of Directors and Administrative Reports – Information/Discussion** (No action will be taken on any questions raised by the Board at this time.)

- 10.1 Board of Directors Report – Directors



10.2 Fire Chief / Administrative Report

**11. Correspondence**

11.1 Community Outreach- Thank You to Firefighter Shaughnessy for Hosting CPR Bystander Training

**12. Request for Future Agenda Items**

**13. Adjournments**

Next Regularly Scheduled Board Meeting: Wednesday, December 10, 2025 at 7:00 p.m.

**Note:** Certain supporting documents for items on this agenda may be distributed at the Board meeting. Copies will be made available to the public at that time in accordance with Government Code Section 54957.5.



**MINUTES OF THE  
SCOTTS VALLEY FIRE PROTECTION DISTRICT  
BOARD OF DIRECTORS  
REGULAR MEETING OF  
October 8, 2025**

**1. Opening Business**

1.1 Call to Order

The Regular Meeting of the Board of Directors of the Scotts Valley Fire Protection District (SVFPD) was held on Wednesday, October 8, 2025 at the City of Scotts Valley Council Chambers. President Cosner called the meeting to order at 7:00 p.m.

1.2 Pledge of Allegiance and Moment of Silence

President Cosner called for the Pledge of Allegiance and a Moment of Silence to follow.

1.3 Roll Call

Director(s) Present:	President Adam Cosner (AC) Vice President Kris Hurst (KH) Director Daron Pisciotta (DP) Director Mike Weaver (MW)
Director(s) Virtual at Alternate Location:	N/A
Director(s) Absent:	Director Ron Whittle (RW)
Fire District Staff:	Chief Correira Battalion Chief McNeil and LoFranco (virtually) Fire Marshal Collins Administrative Services Manager Rodriguez

**2. Public Comment (GC §54954.3)**

No public comment(s) made.

**3. Agenda Amendments (GC§54954.2) – Discussion/Action**

Action Item 6.2- Adopt Resolution 2025-15: Establishing Appropriation Limit for Fiscal Year 2025/2026 was pulled from the agenda.

**4. Consent Calendar**

4.1 Minutes: Approve Regular Board Meeting Minutes of September 10, 2025



# SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, CA 95066-4199 • scottsvalleyfire.com • 831-438-0211

- 4.2 Minutes: Approve Special Board Meeting Minutes of September 23, 2025
- 4.3 Approve SVFPD Claims Disbursements for the Month of September 1, 2025 through September 30, 2025 in the Amount of:

Payroll and Benefits:	\$ 732,519.04
General Fund:	\$ 49,245.12
Capital Outlay:	\$ 27,211.86
SCHMIT:	\$ -1,443.68
TOTAL:	\$ 807,532.34
- 4.4 Approve Fire Chief Contract Amendment
- 4.5 Approve Revised Salary Schedule

**Board Comment/Questions: None**  
**Public Comment: None**

**Motion to approve Consent Calendar Items 4.1-4.5 was made by Director Weaver, seconded by Director Pisciotta, and approved unanimously by voice vote, with 4 ayes.**

## 5. Discussion Items

- 5.1 La Madrona Fire Station Planning / Safety Measures to Address Seismic Concerns for Firefighters at Fire Station One, located at Erba Lane

Chief Correira reported that the District has awarded the contract for the design phase of the La Madrona Fire Station project. Design work is currently underway with the architect and has been passed to the engineer for review. Once the design phase is complete, the plans will be submitted for permits and the project will move forward to the RFP stage. BC McNeil confirmed the design work should be completed within the next few weeks.

This item was presented for informational purposes only; no Board action was taken.

- 5.2 Shared Services Update

Chief Correira reported that he and Fire Marshal Erin Collins met with Central Fire leadership to review the shared services agreement and discuss next steps. The agreement is set to expire at the end of the year but may be extended for six months. Staff is also considering a broader one-year agreement that could include training, fire prevention, and other cooperative functions. Scotts Valley currently has an ad hoc committee for shared services, and Central Fire may consider establishing one so both can meet before year-end to discuss future collaboration.



Fire Marshal Collins noted that coordination between the agencies continues to progress and that Scotts Valley is benefiting from Central Fire's defensible space inspectors, with the potential to share additional inspection staff if added.

Director Pisciotta inquired about the LAFCO feasibility study. Chief Correira shared that Santa Cruz City Fire voted to move forward with the study, while Central Fire and Scotts Valley took no action. LAFCO plans to include the topic in its upcoming Sphere of Influence study next year, which may examine potential partnerships among local agencies. The Board discussed possibly inviting LAFCO Executive Officer Joe Serrano to a future meeting for updates.

This item was presented for informational purposes only; no Board action was taken.

## 6. Action Items- Discussion/Action

### 6.1 Adopt Resolution 2025-14: A Resolution of the Scotts Valley Fire Protection District Granting a Utility Easement to Pacific Gas and Electric Company

**Board Comment/Questions: None**

**Public Comment: None**

**Motion to Adopt Resolution 2025-14: A Resolution of the Scotts Valley Fire Protection District Granting a Utility Easement to Pacific Gas and Electric Company as presented was made by Director Pisciotta, seconded by Director Weaver, and approved unanimously by voice vote, with 4 ayes.**

### 6.2 Adopt Resolution 2025-15: Establishing Appropriation Limit for Fiscal Year 2025/2026

**Pulled from the agenda.**

### 6.3 Adopt Resolution 2025-16: Empowering the Fire Chief to Advocate for State Legislation that Supports the Mission and Interests of the District

**Board Comment/Questions:**

- Director Hurst asked what advocacy would look like in practice beyond attending a legislative day. Chief Correira responded that most activity would involve responding to FDAC calls for action through phone calls or emails to legislators, with occasional opportunities to participate in meetings or discussions when appropriate. He added that developing a formal legislative agenda in the future could further guide these efforts and strengthen collaboration with local and regional partners.
- President Cosner suggested broadening the resolution language to include county, regional, and federal legislation, not just state legislation. The Board agreed, and a friendly amendment was requested to reflect this broader scope.



**Public Comment: None**

**Motion to Adopt Resolution 2025-16: Empowering the Fire Chief to Advocate for Legislation that Supports the Mission and Interests of the District as amended was made by Director Hurst, seconded by Director Weaver, and approved unanimously by voice vote, with 4 ayes.**

## 7. Board of Directors and Administrative Reports – Information/Discussion

### 7.1 Board of Directors Report – Directors

Director Cosner thanked Chief Correira, BC McNeil, and District crews for their support of the new fire program with Scotts Valley High School. He expressed appreciation for the effort and enthusiasm shown by staff in making the program a success.

Director Pisciotta commented that the District’s recent pancake breakfast was a great success, noting the strong community turnout and positive response on social media.

### 7.2 Administrative Report – Chief Officers

Battalion Chief McNeil provided the following updates:

**Pancake Breakfast:** He thanked Josh Neff for leading the annual pancake breakfast, noting the event was well organized and ran smoothly with strong participation from staff and volunteers.

**Apparatus:** Engines 2512 and 2546 are currently out of service for warranty repairs. Engine 2512 remains in Sacramento for service, while 2546 is undergoing wiring repairs locally and is expected to return to service soon.

**Branciforte Community Room:** The RFP for the project initially closed with no bids; however, a late bid was received from contractor John Mandela for consideration.

Fire Chief Correira provided the following updates:

**Branciforte Community Room:** Chief added that legal counsel confirmed prevailing wage requirements apply, increasing the project cost to approximately \$140,000. Staff will bring forward a *Graydon Resolution* next month to allow the Board to consider awarding the project to a qualified vendor based on a quote. The same process may be used for the upcoming Erba Lane Station project if bids are not received.

**Strategic Plan:** Staff is expanding the plan’s financial section with the goal of developing a standardized quarterly report that will evolve into an annual report summarizing District performance and financial data.

**County Coordination:** The Santa Cruz County Board of Supervisors will hold its November 21 meeting at the District’s Board Room while the County Chambers are under renovation.

**Radio System Project:** He reported on the countywide radio system project, noting potential financial impacts on all fire districts. He is representing the fire chiefs in discussions and



working with Central Fire and County representatives on funding strategies, including potential alignment with Prop 172 allocations.

Battalion Chief LoFranco provided the following updates:

**Pancake Breakfast:** He echoed appreciation for Josh Neff's leadership and organization of the pancake breakfast and thanked CAL FIRE Chief Wilson and his crews for their support and participation.

**Training:** He recognized Firefighters Patrick Shaughnessy and Matt Smith for assisting with countywide commercial rooftop ventilation training in Watsonville and thanked them for representing the District as part of the instructor cadre.

**Incident Response:** He commended C-Shift personnel from Station 1, including Garrett Grigg, Brian Green, Casey Avila, and Nick Lucchesi, who responded to a vegetation fire near River Street in Santa Cruz that escalated into a commercial structure fire. The crew arrived first on scene and achieved an effective knockdown alongside Central and Santa Cruz Fire.

Administrative Services Manager Rodriguez provided the following update:

**Website Project:** The District has selected Revize as the vendor for the new website. The updated site will include an employee portal and allow residents to sign up for text or email alerts, providing an additional communication channel beyond social media. She noted that this feature will help reach residents who are not active on social media, citing recent public inquiries during a CAL FIRE prescribed burn as an example of the need for broader outreach.

## 8. Correspondence

8.1 Incident follow-up- Thank you email from Patrick Winters (Division Chief- Central Fire)

8.2 Email regarding Battery Energy Storage Systems- Becky Steinbruner

8.3 Prevention follow-up- Thank you email from Benjamin Lopes

The Board received and filed the correspondence.

## 9. Request for Future Agenda Items

There were no future agenda items requested.

## 10. Closed Session: Government Code §54957

10.1 Closed Session Conference with Legal Counsel – Threatened/Anticipated Litigation  
Significant exposure to litigation pursuant to Government Code sections 54956.6(d)(2) and 54956.6(e)(1): 1 case

At 7:30 p.m., President Cosner announced the Board would be going into Closed Session for the purpose to discuss item listed in 10.1.



# SCOTTS VALLEY FIRE PROTECTION DISTRICT

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**11. Open Session: Government Code §54957.1**

11.1 Report on closed session

The Board returned to Open Session at 8:10 p.m.

No reportable action taken.

**12. Adjournment.**

The meeting was adjourned at 8:12 p.m.

Attest \_\_\_\_\_  
Adam Cosner  
Board President

\_\_\_\_\_  
Mark Correia  
Board Secretary

## Scotts Valley Fire Protection District (SVFPD)

Date: November 12, 2025  
To: Board of Directors  
From: SVFPD  
Subject: Approve Claim Disbursements

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SVFPD Claims have been approved for payment out of SVFPD Funds totaling \$ 956,070.09

These payments have been approved by the Board of Directors during their meeting on November 12, 2025

### October 2025/2026 F.Y.

685010- Payroll and Benefits:	\$ 868,383.08
685010- General Fund:	\$ 72,738.75
685030- Capital Outlay:	\$ 12,647.14
685040- SCHMIT:	\$ 2,301.12

ATTEST \_\_\_\_\_  
Adam Cosner  
Board President

\_\_\_\_\_  
Mark Correia  
Board Secretary

# Actual Transactions

Transaction Type = Actual; Revenues/Expenditures = R,(E); Chart Fields = GLKey,Character,Object  
 Post On [@prior-month] and Revenues/Expenditures [XP] and GL Key [685010, 685020, 685030, 685040]

Fiscal Year	Fiscal Month	Post On	Document No	Doc Ref	Revenues/Expenditure	GL Key	Character	Object	Amount	Description	Vendor No	Warrant No
<b>GL Key: 685010 – SCOTTS VALLEY FIRE PROT SVC</b>												
<b>Character: 50 – SALARIES AND EMPLOYEE BENEF</b>												
<b>Object: 51000 – REGULAR PAY-PERMANENT</b>												
2026	04	10/01/2025	PAYPERIOD 20		Expenditures	685010	50	51000	-165,627.45	PAYPERIOD 20PAYDATE 10032025		
2026	04	10/15/2025	PAYPERIOD 21		Expenditures	685010	50	51000	-164,763.42	PAYPERIOD 21PAYDATE 10172025		
2026	04	10/29/2025	PAYPERIOD 22		Expenditures	685010	50	51000	-165,067.96	PAYPERIOD 22PAYDATE 10312025		
Total 51000 – REGULAR PAY-PERMANENT									-495,458.83			
<b>Object: 51005 – OVERTIME PAY-PERMANENT</b>												
2026	04	10/01/2025	PAYPERIOD 20		Expenditures	685010	50	51005	-54,509.50	PAYPERIOD 20PAYDATE 10032025		
2026	04	10/15/2025	PAYPERIOD 21		Expenditures	685010	50	51005	-17,801.65	PAYPERIOD 21PAYDATE 10172025		
2026	04	10/29/2025	PAYPERIOD 22		Expenditures	685010	50	51005	-18,134.92	PAYPERIOD 22PAYDATE 10312025		
Total 51005 – OVERTIME PAY-PERMANENT									-90,446.07			
<b>Object: 51010 – REGULAR PAY-EXTRA HELP</b>												
2026	04	10/01/2025	PAYPERIOD 20		Expenditures	685010	50	51010	-4,123.40	PAYPERIOD 20PAYDATE 10032025		
2026	04	10/29/2025	PAYPERIOD 22		Expenditures	685010	50	51010	-4,131.62	PAYPERIOD 22PAYDATE 10312025		
Total 51010 – REGULAR PAY-EXTRA HELP									-8,255.02			
<b>Object: 51035 – HOLIDAY PAY</b>												
2026	04	10/01/2025	PAYPERIOD 20		Expenditures	685010	50	51035	-13,349.98	PAYPERIOD 20PAYDATE 10032025		
2026	04	10/15/2025	PAYPERIOD 21		Expenditures	685010	50	51035	-13,349.98	PAYPERIOD 21PAYDATE 10172025		
2026	04	10/29/2025	PAYPERIOD 22		Expenditures	685010	50	51035	-13,349.98	PAYPERIOD 22PAYDATE 10312025		
Total 51035 – HOLIDAY PAY									-40,049.94			
<b>Object: 51040 – DIFFERENTIAL PAY</b>												
2026	04	10/01/2025	PAYPERIOD 20		Expenditures	685010	50	51040	-8,523.03	PAYPERIOD 20PAYDATE 10032025		
2026	04	10/15/2025	PAYPERIOD 21		Expenditures	685010	50	51040	-8,523.03	PAYPERIOD 21PAYDATE 10172025		
2026	04	10/29/2025	PAYPERIOD 22		Expenditures	685010	50	51040	-8,523.03	PAYPERIOD 22PAYDATE 10312025		
Total 51040 – DIFFERENTIAL PAY									-25,569.09			
<b>Object: 52010 – OASDI-SOCIAL SECURITY</b>												
2026	04	10/01/2025	PAYPERIOD 20		Expenditures	685010	50	52010	-3,955.60	PAYPERIOD 20PAYDATE 10032025		
2026	04	10/15/2025	PAYPERIOD 21		Expenditures	685010	50	52010	-3,373.47	PAYPERIOD 21PAYDATE 10172025		
2026	04	10/29/2025	PAYPERIOD 22		Expenditures	685010	50	52010	-3,466.08	PAYPERIOD 22PAYDATE 10312025		
Total 52010 – OASDI-SOCIAL SECURITY									-10,795.15			
<b>Object: 52015 – PERS</b>												
2026	04	10/01/2025	PAYPERIOD 20		Expenditures	685010	50	52015	-36,313.30	PAYPERIOD 20PAYDATE 10032025		
2026	04	10/15/2025	PAYPERIOD 21		Expenditures	685010	50	52015	-34,905.33	PAYPERIOD 21PAYDATE 10172025		
2026	04	10/29/2025	PAYPERIOD 22		Expenditures	685010	50	52015	-34,650.73	PAYPERIOD 22PAYDATE 10312025		
Total 52015 – PERS									-105,869.36			
<b>Object: 53010 – EMPLOYEE INSURANCE &amp; BENEFITS</b>												
2026	04	10/01/2025	PAYPERIOD 20		Expenditures	685010	50	53010	-750.00	PAYPERIOD 20PAYDATE 10032025		
2026	04	10/01/2025	PAYPERIOD 20		Expenditures	685010	50	53010	1,235.80	PAYPERIOD 20PAYDATE 10032025		
2026	04	10/10/2025	OCT25HLTH		Expenditures	685010	50	53010	-75,872.29	SV FIRE OCT 2025	V116512	17230
2026	04	10/14/2025	1025SVFD		Expenditures	685010	50	53010	-704.06	WHITTLE, RONALD SVFD Health In	V102822	80088092
2026	04	10/14/2025	1125SVFD		Expenditures	685010	50	53010	-1,419.00	FIRE RISK MANAG SVFD	V45930	80088090
2026	04	10/15/2025	PAYPERIOD 21		Expenditures	685010	50	53010	-750.00	PAYPERIOD 21PAYDATE 10172025		
2026	04	10/15/2025	PAYPERIOD 21		Expenditures	685010	50	53010	1,235.80	PAYPERIOD 21PAYDATE 10172025		
2026	04	10/16/2025	DU119893	DU119893	Expenditures	685010	50	53010	91.85	S.Kovacs Nov25 Dental	C99999	
2026	04	10/16/2025	DU119893	DU119893	Expenditures	685010	50	53010	48.56	M.Pasquini Oct25 DentalCK#1166	C99999	
2026	04	10/16/2025	DU119893	DU119893	Expenditures	685010	50	53010	48.56	M.Marsano Oct25 Dental	C99999	
2026	04	10/16/2025	DU119893	DU119893	Expenditures	685010	50	53010	48.56	I.Bustichi Oct25 DentalCK#3441	C99999	
2026	04	10/16/2025	DU119893	DU119893	Expenditures	685010	50	53010	48.56	D.Lipkowitz Oct25DentalCK#3753	C99999	
2026	04	10/30/2025	1125SVFD		Expenditures	685010	50	53010	-568.15	RONZANO, CHRIST SVFD Health In	V111324	80088845
2026	04	10/30/2025	1125SVFD		Expenditures	685010	50	53010	-964.62	LOFRANCO, SAL SVFD Health Ins.	V105221	80088842
2026	04	10/30/2025	1125SVFD		Expenditures	685010	50	53010	-1,011.40	MCMURRY, MICHA SVFD Health In	V105430	80088843
2026	04	10/30/2025	1125SVFD		Expenditures	685010	50	53010	-608.37	PHINN, MIKE SVFD Health Ins.-	V103782	80088844
2026	04	10/30/2025	1125SVFD		Expenditures	685010	50	53010	-1,704.35	BIDDLE, MIKE SVFD Health Ins.-	V105980	80088841
2026	04	10/30/2025	1125SVFD		Expenditures	685010	50	53010	-1,019.67	WALTON, ALICIA SVFD Health Ins	V119128	80088848
2026	04	10/30/2025	1125SVFD		Expenditures	685010	50	53010	-793.44	VANDERVOORT, GR SVFD Health In	V122411	80088847
2026	04	10/30/2025	1125SVFD		Expenditures	685010	50	53010	-704.06	WHITTLE, RONALD SVFD Health In	V102822	80088849

# Actual Transactions

Transaction Type = Actual; Revenues/Expenditures = R,(E); Chart Fields = GLKey,Character,Object  
 Post On [prior-month] and Revenues/Expenditures [XP] and GL Key [685010, 685020, 685030, 685040]

Fiscal Year	Fiscal Month	Post On	Document No	Doc Ref	Revenues/Expenditure	GL Key	Character	Object	Amount	Description	Vendor No	Warrant No
<b>GL Key: 685010 – SCOTTS VALLEY FIRE PROT SVC</b>												
<b>Character: 50 – SALARIES AND EMPLOYEE BENEF</b>												
<b>Object: 53010 – EMPLOYEE INSURANCE &amp; BENEFITS</b>												
2026	04	10/30/2025	1125VFD		Expenditures	685010	50	53010	-842.00	THEILEN, LOTHAR SVFD Health In	V117701	80088846
Total 53010 – EMPLOYEE INSURANCE & BENEFITS									-84,953.72			
<b>Object: 53015 – UNEMPLOYMENT INSURANCE</b>												
2026	04	10/01/2025	PAYPERIOD 20		Expenditures	685010	50	53015	-65.96	PAYPERIOD 20PAYDATE 10032025		
2026	04	10/29/2025	PAYPERIOD 22		Expenditures	685010	50	53015	-66.11	PAYPERIOD 22PAYDATE 10312025		
Total 53015 – UNEMPLOYMENT INSURANCE									-132.07			
<b>Object: 55021 – OTHER BENEFITS MISC</b>												
2026	04	10/01/2025	PAYPERIOD 20		Expenditures	685010	50	55021	-2,284.61	PAYPERIOD 20PAYDATE 10032025		
2026	04	10/15/2025	PAYPERIOD 21		Expenditures	685010	50	55021	-2,284.61	PAYPERIOD 21PAYDATE 10172025		
2026	04	10/29/2025	PAYPERIOD 22		Expenditures	685010	50	55021	-2,284.61	PAYPERIOD 22PAYDATE 10312025		
Total 55021 – OTHER BENEFITS MISC									-6,853.83			
Total 50 – SALARIES AND EMPLOYEE BENEF									-868,383.08			
<b>Character: 60 – SERVICES AND SUPPLIES</b>												
<b>Object: 61110 – CLOTHING &amp; PERSONAL SUPPLIES</b>												
2026	04	10/14/2025	0925SVFD		Expenditures	685010	60	61110	-2,396.20	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
Total 61110 – CLOTHING & PERSONAL SUPPLIES									-2,396.20			
<b>Object: 61125 – UNIFORM REPLACEMENT</b>												
2026	04	10/31/2025	0187960		Expenditures	685010	60	61125	-285.95	ENTENMANN ROVIN SVFD	V125946	80088946
Total 61125 – UNIFORM REPLACEMENT									-285.95			
<b>Object: 61221 – TELEPHONE-NON TELECOM 1099</b>												
2026	04	10/14/2025	0925SVFD		Expenditures	685010	60	61221	-2,787.22	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
Total 61221 – TELEPHONE-NON TELECOM 1099									-2,787.22			
<b>Object: 61425 – OTHER HOUSEHOLD EXP-SERVICES</b>												
2026	04	10/14/2025	0925SVFD		Expenditures	685010	60	61425	-288.27	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
Total 61425 – OTHER HOUSEHOLD EXP-SERVICES									-288.27			
<b>Object: 61720 – MAINT-MOBILE EQUIPMENT-SERV</b>												
2026	04	10/10/2025	1025SVFD2		Expenditures	685010	60	61720	-106.58	SCARBOROUGH LUM SVFD Acct 1169	V1233	80088043
2026	04	10/14/2025	0925SVFD		Expenditures	685010	60	61720	-8,356.13	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
2026	04	10/14/2025	CI051407		Expenditures	685010	60	61720	-243.18	GOLDEN STATE EM SVFD PIE-0143	V129826	00493999
2026	04	10/14/2025	CI051859		Expenditures	685010	60	61720	-539.58	GOLDEN STATE EM SVFD PIE-0143	V129826	00493999
2026	04	10/14/2025	CI052248		Expenditures	685010	60	61720	-226.54	GOLDEN STATE EM SVFD PIE-0143	V129826	00493999
Total 61720 – MAINT-MOBILE EQUIPMENT-SERV									-9,472.01			
<b>Object: 61725 – MAINT-OFFICE EQUIPMNT-SERVICES</b>												
2026	04	10/31/2025	17123		Expenditures	685010	60	61725	-177.47	Pagoda Technolo SVFD	V125184	80088948
Total 61725 – MAINT-OFFICE EQUIPMNT-SERVICES									-177.47			
<b>Object: 61730 – MAINT-OTH EQUIP-SERVICES</b>												
2026	04	10/10/2025	1025SVFD1		Expenditures	685010	60	61730	-265.25	SCARBOROUGH LUM SVFD Acct 1169	V1233	80088043
2026	04	10/14/2025	0925SVFD		Expenditures	685010	60	61730	-342.79	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
Total 61730 – MAINT-OTH EQUIP-SERVICES									-608.04			
<b>Object: 61848 – MAINT-STRUCT/GRDS-OTH-SRV</b>												
2026	04	10/14/2025	0925SVFD		Expenditures	685010	60	61848	-283.67	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
2026	04	10/20/2025	91615600		Expenditures	685010	60	61848	-577.33	AIR EXCHANGE IN SVFD	V114057	00494353
2026	04	10/20/2025	916156001		Expenditures	685010	60	61848	-829.74	AIR EXCHANGE IN SVFD	V114057	00494353
2026	04	10/31/2025	1125SVFD2		Expenditures	685010	60	61848	-13.51	SCARBOROUGH LUM SVFD Acct 1169	V1233	80088924
2026	04	10/31/2025	84049110		Expenditures	685010	60	61848	-123.50	WESTERN EXTERMI SVFD	V15766	00495281
2026	04	10/31/2025	84049111		Expenditures	685010	60	61848	-123.50	WESTERN EXTERMI SVFD	V15766	00495281
2026	04	10/31/2025	84049112		Expenditures	685010	60	61848	-123.50	WESTERN EXTERMI SVFD	V15766	00495281
Total 61848 – MAINT-STRUCT/GRDS-OTH-SRV									-2,074.75			
<b>Object: 61920 – MEDICAL, DENTAL &amp; LAB SUPPLIES</b>												
2026	04	10/14/2025	0925SVFD		Expenditures	685010	60	61920	-114.50	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
Total 61920 – MEDICAL, DENTAL & LAB SUPPLIES									-114.50			

# Actual Transactions

Transaction Type = Actual; Revenues/Expenditures = R,(E); Chart Fields = GLKey,Character,Object  
 Post On [@prior-month] and Revenues/Expenditures [XP] and GL Key [685010, 685020, 685030, 685040]

Fiscal Year	Fiscal Month	Post On	Document No	Doc Ref	Revenues/Expenditure	GL Key	Character	Object	Amount	Description	Vendor No	Warrant No
<b>GL Key: 685010 – SCOTTS VALLEY FIRE PROT SVC</b>												
<b>Character: 60 – SERVICES AND SUPPLIES</b>												
<b>Object: 62020 – MEMBERSHIPS</b>												
2026	04	10/14/2025	0925SVFD		Expenditures	685010	60	62020	-705.45	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
Total 62020 – MEMBERSHIPS									-705.45			
<b>Object: 62219 – PC SOFTWARE PURCHASES</b>												
2026	04	10/14/2025	0925SVFD		Expenditures	685010	60	62219	-1,135.13	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
2026	04	10/29/2025	129149		Expenditures	685010	60	62219	-3,770.40	TARGET SOLUTION SVFD	V31376	00495153
2026	04	10/31/2025	179508		Expenditures	685010	60	62219	-3,595.00	ESO SOLUTIONS I SVFD	V36065	80088947
Total 62219 – PC SOFTWARE PURCHASES									-8,500.53			
<b>Object: 62223 – SUPPLIES</b>												
2026	04	10/14/2025	0925SVFD		Expenditures	685010	60	62223	-417.04	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
Total 62223 – SUPPLIES									-417.04			
<b>Object: 62327 – DIRECTORS' FEES</b>												
2026	04	10/15/2025	PAYPERIOD 21		Expenditures	685010	60	62327	-3,000.00	PAYPERIOD 21PAYDATE 10172025		
Total 62327 – DIRECTORS' FEES									-3,000.00			
<b>Object: 62358 – LAUNDRY SERVICES</b>												
2026	04	10/14/2025	0925SVFD		Expenditures	685010	60	62358	-222.80	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
Total 62358 – LAUNDRY SERVICES									-222.80			
<b>Object: 62367 – MEDICAL SERVICES-OTHER</b>												
2026	04	10/14/2025	C250924		Expenditures	685010	60	62367	-9,440.00	BAYSPORT INC SVFD	V44180	00493998
Total 62367 – MEDICAL SERVICES-OTHER									-9,440.00			
<b>Object: 62381 – PROF &amp; SPECIAL SERV-OTHER</b>												
2026	04	10/10/2025	63095		Expenditures	685010	60	62381	-1,957.50	CSG CONSULTANTS SVFD	V121100	80088048
2026	04	10/14/2025	0925SVFD		Expenditures	685010	60	62381	-521.31	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
2026	04	10/31/2025	765200		Expenditures	685010	60	62381	-8,261.93	ATKINSON ANDELS SVFD	V48005	00495280
Total 62381 – PROF & SPECIAL SERV-OTHER									-10,740.74			
<b>Object: 62715 – SMALL TOOLS &amp; INSTRUMENTS</b>												
2026	04	10/10/2025	992235		Expenditures	685010	60	62715	-440.46	L N CURTIS & SO SVFD Cust 3627	V115989	80087967
2026	04	10/31/2025	1125SVFD3		Expenditures	685010	60	62715	-12.96	SCARBOROUGH LUM SVFD Acct 1169	V1233	80088924
Total 62715 – SMALL TOOLS & INSTRUMENTS									-453.42			
<b>Object: 62826 – EDUCATION AND/OR TRAINING</b>												
2026	04	10/14/2025	0925SVFD		Expenditures	685010	60	62826	-400.00	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
Total 62826 – EDUCATION AND/OR TRAINING									-400.00			
<b>Object: 62888 – SPEC DIST EXP-SERVICES</b>												
2026	04	10/14/2025	0925SVFD		Expenditures	685010	60	62888	-3,061.00	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
Total 62888 – SPEC DIST EXP-SERVICES									-3,061.00			
<b>Object: 62890 – SUBSCRIPTIONS BOOKS &amp; ED MATER</b>												
2026	04	10/10/2025	22032		Expenditures	685010	60	62890	-5,250.00	REVIZE LLC SVFD	V50148	80088046
2026	04	10/14/2025	0925SVFD		Expenditures	685010	60	62890	-159.90	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
Total 62890 – SUBSCRIPTIONS BOOKS & ED MATER									-5,409.90			
<b>Object: 62914 – EDUCATION &amp; TRAINING(REPT)</b>												
2026	04	10/10/2025	PRI000009462		Expenditures	685010	60	62914	-4,070.00	SILICON VALLEY SVFD	V44839	80088047
2026	04	10/14/2025	0925SVFD		Expenditures	685010	60	62914	-1,690.00	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
2026	04	10/16/2025	DU119893	DU119893	Expenditures	685010	60	62914	2,933.33	TS Prorated Reimb	C99999	
2026	04	10/31/2025	1125SVFD1		Expenditures	685010	60	62914	-628.17	SCARBOROUGH LUM SVFD Acct 1169	V1233	80088924
Total 62914 – EDUCATION & TRAINING(REPT)									-3,454.84			
<b>Object: 62920 – GAS, OIL, FUEL</b>												
2026	04	10/10/2025	862648		Expenditures	685010	60	62920	-3,427.93	WESTERN STATES SVFD	V39738	00493968
2026	04	10/14/2025	0925SVFD		Expenditures	685010	60	62920	-48.90	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
Total 62920 – GAS, OIL, FUEL									-3,476.83			
<b>Object: 63074 – UTILITIES</b>												
2026	04	10/10/2025	1025SVFD1		Expenditures	685010	60	63074	-195.03	CITY OF SCOTTS SVFD	V102713	80088045

## Actual Transactions

Transaction Type = Actual; Revenues/Expenditures = R,(E); Chart Fields = GLKey,Character,Object  
 Post On [*@prior-month*] and Revenues/Expenditures [*XP*] and GL Key [*685010, 685020, 685030, 685040*]

Fiscal Year	Fiscal Month	Post On	Document No	Doc Ref	Revenues/Expenditure:	GL Key	Character	Object	Amount	Description	Vendor No	Warrant No
<b>GL Key: 685010 – SCOTTS VALLEY FIRE PROT SVC</b>												
<b>Character: 60 – SERVICES AND SUPPLIES</b>												
<b>Object: 63074 – UTILITIES</b>												
2026	04	10/10/2025	1025SVFD1		Expenditures	685010	60	63074	-1,268.68	PACIFIC GAS AND SVFD	V129169	00493879
2026	04	10/10/2025	1025SVFD2		Expenditures	685010	60	63074	-251.42	CITY OF SCOTTS SVFD	V102713	80088045
2026	04	10/10/2025	1025SVFD2		Expenditures	685010	60	63074	-1,316.94	PACIFIC GAS AND SVFD	V129169	00493879
2026	04	10/14/2025	0925SVFD		Expenditures	685010	60	63074	-2,042.72	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
2026	04	10/20/2025	1025SVFD3		Expenditures	685010	60	63074	-84.02	PACIFIC GAS AND SVFD	V129169	00494334
2026	04	10/20/2025	1025SVFD4		Expenditures	685010	60	63074	-92.98	PACIFIC GAS AND SVFD	V129169	00494334
Total 63074 – UTILITIES									-5,251.79			
Total 60 – SERVICES AND SUPPLIES									-72,738.75			
Total 685010 – SCOTTS VALLEY FIRE PROT SVC									-941,121.83			

## Actual Transactions

Transaction Type = Actual; Revenues/Expenditures = R,(E); Chart Fields = GLKey,Character,Object  
 Post On [@prior-month] and Revenues/Expenditures [XP] and GL Key [685010, 685020, 685030, 685040]

Fiscal Year	Fiscal Month	Post On	Document No	Doc Ref	Revenues/Expenditure:	GL Key	Character	Object	Amount	Description	Vendor No	Warrant No
<b>GL Key: 685030 – SCOTTS VLY FIRE DIST.-CAPITAL</b>												
<b>Character: 60 – SERVICES AND SUPPLIES</b>												
<b>Object: 61848 – MAINT-STRUCT/GRDS-OTH-SRV</b>												
2026	04	10/14/2025	0925SVFD		Expenditures	685030	60	61848	-2,584.68	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
Total 61848 – MAINT-STRUCT/GRDS-OTH-SRV									-2,584.68			
<b>Object: 62381 – PROF &amp; SPECIAL SERV-OTHER</b>												
2026	04	10/14/2025	0925SVFD		Expenditures	685030	60	62381	-3,620.00	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
Total 62381 – PROF & SPECIAL SERV-OTHER									-3,620.00			
<b>Object: 62710 – FIELD EQUIPMENT</b>												
2026	04	10/10/2025	2897		Expenditures	685030	60	62710	-3,889.12	SILVERADO AVION SVFD	V125945	00493967
2026	04	10/14/2025	0925SVFD		Expenditures	685030	60	62710	-2,553.34	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
Total 62710 – FIELD EQUIPMENT									-6,442.46			
Total 60 – SERVICES AND SUPPLIES									-12,647.14			
Total 685030 – SCOTTS VLY FIRE DIST.-CAPITAL									-12,647.14			

# Actual Transactions

Transaction Type = Actual; Revenues/Expenditures = R,(E); Chart Fields = GLKey,Character,Object  
 Post On [@prior-month] and Revenues/Expenditures [XP] and GL Key [685010, 685020, 685030, 685040]

Fiscal Year	Fiscal Month	Post On	Document No	Doc Ref	Revenues/Expenditure	GL Key	Character	Object	Amount	Description	Vendor No	Warrant No
<b>GL Key: 685040 – SV FIRE DIST-REGIONAL HAZ RESP</b>												
<b>Character: 60 – SERVICES AND SUPPLIES</b>												
<b>Object: 61221 – TELEPHONE-NON TELECOM 1099</b>												
2026	04	10/14/2025	0925SVFD		Expenditures	685040	60	61221	-152.04	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
Total 61221 – TELEPHONE-NON TELECOM 1099									-152.04			
<b>Object: 61730 – MAINT-OTH EQUIP-SERVICES</b>												
2026	04	10/14/2025	0925SVFD		Expenditures	685040	60	61730	-1,428.37	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
Total 61730 – MAINT-OTH EQUIP-SERVICES									-1,428.37			
<b>Object: 62920 – GAS, OIL, FUEL</b>												
2026	04	10/14/2025	0925SVFD		Expenditures	685040	60	62920	-89.84	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
Total 62920 – GAS, OIL, FUEL									-89.84			
Total 60 – SERVICES AND SUPPLIES									-1,670.25			
<b>Character: 70 – OTHER CHARGES</b>												
<b>Object: 75276 – RESPONSE EXPENSE</b>												
2026	04	10/14/2025	0925SVFD		Expenditures	685040	70	75276	-630.87	U S BANK CORPOR SVFD 4246-0445	V992019	80088091
Total 75276 – RESPONSE EXPENSE									-630.87			
Total 70 – OTHER CHARGES									-630.87			
Total 685040 – SV FIRE DIST-REGIONAL HAZ RESP									-2,301.12			
									-956,070.09			

# CERBT & CEPPT Account Update

Scotts Valley Fire Protection District

# CalPERS IRC Section 115 Trust Funds

## California Employers' Retiree Benefit Trust (CERBT - OPEB)

- Voluntarily prefund non-pension, other post-employment benefits (OPEB)
- Established 2007
- 596 employer participants
- ~\$26.8B assets

## California Employers' Pension Prefunding Trust (CEPPT - Pension)

- Voluntarily prefund required pension contributions
- Established 2019
- 103 employer participants
- ~\$344M assets

# CERBT Account Summary

# OPEB Valuation Report Summary

## OPEB Actuarial Valuation Report by Total Compensation Systems, Inc.

Valuation Date	6/30/2022	6/30/2024
Total Participants (Active + Retirees w/ Benefits + Retirees w/o Benefits = Total)	29 + 14 + 0 = 43	32 + 18 + 0 = 50
Present Value of Benefits (PVB)	\$2,407,140	\$2,679,090
<b>Total OPEB Liability (TOL)</b>	<b>\$1,959,618</b>	<b>\$2,104,680</b>
Valuation Assets	\$447,642	\$829,873
Net OPEB Liability (NOL)	\$1,511,976	\$1,274,807
Projected Retiree Premiums (Pay-Go Cost)	\$98,748 (fye 2025)	\$120,979 (fye 2026)
CERBT Asset Allocation Strategy	Strategy 2	Strategy 2
Discount Rate	6.25%	6.25%

# CERBT Account Summary

As of September 30, 2025	Strategy 2
Initial contribution <small>(5/20/2021)</small>	\$350,000
Additional contributions	\$620,000
Disbursements	(\$0)
Investment earnings	\$168,715
CERBT expenses	(\$2,318)
Total assets	\$1,136,396
Money-weighted annualized net rate of return <small>(5/20/2021 – 9/30/2025 = 4.36 Years)</small>	5.44%

CERBT agreement effective date: 10/23/2020

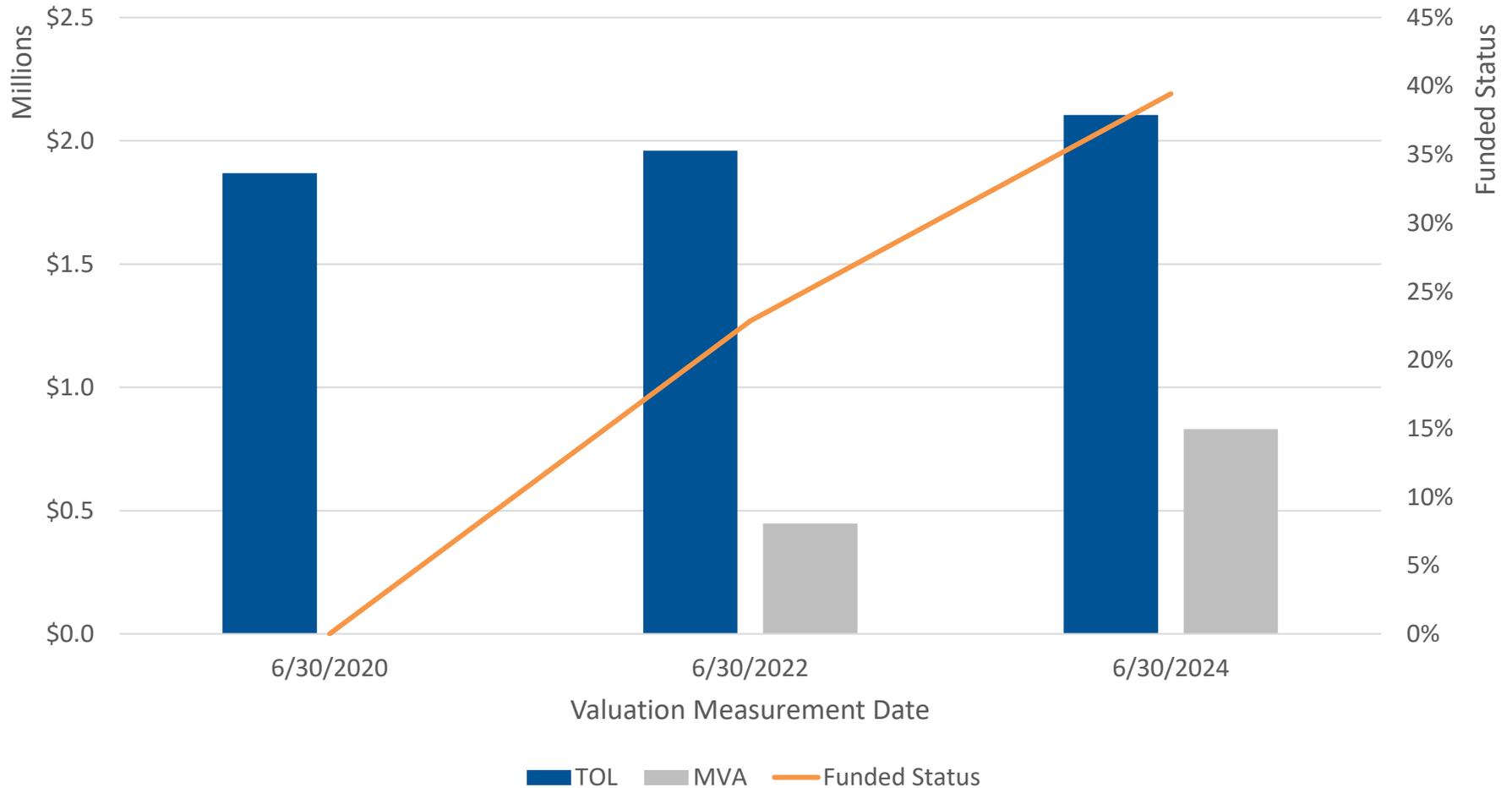
# CERBT Investment Performance

Measurement Date (as of 9/30/2025)	Cumulative Contributions	Cumulative Disbursements	Cumulative Investment Gains (Losses)	Cumulative Fees	Cumulative Net Rate of Return*
10 year	-	-	-	-	-
5 year	-	-	-	-	-
3 year	\$465,000	(\$0)	\$258,484	(\$1,785)	11.87%

Measurement Date	Contributions	Disbursements	Cumulative Net Contributions	Cumulative Investment Gains (Losses)	Cumulative Fees	Cumulative Ending Assets	Fiscal Year Net Rate of Return*	Cumulative Net Rate of Return*
2020-21	\$350,000	(\$0)	\$350,000	\$10,043	(\$34)	\$360,009	-	29.45%
2021-22	\$155,000	(\$0)	\$505,000	(\$56,923)	(\$436)	\$447,642	-13.89%	-11.19%
2022-23	\$155,000	(\$0)	\$660,000	(\$39,542)	(\$876)	\$619,582	3.38%	-3.71%
2023-24	\$155,000	(\$0)	\$350,000	\$16,333	(\$1,459)	\$829,873	8.39%	0.90%
2024-25	\$155,000	(\$0)	\$350,000	\$115,620	(\$2,123)	\$1,083,497	11.62%	4.16%
as of 9/30/25	\$0	(\$0)	\$350,000	\$168,715	(\$2,318)	\$1,136,396	-	5.44%

\* Money weighted annualized net rate of return

# Funded Status Comparison



# CEPPT Account Summary

# District's CalPERS Pension Plans Summary

Member Category	Funded Status (6/30/2024)	Unfunded Liability (6.8% Interest)	UAL Payment 2025-26	Normal Cost 2025-26	Total Contribution 2025-26
Miscellaneous	86.2%	\$193,982	\$16,333	\$32,276	\$48,609
Safety Fire	72.9%	\$17,555,132	\$1,637,958	\$849,856	\$2,487,814
<b>Totals</b>	<b>73.2%</b>	<b>\$17,749,114</b>	<b>\$1,654,291</b>	<b>\$882,132</b>	<b>\$2,536,423</b>

Effective with the June 30, 2024, Actuarial Valuations, separate amortization schedule for each tier of benefits are no longer necessary. Multiple amortization schedule, and thus multiple Section 1 reports, will be combined. We believe this gives the employer a clearer picture of the pension plan's financial health and long-term costs.

# District's CalPERS Pension Consolidation Plan Summary

Member Category	Rate Plan
Miscellaneous	Miscellaneous PEPRA Miscellaneous
Safety Fire	Safety Fire PEPRA Safety Fire

Effective with the June 30, 2024, Actuarial Valuations, separate amortization schedule for each tier of benefits are no longer necessary. Multiple amortization schedule, and thus multiple Section 1 reports, will be combined. We believe this gives the employer a clearer picture of the pension plan's financial health and long-term costs.

# CEPPT Account Summary

As of September 30, 2025	Strategy 2
Initial contribution <small>(5/20/2021)</small>	\$150,000
Additional contributions	\$450,000
Disbursements	(\$0)
Investment earnings	\$63,041
CEPPT expenses	(\$3,504)
Total assets	\$659,538
Money-weighted annualized net rate of return <small>(5/20/2021 – 9/30/2025 = 4.36 Years)</small>	3.84%

CEPPT agreement effective date: 10/23/2020

# CEPPT Investment Performance

Measurement Date (as of 9/30/2025)	Cumulative Contributions	Cumulative Disbursements	Cumulative Investment Gains (Losses)	Cumulative Fees	Cumulative Net Rate of Return*
5 year	-	-	-	-	-
3 year	\$300,000	\$0	\$110,144	(\$2,709)	9.68%

Measurement Date	Contributions	Disbursements	Cumulative Net Contributions	Cumulative Investment Gains (Losses)	Cumulative Fees	Cumulative Ending Assets	Fiscal Year Net Rate of Return*	Cumulative Net Rate of Return*
2020-21	\$150,000	(\$0)	\$150,000	\$2,231	(\$39)	\$152,192	-	14.42%
2021-22	\$150,000	(\$0)	\$300,000	(\$32,332)	(\$639)	\$267,029	-12.77%	-11.38%
2022-23	\$0	(\$0)	\$300,000	(\$25,953)	(\$1,252)	\$272,795	2.40%	-4.55%
2023-24	\$150,000	(\$0)	\$450,000	(\$5,649)	(\$2,007)	\$442,344	6.30%	-0.61%
2024-25	\$150,000	(\$0)	\$600,000	\$40,891	(\$3,122)	\$637,769	9.96%	2.80%
as of 9/30/25	\$0	(\$0)	\$600,000	\$63,041	(\$3,504)	\$659,538	-	3.84%

\* Money weighted annualized net rate of return

# CERBT/CEPPT Expected Rates of Return

Portfolios	CERBT OPEB Strategy 1	CERBT OPEB Strategy 2	CERBT OPEB Strategy 3	CEPPT Pension Strategy 1	CEPPT Pension Strategy 2
Expected Return	6.4%	<b>6.1%</b>	5.8%	5.4%	<b>4.9%</b>
Standard Deviation	11.5%	<b>9.5%</b>	8.1%	8.4%	<b>5.9%</b>

# CEPPT/CERBT Portfolio Details

Asset Classification	Benchmark	CERBT OPEB Strategy 1	CERBT OPEB Strategy 2	CERBT OPEB Strategy 3	CEPPT Pension Strategy 1	CEPPT Pension Strategy 2	Target Range
Global Equity	MSCI All Country World Index IMI (Net)	49%	<b>34%</b>	23%	37%	<b>21%</b>	±5%
Fixed Income	Bloomberg Long Liability Index (CERBT) Bloomberg US Aggregate Bond Index (CEPPT)	23%	<b>41%</b>	51%	44%	<b>61%</b>	±5%
Real Estate Investment Trusts ("REITs")	FTSE EPRA/NAREIT Developed Index (Net)	20%	<b>17%</b>	14%	14%	<b>9%</b>	±5%
Treasury Inflation Protected Securities (TIPS)	Bloomberg US TIPS Index, Series L	5%	<b>5%</b>	9%	5%	<b>9%</b>	±3%
Commodities	S&P GSCI Total Return Index	3%	<b>3%</b>	3%	N/A	<b>N/A</b>	±3%
Cash	91-Day Treasury Bill	-	-	-	-	-	+2%

# CERBT & CEPPT Time-weighted Investment Returns

Periods Ended September 30, 2025

CERBT OPEB	Assets	1 Month	3 Months	FYTD	1 Year	3 Years	5 Years	10 Years	ITD
CERBT Strategy 1 (Inception June 1, 2007)	\$23,534,893,190	2.40%	5.61%	5.61%	9.71%	14.78%	7.99%	8.13%	5.92%
Benchmark		2.37%	5.55%	5.55%	9.31%	14.48%	7.74%	7.80%	5.53%
<b>CERBT Strategy 2</b> (Inception October 1, 2011)	<b>\$2,318,029,326</b>	<b>2.20%</b>	<b>4.90%</b>	<b>4.90%</b>	<b>7.62%</b>	<b>11.99%</b>	<b>5.51%</b>	<b>6.54%</b>	<b>6.79%</b>
Benchmark		2.18%	4.87%	4.87%	7.35%	11.77%	5.34%	6.26%	6.53%
CERBT Strategy 3 (Inception January 1, 2012)	\$957,391,223	2.00%	4.32%	4.32%	6.17%	9.92%	3.91%	5.24%	5.24%
Benchmark		1.99%	4.31%	4.31%	5.98%	9.76%	3.78%	5.01%	4.99%
<b>CERBT Total</b>	<b>\$26,810,313,739</b>								
CEPPT PENSION	Assets	1 Month	3 Months	FYTD	1 Year	3 Years	5 Years	10 Years	ITD
CEPPT Strategy 1 (Inception October 1, 2019)	\$254,674,199	1.93%	4.46%	4.46%	7.83%	12.12%	5.72%	-	5.97%
Benchmark		1.91%	4.41%	4.41%	7.61%	11.94%	5.53%	-	5.85%
<b>CEPPT Strategy 2</b> (Inception January 1, 2020)	<b>\$89,421,332</b>	<b>1.57%</b>	<b>3.47%</b>	<b>3.47%</b>	<b>5.84%</b>	<b>9.05%</b>	<b>2.93%</b>	-	<b>3.38%</b>
Benchmark		1.52%	3.41%	3.41%	5.60%	8.93%	2.80%	-	3.25%
<b>CEPPT Total</b>	<b>\$344,095,531</b>								

Time weighted return reports the performance of the investment vehicle, not of the employer assets. Returns are gross. Historical performance is not necessarily indicative of actual future investment performance or of future total program cost. Current and future performance may be lower or higher than the historical performance data reported here. Investment return and principal value may fluctuate so that your investment, when redeemed, may be worth more or less than the original cost. The value of an employer's fund shares will go up and down based on the performance of the underlying funds in which the assets are invested. The value of the underlying funds' assets will, in turn, fluctuate based on the performance and other factors generally affecting the securities market.

# CERBT and CEPPT Time Weighted Investment Results

Fiscal Year	CERBT Strategy 1 (Inception June 1, 2007)	CERBT Strategy 2 (Inception October 1, 2011)	CERBT Strategy 3 (Inception January 1, 2012)	CEPPT Strategy 1 (Inception October 1, 2019)	CEPPT Strategy 2 (Inception January 1, 2020)
2007-2008	-4.80%	N/A	N/A	N/A	N/A
2008-2009	-23.03%	N/A	N/A	N/A	N/A
2009-2010	15.87%	N/A	N/A	N/A	N/A
2010-2011	24.96%	N/A	N/A	N/A	N/A
2011-2012	0.15%	N/A	N/A	N/A	N/A
2012-2013	11.78%	<b>8.87%</b>	5.21%	N/A	N/A
2013-2014	18.52%	<b>15.58%</b>	12.86%	N/A	N/A
2014-2015	-0.11%	<b>-0.34%</b>	-0.03%	N/A	N/A
2015-2016	1.04%	<b>2.95%</b>	4.18%	N/A	N/A
2016-2017	10.62%	<b>7.28%</b>	4.16%	N/A	N/A
2017-2018	8.00%	<b>6.22%</b>	4.74%	N/A	N/A
2018-2019	6.22%	<b>7.07%</b>	7.24%	N/A	N/A
2019-2020	3.58%	<b>5.46%</b>	6.37%	N/A	N/A
2020-2021	27.54%	<b>19.71%</b>	13.60%	18.31%	<b>8.00%</b>
2021-2022	-13.35%	<b>-12.54%</b>	-10.72%	-12.41%	<b>-10.94%</b>
2022-2023	6.46%	<b>3.60%</b>	1.61%	5.25%	<b>2.43%</b>
2023-2024	11.02%	<b>8.25%</b>	6.32%	8.76%	<b>6.14%</b>
2024-2025	12.35%	<b>10.62%</b>	9.31%	10.72%	<b>8.88%</b>

Time weighted return reports the performance of the investment vehicle, not of the employer assets. Returns are gross. Historical performance is not necessarily indicative of actual future investment performance or of future total program cost. Current and future performance may be lower or higher than the historical performance data reported here. Investment return and principal value may fluctuate so that your investment, when redeemed, may be worth more or less than the original cost. The value of an employer's CERBT and CEPPT fund shares will go up and down based on the performance of the underlying funds in which the assets are invested. The value of the underlying funds' assets will, in turn, fluctuate based on the performance and other factors generally affecting the securities market.

# Total Participation Cost Fee Rate

- All-inclusive cost of participation
  - CERBT: 8.5 basis points (bps) fee on asset balance
  - CEPPT: 25 basis points (bps) fee on asset balance
  - Combines administrative, custodial, and investment fees
  - Self-funded, not-for-profit
  - Zero cost to join

Asset Value on Deposit*	All-Inclusive Fee Rate	Annual Cost
\$1,000,000	8.5 Basis Points (0.085%)	\$850
\$1,000,000	25 Basis Points (0.25%)	\$2,500

\*Asset values shown assume the amount is deposited on the first day of a 12-month calendar year and remains constant the entire 12 months ending on the last day with the exact same amount. No investment gains/losses, or contribution additions/withdrawals are experienced at any time during the 12 months.

There are **no** additional fees of any kind. No set-up, joining, renewal, contribution, disbursement, termination fees. No minimum contribution amount.

# You Control Your Participation

## Investment portfolio

- 6 investment options (3 Strategies for CERBT and 2 Strategies with 3 options for CEPPT)
- Choose a strategy based on yield, risk tolerance, and time horizon

## Voluntary contributions

- Never required
- Full control of amount and schedule

## Reimbursement/Liquidity

- Reimburse current year OPEB and Pension expenses
- (Pay-go + Implicit subsidy) for FYE OPEB 2026: \$120,979
- (Normal Cost + UAL Payment + ADP's) for FYE Pension 2026: \$882,132 + \$1,654,291+ ADP's

# Financial Reporting

- CEPPT is reported in compliance with GASB 84
- CERBT provides audited and compliant GASB 74 report in a Schedule of Changes in Fiduciary Net Position (FNP)
  - Published in January each year

CERBT FNP Fiscal Year	Availability
<a href="#"><u>2021-22</u></a>	Available at <a href="https://www.calpers.ca.gov/cerbt"><u>https://www.calpers.ca.gov/cerbt</u></a>
<a href="#"><u>2022-23</u></a>	
<a href="#"><u>2023-24</u></a>	



# SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, CA 95066-4199 • scottsvalleyfire.com • 831-438-0211

TO: Hon Board of Directors  
FROM: Mark Correira, Fire Chief  
DATE: November 12, 2025  
RE: Board Memo 2025-44: Policy 1505 Career Development Guide

## **Recommendation**

Approve Policy 1505 Career Development Guide

## **Discussion**

**Policy 1505 – Career Development Guide** outlines the developmental pathway for uniformed positions within the organization.

Following the most recent revisions, it was determined that a few classes need adjustment, and clearer terminology for driver's license requirements were needed. These changes are indicated in red within the attached policy. Additionally, a new page (labeled "(New)" at the top) has been added, outlining the minimum requirements for each step for the Fire Chief position. The minimum standards for the Fire Chief align with the 2023 recruitment brochure, while the optional and desirable qualifications reflect industry standards.

Staff have reviewed the proposed policy changes with representatives from the affected groups and their changes have been incorporated to the proposed version. Staff is recommending approval of Policy 1505.

<b>Scotts Valley Fire Protection District</b>	
<b>POLICY:</b> 1505  <b>DATE APPROVED:</b> 11/12/2025  <b>BOARD PRESIDENT:</b> _____	<b>SUBJECT:</b> Career Development Guide   <b>FIRE CHIEF:</b> _____

## Policy 1505: Career Development Guide

The Scotts Valley Fire Protection District endeavors to have the best-trained personnel possible. The *Career Development Guide (charts attached)* outlines specific requirements for each position as identified. These requirements are a combination of education, training, skills, and experience that are achieved through in-house training and outside education.

*Attachment 1505-1 Career Development Guide (0610/2025)*

*Attachment 1505-2 Officers Career Development Guide (0610/2025)*

*Attachment 1505-3 Certification and Education Incentive Guide (106/2025)*

All employees holding the rank of Captain Step 1, 2, 3 or Engineer Step 3 on January 11, 2017, and who have a California State Fire Marshal Company Officer Certification on file with the District, are exempt from the Company Officer 2 series classes, as outlined in the Officers Career Development Guide.

All employees holding the rank of Captain Step 3 on January 11, 2017, may substitute successful completion of the equivalent Chief Officer 2 series class for the new Chief Fire Officer 3 series class as specified here:

Fire Management 2A for Chief Fire Officer 3A (Human Resources/Relations)

Fire Management 2B for Chief Fire Officer 3B (Budget and Financial Management)

Fire Management 2C for Chief Fire Officer 3C (Administration and Labor Relations)

There is no Chief Officer 2 series equivalent for Chief Fire Officer 3D

All employees holding the rank of Battalion Chief 3 on January 11, 2017, are exempt from the Chief Fire Officer 3 series classes, as outlined in the Officers Career Development Guide.

[All employees with a State Fire Training \(SFT\) Company Officer, Fire Instructor, or Fire Investigator certification, or their equivalent, on file before July 1, 2025, will be considered as meeting the minimum requirement for the respective certification incentive.](#)

# Scotts Valley Fire Protection District Career Development Guide Firefighter, Engineer, Inspector

XX/XX/2025

(REPLACES VERSION [64/114/251](#))

- Engineer Approved Course List**

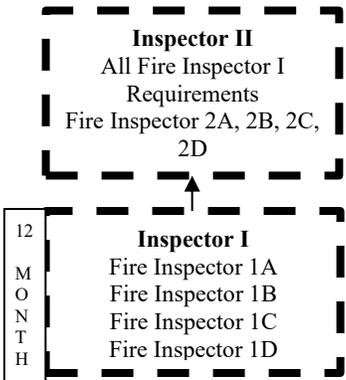
  - X1 Approved Rescue Classes
  - S-212
  - ICS300
  - Instructor 1
  - S-290
  - HMOSC
  - [2ES215](#)

**Engineer Step 4**  
60 months service  
Total of 7 Classes on file from the Engineer approved course list

**Engineer Step 3**  
48 months service  
Total of 4 Classes on file from the Engineer approved course list

**Engineer Step 2**  
36 months service  
Total of 2 classes on file from the Engineer approved course list

**Engineer**  
24 months service  
SCO Engineer Program  
Special Operations, Pump Test, Mechanics  
Class B CA. DL or [Class C & FF](#) Endorsement



12 MONTHS

**Firefighter Step 2**  
12 months service  
SCO FF1 Program/NFPA

- FEMA IS 800

**Firefighter**  
Entry Level  
Class C CA DL  
EMT

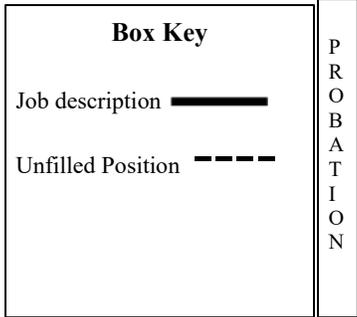
**Paid Call Firefighter/  
Volunteer**  
Valid CA DL  
CPR  
Complete Background  
Medical / Physical

- Firefighter Approved Courses**

  - Auto Ex
  - FF Survival
  - Confined Space Awareness
  - CSTI HAZMAT FRO and DECON
  - FEMA IS100 IS200 IS700 IS800
  - S-130
  - S-131
  - S-133
  - S-134
  - S-190
  - L-180
  - RRAO

\*FF1 / FF2 academy equivalent and/or ability to obtain

24 MONTHS



# Scotts Valley Fire Protection District Officers Career Development Guide

11/09/25

**\* Acting Battalion Chief**  
24 months Line/Shift Captain Experience  
All educational requirements up to and including *Captain Step 3* in Policy 1705  
  
Completed Acting BC Position Task Book

**Battalion Chief Step 3**  
12 months as B.C. Step 2  
*At least 7 Total of 8* class on file from approved BC Course List

- Battalion Chief Approved Course List**
- Chief Fire officer Series
    - 3A
    - 3B
    - 3C
    - 3D
  - ICS400
  - Div S-339 AR or L-960
  - ST Leader S-330
  - *S404 or P954*

**Battalion Chief Step 2**  
12 months as Battalion Chief  
At least 4 class on file from approved BC Course List

12 MONTH

**Battalion Chief**  
12 months as Captain *step 3*  
At least 2 class on file from approved BC Course List

12 MONTH

**Fire Marshal**  
Plan Examiner 1A, 1B, 1C  
All DFM and Inspector I and II requirements  
Investigator 1A, 1B, 1C, PC832

**Deputy Fire Marshal**  
All Fire Inspector I and II Requirements

**Captain Step 3**  
12 months as Captain *Step 2*  
At least 7 class on file from approved Captain Course List

**\* Acting Company Officer**  
60 months of service  
All educational requirements up to and including *Engineer Step 4* in Policy 1706  
Completed A/C Position Task Book  
  
S-230 & 231

**Captain Step 2**  
12 months as Captain  
At least 4 class on file from approved Captain Course List

- Captain Approved Course List**
- Approved Company Officer Series
    - 2A
    - 2B
    - 2C
    - 2D
    - *2E*
  - S-219
  - S-270
  - S-404 or L-954

**Box Key & Legend**

Job Description

Optional Duty

\* Minimum Requirements to Test for Respective Position.

P R O B A T I O N

12 MONTH

**Captain**  
12 Months as Engineer *Step 4*  
At least 2 class on file from approved Captain Course List

# Scotts Valley Fire Protection District Officers Career Development Guide

(NEW)

**Fire Chief Step 3**  
12 months as Fire Chief Step 2  
and 3 Fire Chief Approved  
Course List

**Fire Chief Step 2**  
12 months as Fire Chief Step 1  
and 3 Fire Chief Approved  
Course List

**Fire Chief Step 1**  
See Acting/Interim Fire Chief  
requirements.

- Fire Chief Approved Course List**
- Approved Executive Chief Officer Series
    - 4A
    - 4B
    - 4C
    - 4D
    - 4E
  - NFA R0763 - New Exec. Chief Officer

**Optional & Desired Quals**

Bachelors Degree in related field  
Graduate of the NFA Exec. Fire Officer Program  
NFA R506 Executive Planning  
CPSE Designation (FO, TO, FM, CFO)

**Box Key & Legend**

Job Description **————**

Optional Duty **=====**

\* Minimum Requirements to Test for Respective Position.

**\* Acting/Interim Fire Chief**  
10 Yrs continuous full-time employment in the fire service with 5 years as a chief officer  
or  
Battalion Chief Step 3  
and  
Proficient in Word and Excel  
Class C Driver's License

# Scotts Valley Fire Protection District Career Development Guide

0611/211/20

(NEW)

## EDUCATION – CERTIFICATION - INCENTIVE REQUIREMENTS

**SFT Company Officer Education**

SFT Firefighter I  
SFT Firefighter II  
Company Officer 2A  
Company Officer 2B  
Company Officer 2C  
Company Officer 2D  
Company Officer 2E  
Instructor I  
Complete SFT Company Officer Task Book

**SFT Instructor**

Instructor I  
Instructor II  
Regional Instructor Orientation  
Ethics  
Complete SFT Instructor Task Book  
(Discipline to be approved prior to initiation by the Training Chief)

**Paramedic  
(EMSIA)  
Current Requirements**

**Education**  
Associates Degree  
Bachelor's Degree  
Master's Degree

**Haz Mat Specialist**  
Haz Mat 1F  
Haz Mat 1G

**Haz Mat Technician**  
Haz Mat 1A  
Haz Mat 1B  
Haz Mat 1C  
Haz Mat 1D

**SFT Investigator**

Fire Investigator 1A  
Fire Investigator 1B  
Fire Investigator 1C  
PC-832  
Participation in SCCFITF

**\* District Mechanic**

<u>All Items Listed Below</u>	<u>or</u>	<u>SFM/CFMA Courses</u>
5 years of Service		<b>Minimum of 4 @ 160hrs</b>
CFMA Fire Mechanic I, II, or III		Gasoline Engines
		Diesel Engines
		Brakes
		Electrical/Electronic Systems
		Preventative Maintenance
		Drive Train
		Transmissions
		Suspension and Steering
		Aerial Apparatus
		Fire Pumps and Accessories

\* Subject to Fire Chief approval based on District need.



# SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, CA 95066-4199 • scottsvalleyfire.com • 831-438-0211

TO: Hon. Board of Directors  
FROM: Mark Correira, Fire Chief  
DATE: November 12, 2025  
RE: Board Memo 2025-45 – Policy 1504 Temporary Positions

## **Recommendation**

Approve revised Policy 1504 Temporary Positions

## **BACKGROUND**

Policy 1504 – Temporary Positions was most recently adopted on March 23, 1998, and lacked specific details regarding the scope and authority of Staff. Additionally, the policy limited the term of a temporary employee to only six (6) months, and did not allow for part-time temporary employees.

Since 1998, much has changed, and staff has revised this policy to reflect those developments. The updated policy has been completely rewritten and will replace the previous version in its entirety. The new document provides expanded details on the scope and responsibilities of staff and the Fire Chief, introduces clear definitions, outlines the hiring process, and maintains the six (6) months term limit, with the possibility of an extension of up to an additional six (6) months.

Staff recommends approval of the revised Policy 1504.

<b>Scotts Valley Fire Protection District</b>	
<b>POLICY: 1504</b>	<b>SUBJECT: Temporary Positions</b>
<b>DATE APPROVED: 11/12/2025</b>	
<b>BOARD PRESIDENT: _____</b>	<b>FIRE CHIEF: _____</b>

**Purpose:**

To establish guidelines for the employment and management of temporary positions within the Fire District to ensure clarity, consistency, and compliance with applicable laws and regulations.

**Scope:**

This policy applies to all temporary positions created within the Fire District, including full-time, part-time, temporary, and seasonal roles.

**Policy:**

**Definition of Temporary Positions:**

Temporary positions are roles established to meet short-term needs, including project work, seasonal demands, or coverage during staff absences, with a designated end date or project completion.

**Creation of Temporary Positions:**

Temporary positions must be based on operational needs. The Fire Chief is authorized to appoint temporary employees to address short-term staffing shortages, such as leaves of absence or vacancies during recruitment, or to support seasonal or project-based work.

Temporary positions created for purposes other than those identified above require prior approval from the Board of Directors before being posted or filled. Positions should be clearly defined and based on an existing job description, with a clearly defined duration, and reporting (supervisory) structure.

**Hiring Process:**

Temporary hires may be through direct appointment, or seasonal recruitment. Priority should be given to qualified internal candidates when feasible.

**Compensation and Benefits:**

Compensation rates for temporary employees will be established based on position, experience, and budget guidelines.

Temporary employees are generally not eligible for benefits, including health, dental, vision, retirement, or paid time off, unless otherwise specified by law or in an agreement.

**Duration and Extensions:**

The duration of each temporary position shall be established at the time of appointment. The Fire Chief may authorize one extension of up to six (6) months. The total duration of any temporary position may not exceed one (1) year without Board approval.

**Supervision**

Temporary employees shall work under the direction of an assigned supervisor, who is responsible for providing appropriate oversight and guidance during the term of the appointment. The Supervisor shall be defined at the time of appointment.

<b>Scotts Valley Fire Protection District</b>		
<b>POLICY: 1504</b>	<b>SUBJECT: Temporary Positions</b>	

**Separation**

Temporary employment may be ended at any time at the discretion of the Fire Chief or designee, based on performance, completion of the assignment, or operational needs.

**Legal Compliance:**

All hiring and employment practices shall comply with applicable federal, state, and local laws, including employment rights under California law.

**Recordkeeping:**

Documentation of all temporary employment actions shall be maintained in personnel files, including reasons for hiring, duration, and performance reviews.



# SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, CA 95066-4199 • scottsvalleyfire.com • 831-438-0211

TO: Hon. Board of Directors  
FROM: Erin Collins, Fire Marshal  
DATE: November 12, 2025  
RE: Board Memo 2025-46: Policy 701 Knox Box / Knox Keys

## **Recommendation**

Adopt New Policy 701: Knox Box / Knox Keys

## **BACKGROUND**

Policy 701 is a new policy that formalizes how the District manages its Knox Box Program. A Knox Box is a secure, tamper-proof key box installed outside a building, containing a key or keys that allows fire departments and emergency services quick access to the property during emergencies. These essential tools enhance the efficiency and safety of emergency responses.

This policy outlines the District's role in the approval, installation, and associated costs of Knox Boxes and Knox Key Systems. Implementing clear guidelines ensures consistent management and proper use of these critical access tools throughout the district.

Staff recommends adoption of Policy 701.

<b>Scotts Valley Fire Protection SVFPD</b>	
<b>POLICY: 701</b>	<b>SUBJECT: Knox Box / Knox Keys</b>
<b>DATE APPROVED: 11/12/2025</b>	
<b>BOARD PRESIDENT: _____</b>	<b>FIRE CHIEF: _____</b>

**Purpose**

To provide timely, safe, and secure access by fire, rescue, and other emergency personnel to buildings and properties for emergency operations, while protecting property integrity and ensuring compliance with state law and local ordinances.

**Scope**

This policy applies to all SVFPD personnel. This policy also applies to all new and existing commercial, multi-family residential, institutional, and other non-single-family dwellings as defined by local ordinance, as well as any other buildings or uses designated by the Fire Marshal as requiring Knox access.

**Authority**

This policy is adopted under the authority of the California Health & Safety Code, local municipal codes, and/or fire protection district regulations. It is consistent with NFPA (National Fire Protection Association) standards, California Building Code, and/or any local ordinance on access for emergency responders.

**Definitions**

- Knox Box / Knox Key Safe — A secure, mounted lockbox (or vault) on a building’s exterior containing keys or key cards that allow authorized emergency personnel to gain access without delay.
- Knox Access System — The set of hardware, keys, key switches, keycards, access codes, or electronic access that is registered with the Knox Company and maintained for emergency access.
- Authorized Personnel — Fire district personnel and other responders recognized by the fire chief or designee.
- Owner / Responsible Party — The owner, property manager, or other person responsible for a building/property.
- Fire Code Official / Fire Marshal — The person at the Scotts Valley Fire Protection District (SVFPD) charged with enforcement of the Fire Code and related policies.

**Requirements**

**1. Installation of Knox Box**

- a. All buildings required under this policy must install a Fire District-approved Knox Box or Knox Key Safe at a location approved by the Fire Marshal.



- b. The box must be installed in a highly visible and accessible location, typically adjacent to the main entrance, clear of obstructions, and at a height of approximately 5 feet above grade, unless a different height is approved due to special circumstances.
- c. The box must be of sufficient size to hold required keys, keycards, or access devices.

**2. Access Devices**

- a. All properties identified under this policy or by the Fire Marshal must install a Fire District-approved Knox access system.
- b. Access Devices shall be installed as directed by the Fire Marshal.

**3. Keys**

- a. Property Owner must supply all keys, access cards, or codes necessary to enter all exterior doors, gates, and interior doors necessary for emergency response (e.g. mechanical rooms, elevator controls, fire alarm panel, riser rooms). All keys placed in a Knox Box shall be done so by the responsible party on file or their designee. Keys shall not be given to any Fire District Personnel with the expectation they will be secured in the Knox Box.
- b. If access is by electronic means (key card, code, biometric), the property owner shall ensure the emergency personnel maintain access (e.g. functional cards, valid codes) at all times.
- c. The Fire District shall keep an inventory of all Knox Keys and where they are located. The Keys shall have a unique number system to identify the keys if they are misplaced or stolen. All Knox Keys shall be secured in a locked box when not in use.

**2. Maintenance and Inspection**

- a. The property owner is responsible for maintaining the Knox Box, keeping it in working order, unlocked, clean and visible.
- b. The Fire District reserves the right to inspect the Knox Box periodically (e.g. annually) to confirm compliance. Knox Boxes found inoperable or non-compliance shall be replaced by the property owner.
- c. If the Knox Box is found damaged, keys missing, or entry impeded, the owner must repair or replace within a specified timeframe as provided by the Fire Marshall (e.g. 30 days or less, depending on severity).

**3. Registration and Access Control**

- a. The property owner must register the Knox Box with the Fire District and provide an inventory of the keys/access devices inside.
- b. The Fire District will maintain a secure database of premises with Knox access, keys provided, and responsible contacts.



- c. Only authorized emergency personnel are permitted to access the Knox Box. Unauthorized removal of keys or access devices is prohibited and subject to penalty.

**4. Costs and Fees**

- a. All costs associated with the purchase, installation, maintenance, and replacement of Knox Boxes or other access devices shall be the responsibility of the property owner. In areas where multiple agencies may respond first and more than one access device is required, the Fire District may purchase and install additional device(s), leaving the primary agency's device(s) for the property owner to install.
- b. The Fire District may charge a non-refundable fee for processing registration.
- c. The District may also charge penalties or enforcement fees if an owner fails to comply with this policy within required deadlines.

**5. Enforcement and Penalties**

- a. Violations of this policy are subject to code enforcement action, which may include citation, fines, or orders to comply.
- b. For emergency access delays caused by non-compliance, the Fire District may require proof of corrective action or impose additional penalties.

**6. Special Cases**

- a. Historic buildings, remote locations, or sites with unusual access conditions may be granted exceptions or alternative solutions (e.g. centralized master key programs or alternative access devices) by approval of the Fire Marshal.
- b. Shared or multi-tenant buildings must ensure all tenants' relevant access points and internal doors required for emergency response are included in the Knox Box.

**7. Update of Keys / Access Devices**

- a. Whenever a building undergoes changes in its access system (new locks, new access panels, change in gates/doors), or a tenant change with keys/cards issued, the Knox Box must be updated promptly.
- b. The owner must notify the Fire District of any such changes, supply new keys/cards, and remove obsolete ones.

**8. Recordkeeping and Contact Information**

- a. The owner shall provide and maintain current primary and secondary contact information for access/emergency purposes.
- b. Records of all changes, maintenance, and inspections shall be kept for a minimum period of three (3) years and be made available to the Fire District upon request.

**Scotts Valley Fire Protection SVFPD**



**POLICY: 701**

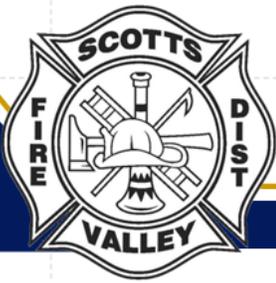
**SUBJECT: Knox Box / Knox Keys**

**Appeals and Variances**

Any owner who believes compliance with any provision is impractical or imposes undue hardship may apply in writing for a variance. The Fire Marshal shall review and may grant variances with conditions as appropriate, provided the essential safety function is not compromised. There is no appealing the Fire Marshal's final decision or disposition on the appeal.

**Miscellaneous**

- The Fire District may, from time-to-time, update manufacturer or vendor specifications, brand approvals, or technical standards; the property owner must ensure the installed Knox Box meets the current approved specifications.
- The Fire District provides educational materials to owners / property managers regarding the Knox system, proper maintenance, and their obligations under this policy.



# SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, CA 95066-4199 • scottsvalleyfire.com • 831-438-0211

TO: Hon. Board of Directors  
FROM: Mark Correira, Fire Chief  
DATE: November 12, 2025  
RE: Board Memo 2025-48: Policy 1602 Investment Policy

## **Recommendation**

Adopt New Policy 1602: Investment Policy

## **BACKGROUND**

California Government Code Section 53600 provides a framework for how local agencies can invest their funds. Policy 1602, the Investment Policy, formalizes how the Fire District will manage its investments and designates the authorized personnel to do so.

Currently, the Fire District exclusively utilizes the Santa Cruz County investment pool. While this investment pool has yielded solid returns in recent years, other investment options are available. Although Policy 1602 lists authorized investments, it currently restricts investments to the Santa Cruz County Investment Pool and the California Cooperative Liquid Assets Security System (California CLASS). The California CLASS system is widely used by other special districts across the state, and those districts have reported favorable returns as well. By utilizing both vehicles, the District can diversify its investments and enhance potential revenue.

The policy delegates investment authority to the Fire Chief and requires quarterly reporting. If adopted, staff will develop an investment procedure that incorporates more detailed oversight and controls for the investment process. Quarterly reports will be included in the Fire Chief's regular report to the Board.

Policy 1602 was introduced to the Board's Finance and Planning Committee earlier this year. The Committee directed staff to seek legal review before presenting it for Board approval. The District's General Counsel has reviewed the policy and approved it as written.

Staff recommends the adoption of New Policy 1602.

<b>Scotts Valley Fire Protection District</b>	
<b>POLICY: 1602</b>	<b>SUBJECT: Investment Policy</b>
<b>DATE APPROVED: 11/12/2025</b>	
<b>BOARD PRESIDENT: _____</b>	<b>FIRE CHIEF: _____</b>

**Policy Statement**

The Scotts Valley Fire Protection District (hereinafter referred to as the “District”) has a fiduciary responsibility to invest its funds in a manner that provides the highest investment return with the maximum safety of principal, while complying with all applicable laws and regulations. This policy establishes guidelines for the prudent investment of public funds under the District’s control and provides a system for the investment of funds that reflects both safety and liquidity while achieving an appropriate return on investments.

**Purpose**

The purpose of this policy is to:

1. Safeguard the District’s assets by ensuring investments are made with caution and prudence;
2. Establish investment guidelines that comply with Article 1 (commencing with Section 53600) of Title 5, Division 2, Part 1, Chapter 4 of the California Government Code and other applicable laws;
3. Outline specific investment objectives and allowable investment types; and
4. Maximize the return on the District’s investment portfolio within the bounds of acceptable risk.

**Scope**

This policy applies to all financial assets of the District, including but not limited to:

- General Fund reserves;
- Capital Outlay / Zone A funds;
- Debt service funds; and
- Other funds designated for investment by the District

**Legal Authority**

This policy is governed by the California Government Code Section 53600 *et seq.*, which allows local agencies to invest funds in various securities and obligations in a manner that is prudent and safe. The District shall adhere to the restrictions set forth in these sections as well as any other applicable federal or state regulations. Section 53601 provides authority for the District to invest surplus funds in specified securities, provided such securities are delivered to the District, either physically or through book entry, and such investments have a maturity date of five years or less unless otherwise authorized by statute.

**Investment Objectives**

The District’s investment objectives are as follows, in order of priority:

<b>Scotts Valley Fire Protection District</b>		
<b>POLICY: 1602</b>	<b>SUBJECT: Investment Policy</b>	

1. **Safety of Principal:** Investments shall be made in a manner that safeguards and preserves the capital and protects it from loss, including both principal and interest.
2. **Liquidity:** Investments shall be sufficiently liquid to allow the District to meet its operating and capital expenditure requirements.
3. **Return on Investments:** The District shall seek to earn a reasonable return on its investments while maintaining the safety and liquidity of the portfolio.

**Authorized Investments**

To the fullest extent authorized by Section 53600 *et seq.*, the following investments are authorized for the District’s funds, inclusive of financial futures or financial option contracts in such enumerated categories:

1. **Local Agency Bonds:** Bonds issued by the local agency, including those payable solely from revenues of a revenue-producing property owned, controlled, or operated by the local agency or its departments, boards, agencies, or authorities.
2. **U.S. Treasury Securities:** Treasury notes, bonds, bills, or certificates of indebtedness, or those backed by the full faith and credit of the United States.
3. **State Securities:** Registered state warrants, treasury notes, or bonds of California, including those payable solely from revenues of a revenue-producing property owned, controlled, or operated by the state or its departments, boards, agencies, or authorities.
4. **Other State Securities:** Registered treasury notes or bonds of any of the other 49 states, including those payable solely from revenues of a revenue-producing property owned, controlled, or operated by the state or its departments, boards, agencies, or authorities.
5. **Local Agency Securities within California:** Bonds, notes, warrants, or other evidences of indebtedness of a local agency within California, including those payable solely from revenues of a revenue-producing property owned, controlled, or operated by the local agency or its departments, boards, agencies, or authorities.
6. **Federal Agency and Government-Sponsored Enterprise Securities:** Obligations, participations, or other instruments issued by or fully guaranteed as to principal and interest by federal agencies or U.S. government-sponsored enterprises.
7. **Bankers' Acceptances:** Bills of exchange or time drafts drawn on and accepted by a commercial bank, with a maturity not exceeding 180 days and limited to 40% of the agency's investable funds, with no more than 30% in any one bank.
8. **Prime Commercial Paper:** Commercial paper of the highest quality, rated by a nationally recognized statistical rating organization (NRSRO), with specific criteria for issuing entities and a maximum maturity of 270 days. Investment limits vary based on the size of the local agency's investment assets.
9. **Negotiable Certificates of Deposit:** Issued by nationally or state-chartered banks, savings associations, federal associations, state or federal credit unions, or federally or state-licensed branches of foreign banks, limited to 30% of the agency's investable funds.
10. **Repurchase and Reverse Repurchase Agreements:** Agreements involving securities authorized by this section, with specific conditions and limits on terms and collateral requirements.

<b>Scotts Valley Fire Protection District</b>		
<b>POLICY: 1602</b>	<b>SUBJECT: Investment Policy</b>	

11. **Medium-Term Notes:** Corporate and depository institution debt securities with a maximum maturity of five years, rated "A" or better by an NRSRO, limited to 30% of the agency's investable funds.
12. **Shares of Beneficial Interest:** Issued by diversified management companies investing in authorized securities and obligations, including money market funds registered with the SEC, with specific criteria for investment advisers and rating requirements.
13. **Trustee or Fiscal Agent Investments:** Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, invested according to statutory provisions or the local agency's governing documents.
14. **Secured Notes and Bonds:** Notes, bonds, or other obligations secured by a valid first priority security interest in eligible securities, with collateral placed in the custody of a trust company or bank trust department, and perfected according to the Uniform Commercial Code or federal regulations.
15. **Mortgage-Backed Securities:** Mortgage passthrough securities, collateralized mortgage obligations, mortgage-backed or other pay-through bonds, equipment lease-backed certificates, consumer receivable passthrough certificates, or consumer receivable-backed bonds, rated "AA" or better by an NRSRO, with a maximum maturity of five years and limited to 20% of the agency's surplus moneys.
16. **Joint Powers Authority Shares:** Shares of beneficial interest issued by a joint powers authority investing in authorized securities and obligations, with an investment adviser registered with the SEC, having at least five years of experience and managing assets over \$500 million.
17. **International Bank Obligations:** U.S. dollar-denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, rated "AA" or better by an NRSRO, with a maximum maturity of five years and limited to 30% of the agency's investable funds.
18. **Public Bank Securities:** Commercial paper, debt securities, or other obligations of a public bank, as defined in Section 57600.

**Investment Restrictions**

The following restrictions shall apply to the District’s investment portfolio:

1. The purchase by the District of any investment authorized by this Policy, not purchased directly from the issuer, shall be from an institution licensed by the State as a broker-dealer, as defined by Corporations Code section 25004, or from a member of a federally regulated securities exchange, from a national or state-chartered bank, from a savings association or federal association (as defined by Section 5102 of the Financial Code) or from a brokerage firm designated as a primary government dealer by the Federal Reserve Bank.
2. No more than 50% of the portfolio may be invested in securities that are not backed by the full faith and credit of the U.S. government or its agencies.
3. The average maturity of the portfolio shall not exceed 5 years.

<b>Scotts Valley Fire Protection District</b>		
<b>POLICY: 1602</b>	<b>SUBJECT: Investment Policy</b>	

4. Investments in securities that have a rating lower than “A” or equivalent by a nationally recognized rating agency shall not be permitted.
5. No investments in derivatives or speculative securities are allowed.
6. No investments in securities that are non-liquid or restricted for sale to the public are allowed without prior approval from the Board.

**Delegation of Authority**

The Board of Directors of the District delegates authority for the day-to-day management of the District’s investment portfolio to the Fire Chief. However, the Fire Chief shall ensure that all investments comply with the guidelines set forth in this policy and shall report to the Board no less than on a quarterly basis.

Although the Board of Directors delegates the investment authority to the Fire Chief, investments shall be restricted to the following options:

- Santa Cruz County Investment Pool
- California Cooperative Liquid Assets Security System (California CLASS)

**Reporting and Oversight**

1. **Annual Reports:** The Fire Chief or District Auditor shall prepare an annual report to the Board on the status of the District’s investment portfolio, and in compliance with Policy 1605 Fiscal Accountability.
2. **Annual Review:** The District’s investment policy shall be reviewed annually by the Fire Chief or designee to ensure its continued relevance and compliance with applicable laws.

**Ethics and Conflicts of Interest**

The Fire Chief and Staff directly involved with financial accountability shall refrain from personal business activity that could conflict with proper execution of the investment program or that could impair their ability to make impartial decisions. Additionally, the Fire Chief shall disclose to the Board any potential conflicts of interest.

**Policy Amendments**

The Board of Directors reserves the right to amend this policy at any time. Any changes shall be approved by the Board.

**Compliance with State Law**

This policy shall at all times be in compliance with the California Government Code and any other applicable state or federal laws and regulations. Any changes to state law or other applicable legal provisions will be reflected in subsequent policy revisions.



# SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, CA 95066-4199 • scottsvallyfire.com • 831-438-0211

TO: Hon. Board of Directors  
FROM: Mark Correira, Fire Chief  
DATE: November 12, 2025  
RE: Board Memo 2025-42: Authorization for Term Limited Retired Annuitant

## **Recommendation**

Approve the addition of one (1) temporary and term limited retired annuitant Administrative Accounting Specialist

## **BACKGROUND**

Staff is requesting authorization to hire a term-limited employee to fill a known vacancy within the District's Administration, due to a protected leave of absence mandated by state and federal law. The position to be filled is the Administrative Accounting Specialist.

This leave is expected to last approximately five months, beginning in January 2026. To ensure continuity of operations and partially maintain service levels during this period, staff proposes hiring a temporary employee, a retired annuitant, to fill this role. Administrative Services Manager Rodriguez has discussed this opportunity with the recently retired Administrative Services Manager, Alicia Walton, who is willing to assist the District in this capacity for the proposed term.

The position will be temporary and term-limited, aligned with the duration of the leave and including one to two weeks of training before the employee's departure. The assignment will conclude upon the employee's return and/or based on operational needs, consistent with Policy 1504 - Temporary Positions. The retired annuitant will be expected to work no more than sixteen (16) hours per week, typically two (2) days a week, with any additional hours requiring prior approval. The proposed salary rate will be set at Step E of the Administrative Accounting Specialist classification, prorated to an hourly wage based on hours worked. Funds for this position are included in the FY 2025/26 Final Budget to cover the related expense.



# SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, CA 95066-4199 • scottsvalleyfire.com • 831-438-0211

TO: Hon. Board of Directors  
FROM: Mark Correira, Fire Chief  
DATE: November 12, 2025  
RE: Board Memo 2025-47: Resolution 2025-15 Establishing Appropriation Limit

## **Recommendation**

Approve Resolution 2025-15.

## **BACKGROUND**

The Fire District is required to set its appropriations limits annually in accordance with Article XIII-B of the California State Constitution. The governing body must record a vote on the methodology used to establish this limit. Historically, the District and County have used the cost of living methodology, which has resulted in the highest limit. The County Auditor-Controller calculates the appropriate amount for the District.

For the 2025/26 fiscal year, passage of Resolution 2025-15 will establish the appropriations limit at \$28,751,730.00. Staff recommends approval of the Resolution.

**SCOTTS VALLEY FIRE PROTECTION DISTRICT**

**RESOLUTION NO. 2025-15**

**RESOLUTION ESTABLISHING SCOTTS VALLEY FIRE PROTECTION DISTRICT  
APPROPRIATION LIMIT FOR FISCAL YEAR 2025-2026 UNDER ARTICLE XIII-B  
OF THE CALIFORNIA CONSTITUTION, AND ESTABLISHING PERIOD FOR  
CONTESTING SUCH LIMIT**

WHEREAS, Article XIII-B of the California Constitution provides that the state and each local government shall be subject to an annual appropriation limit as defined in that Article; and

WHEREAS, Article XIII-B Section 8(e)(2) requires the Governing Body to select the change in Cost of Living methodology each year by recorded vote; and

WHEREAS, the change in the California per capita personal income provides the greatest result rather than using the local assessment roll from the preceding year; and

WHEREAS, the Auditor-Controller has computed the appropriations limit applicable to the District for fiscal year 2025-2026 and transmitted the same to the District in a letter dated October 7, 2025 and,

NOW, THEREFORE, BE IT RESOLVED, that the SCOTTS VALLEY FIRE PROTECTION DISTRICT selects the change in the California per capita personal income and the percent change within the Unincorporated jurisdiction of the County in which the special district is located methodology for use in calculating its appropriation limit for fiscal year 2025-2026; and

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the appropriation limit for the SCOTTS VALLEY FIRE PROTECTION DISTRICT for fiscal year 2025-2026 is hereby established as \$28,751,730.00 and that such appropriations limit may be adjusted at a later date in accordance with Sections 3 and 11 of Article XIII-B of the California Constitution; and,

No action or proceeding shall be brought, the purpose of which is directly or indirectly to attach, review, set aside, void or annul the appropriations limit established by this resolution unless such action or proceeding shall have been filed and served on the district within forty-five (45) days from the date this resolution is adopted in accordance with Division 9 of the Government Code.

PASSED AND ADOPTED by the Board of Directors of the Scotts Valley Fire Protection District, County of Santa Cruz, State of California, at a regular meeting held on the 12th day of November 2025, by the following roll call vote:

AYES    NOES    ABSENT    ABSTAIN

Director Adam Cosner  
Director Kris Hurst  
Director Daron Pisciotta  
Director Mike Weaver  
Director Ron Whittle

ATTEST:

\_\_\_\_\_  
Mark Correia  
Board Secretary

\_\_\_\_\_  
Adam Cosner  
Board President



# COUNTY OF SANTA CRUZ

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LAURA BOWERS  
AUDITOR-CONTROLLER-TREASURER-TAX COLLECTOR  
701 OCEAN STREET, SUITE 100, SANTA CRUZ, CA 95060-4073  
(831) 454-2500 FAX (831) 454-2660

October 7, 2025

Scotts Valley Fire Protection District  
7 Erba Lane  
Scotts Valley, CA 95066

## **SUBJECT: FISCAL YEAR 2025-2026 APPROPRIATION LIMITATION**

Dear Special District Board of Directors:

In accordance with Section 7900 et seq. of the Government Code of the State of California, you must adopt an appropriation limit by resolution each fiscal year.

We have made the required calculations and prepared a sample resolution for use by the District, both of which are attached hereto. The limit presented was prepared per Government Code 7901(b). Each special district shall select its change in population and change in non-residential growth or change in per capita income annually by a recorded vote of the governing body of the special district as outlined in the attached resolution.

Adjustments for the Fair Labor Standards Act (FLSA) and qualified capital outlay projects may be exempt from the appropriation limit.

**After adopting the Districts' appropriation limit, please provide a copy of the resolution for our files.**

Very truly yours,

LAURA BOWERS

Auditor-Controller-Treasurer-Tax Collector

by Tracy Laine, Accountant I

Attachments:

Calculation of Appropriations Subject to Limitation,  
Calculation of Adjustments to the Appropriations Limitation,  
Resolution Establishing Appropriation Limit for Fiscal Year 2025-2026

PROP 4 - SCOTTS VALLEY FIRE PROTECTION DISTRICT  
685010, 685030  
CALCULATION OF APPROPRIATIONS SUBJECT TO LIMITATION  
2025-2026

Total Appropriations	\$ 12,271,729
Adjustments	
Expenditure Appropriations:	
1. Qualified Capital Outlay Project	(2,630,000)
2. FLSA	<u>(27,538)</u>
Adjusted Appropriations	\$ <u>9,614,191</u>
Revenue Appropriations:	
1. Non-proceeds of taxes	(614,600)
2. User fees in excess of cost	0
3. Debt Service	<u>0</u>
Appropriations Subject to Limit	\$ <u><u>8,999,591</u></u>
Calculation of 2025-2026 Limit:	
2024-2025 Appropriations Limit	\$ 26,984,261
Change in Local Assessment Roll/Personal Income	<u>106.44%</u>
% Change in Population	<u>100.10%</u>
Total Change Factor	<u>106.55%</u>
2025-2026 Appropriations Limitation	\$ <u>28,751,730</u>
Amount Under Appropriations Limitation	\$ <u>(19,752,139)</u>
Excess Appropriations subject to Limitation	\$ <u><u>0</u></u>

PROP 4 - SCOTTS VALLEY FIRE PROTECTION DISTRICT  
685010, 685030  
CALCULATION OF ADJUSTMENTS TO THE APPROPRIATIONS LIMITATION  
2025-2026

QUALIFIED CAPITAL OUTLAY PROJECT

BRANCIFORTE COMMUNITY ROOM REMODEL	\$ 230,000
6000 LA MADRONA FIRE STATION	1,500,000
7 ERBA LANE SEISMIC UPGRADES	150,000
ZONA A FUND	750,000

APPROPRIATIONS FOR FIXED ASSETS \$ 2,630,000

FAIR LABOR STANDARDS ACT (FLSA) \$ 27,538

TOTAL ADJUSTMENTS TO APPROPRIATIONS \$ 2,657,538



# SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, CA 95066-4199 • scottsvalleyfire.com • 831-438-0211

TO: Hon. Board of Directors  
FROM: Mark Correira, Fire Chief  
DATE: November 12, 2025  
RE: Board Memo 2025-43: Cost Recovery Program

## **Recommendation**

None – Discussion only

## **BACKGROUND**

The purpose of this discussion item is to determine whether the Board of Directors is interested in pursuing cost recovery for motor vehicle accidents, hazardous materials (hazmat), and/or fire incidents. If the Board supports implementing a cost recovery fee for one or all of these items, staff will return at a future meeting with the necessary agreements and resolutions to authorize the District to proceed with this new program.

The Finance and Planning Committee, along with staff, met with Mike Rivera of Fire Recovery USA to discuss billing procedures for motor vehicle collisions (MVCs). Fire Recovery USA is the nation's largest cost recovery company serving fire departments across the United States. Headquartered in Roseville, CA, they were referred to the District by the Hollister Fire Department, which uses their services for cost recovery.

Fire Recovery USA provides billing services that enable fire departments to recover costs from insurance companies for specific incident types. They can bill for various incidents, including motor vehicle collisions, hazardous materials responses, water and other specialized rescues, and fires.

The company uses nationally recognized billing rates, reducing the likelihood of claims being challenged or denied by insurance providers. For example, in motor vehicle collisions, the mitigation rates charged to insurance companies range from \$618 (for scene stabilization and fluid leak checks) to \$860 (for rescue tools, hoses, breathing air, etc.). Additional items, like adding a landing zone for air-medical transport can also be included in the recovery fee. For hazmat responses, mitigation rates range from \$999 (for initial response, denying entry,

evacuation, and command setup) to \$8,420 plus \$391 per hour / per hazmat team (for Level A or B entry, decontamination, etc.). Please see Attachment A for more detail on mitigation rates.

Staff has estimated the annual cost recovery for all motor vehicle collision responses to be approximately \$61,000 per year if we were to bill for motor vehicle collisions throughout the District. This is based on an average \$710 fee, and for 70% of these incidents.

Staff is seeking direction from the Board so that the appropriate documents and information can be prepared, and brought back to a future meeting for further consideration.

## EXHIBIT A

### MITIGATION RATES

#### BASED ON PER HOUR

The mitigation rates below are average “billing levels”, and are typical for the incident responses listed, however, when a claim is submitted, it may be itemized and based on the actual services provided.

These rates are based on actual costs using amortized schedules for apparatus (including useful life, equipment, repairs, and maintenance). Labor rates include an average department’s actual burdened labor costs and not just a firefighter’s wage. These include wages, retirement, benefits, workers comp, etc.

#### MOTOR VEHICLE INCIDENTS

##### **Level 1 - \$618.00**

Provide hazardous materials assessment and scene stabilization. This will be the most common “billing level”. This occurs almost every time the fire department responds to an accident/incident.

##### **Level 2 - \$705.00**

Includes Level 1 services as well as clean up and material used (sorbents) for hazardous fluid clean up and disposal. We will bill at this level if the fire department has to clean up any gasoline or other automotive fluids that are spilled as a result of the accident/incident.

##### **Level 3 – CAR FIRE - \$860.00**

Provide scene safety, fire suppression, breathing air, rescue tools, hand tools, hose, tip use, foam, structure protection, and clean up gasoline or other automotive fluids that are spilled as a result of the accident/incident.

#### **ADD-ON SERVICES:**

##### **Extrication - \$1,859.00**

Includes heavy rescue tools, ropes, airbags, cribbing etc. This charge will be added if the fire department has to free/remove anyone from the vehicle(s) using any equipment. We will not bill at this level if the patient is simply unconscious and fire department is able to open the door to access the patient. This level is to be billed only if equipment is deployed.

##### **Creating a Landing Zone - \$567.00**

Includes Air Care (multi-engine company response, mutual aid, helicopter). We will bill at this level any time a helicopter landing zone is created and/or is utilized to transport the patient(s).

**Itemized Response:** You have the option to bill each incident as an independent event with custom mitigation rates, for each incident using, itemized rates deemed usual, customary and

reasonable (UCR). These incidents will be billed, itemized per apparatus, per personnel, plus products and equipment used.

## **HAZMAT**

### **Level 1 - \$999.00**

**Basic Response:** Claim will include engine response, first responder assignment, perimeter establishment, evacuations, set-up and command.

### **Level 2 - \$3,566.00**

**Intermediate Response:** Claim will include engine response, first responder assignment, hazmat certified team and appropriate equipment, perimeter establishment, evacuations, set-up and command, Level A or B suit donning, breathing air and detection equipment. Set-up and removal of decon center.

### **Level 3 - \$8,420.00**

**Advanced Response:** Claim will include engine response, first responder assignment, hazmat certified team and appropriate equipment, perimeter establishment, evacuations, first responder set-up and command, Level A or B suit donning, breathing air and detection equipment and robot deployment. Set-up and removal of decon center, detection equipment, recovery and identification of material. Disposal and environment clean up. Includes above in addition to any disposal rates of material and contaminated equipment and material used at scene. Includes 3 hours of on scene time - **each additional hour @ \$391.00 per HAZMAT team.**

## **FIRES**

**Assignment - \$568.00 per hour, per engine / \$711.00 per hour, per truck**

### **Includes:**

- Scene Safety
- Investigation
- Fire / Hazard Control

This will be the most common "billing level". This occurs almost every time the fire department responds to an incident.

**OPTIONAL: A fire department has the option to bill each fire as an independent event with custom mitigation rates.**

**Itemized, per person, at various pay levels and for itemized products use.**

## **ILLEGAL FIRES**

### **Assignment - \$568.00 per hour, per engine / \$711.00 per hour, per truck**

When a fire is started by any person or persons that requires a fire department response during a time or season when fires are regulated or controlled by local or state rules, provisions or ordinances because of pollution or fire danger concerns, such person or persons will be liable for the fire department response at a cost not to exceed the actual expenses incurred by the fire department to respond and contain the fire. Similarly, if a fire is started where permits are required for such a fire and the permit was not obtained and the fire department is required to respond to contain the fire the responsible party will be liable for the response at a cost not to exceed the actual expenses incurred by the fire department. The actual expenses will include direct labor, equipment costs and any other costs that can be reasonably allocated to the cost of the response.

## **WATER INCIDENTS**

### **Level 1**

**Basic Response:** Claim will include engine response, first responder assignment, perimeter establishment, evacuations, first responder set-up and command, scene safety and investigation (including possible patient contact, hazard control). This will be the most common "billing level". This occurs almost every time the fire department responds to a water incident.

**Billed at \$583 plus \$70 per hour, per rescue person.**

### **Level 2**

**Intermediate Response:** Includes Level 1 services as well as clean up and material used (sorbents), minor hazardous clean up and disposal. We will bill at this level if the fire department has to clean up small amounts of gasoline or other fluids that are spilled as a result of the incident.

**Billed at \$1,170 plus \$70 per hour, per rescue person.**

### **Level 3**

**Advanced Response:** Includes Level 1 and Level 2 services as well as D.A.R.T. activation, donning breathing apparatus and detection equipment. Set up and removal of decon center, detection equipment, recovery and identification of material. Disposal and environment clean up. Includes above in addition to any disposal rates of material and contaminated equipment and material used at scene.

**Billed at \$2,897 plus \$70 per hour per rescue person, plus \$140 per hour per HAZMAT team member.**

### **Level 4**

**Itemized Response:** You have the option to bill each incident as an independent event with custom mitigation rates for each incident using itemized rates deemed usual, customary and reasonable (UCR). These incidents will be billed, itemized, per trained rescue person, plus rescue products used.

## **BACK COUNTRY OR SPECIAL RESCUE**

**Itemized Response:** Each incident will be billed with custom mitigation rates deemed usual, customary and reasonable (UCR). These incidents will be billed, itemized per apparatus per hour, per trained rescue person per hour, plus rescue products used.

**Minimum billed \$583 plus \$70 per hour, per rescue person. Additional rates of \$583 per hour per response vehicle and \$70 per hour per rescue person.**

## **CHIEF RESPONSE**

This includes the set-up of Command and providing direction of the incident. This could include operations, safety, and administration of the incident.

**Billed at \$356 per hour.**

## **MISCELLANEOUS / ADDITIONAL TIME ON-SCENE**

### **ADDITIONAL TIME ON-SCENE** (for all levels of service)

Engine billed at \$568 per hour.

Truck billed at \$771 per hour.

Command at \$356 per hour

Miscellaneous equipment billed at \$427.

## **MITIGATION RATE NOTES**

The mitigation rates above are average “billing levels” for one hour of service, and are typical for the incident responses listed, however, when a claim is submitted, it may be itemized and based on the actual services provided.

These average mitigation rates were determined by itemizing costs for a typical run (from the time a fire apparatus leaves the station until it returns to the station) and are based on the actual costs, using amortized schedules for apparatus (including useful life, equipment, repairs, and maintenance) and labor rates (an average department’s “actual personnel expense” and not just a firefighter's basic wage). The actual personnel expense includes costs such as wages, retirement, benefits, workers comp, insurance, etc.

## **Fire Recovery USA provides funds to fire departments through Cost Recovery.**

### **We Offer Three Main Cost Recovery Programs:**

**iPad Inspection / Automated billing** - By combining technology with automation we can greatly enhance your inspection and permitting program. You inspect, we do the rest, efficiently and quickly with full transparency. We follow up on payments, have 24/7 live data reporting and the highest recovery rate in the industry.

**Self Inspection Program** - This revolutionary program provides the ability to have base level inspections for ALL businesses. It satisfies your responsibility to assure your businesses are safe. In a rotation with the full inspection above it provides the maximum ability to assure business compliance while supporting the costs of your inspection program. All with a flexible audit capability.

**Emergency Response Cost Recovery Program** - You incur significant costs responding to incidents. Appropriately recovering the costs of high impact events is becoming the new standard. Let us provide you with an estimate of your potential recovery.

## Emergency Response Cost Recovery Program

Although billing for Fire Services sounds simple, how we generate our high recovery rate is very sophisticated. Some fire departments do perform in-house billing; unfortunately, they typically see a low recovery rate (between 10-15 percent). This low rate can be attributed to the fact that the typical fire department or city is not equipped in the field of fire service billing.

**Fire Recovery USA uses advanced methods resulting in a proven higher recovery percentage - over 90% of “fluid-based” MVA runs with hazardous materials spills and over 70% of all billable events.** This is the highest recovery rate in our industry for all types of runs. So what makes us different?

We have several interesting techniques in our system including methods that we've developed during our years of billing experience that informs the responsible parties of their fiscal responsibilities. While this alone would guarantee us to equal or exceed our competitors; the real basis for our high recovery percentage is our ability to gather the necessary information to recover funds for a call that would otherwise be written off as unrecoverable by others.

What our clients really appreciate is our ability to track down the necessary information of those persons involved in the incidents. We require the least amount of information from the fire departments to create a bill (name of individual, car license number, and the name of the insurance carrier) - that's it! We have investigative techniques (both live and software-based) that allow us to find most of the necessary facts. We believe that this is our responsibility and not the fire departments'.

**Bottom line: if you employ our billing service, you will enjoy, not only our excellent customer service and training, but also be confident you have the highest recovery percentages possible.**

**There is no up-front cost to you as we only take a portion of the money we recover for you as our fee – there are no other costs to you whatsoever.**

***Fire Recovery USA offers fund recovery to local fire departments for:***

- ***Motor Vehicle Incidents***
- ***Hazmat Clean-up***
- ***Vehicle Fires***
- ***Structure Fires***
- ***Special Rescues***
- ***Water Incidents***
- ***Fire Inspections***
- ***And More ...***

# EMERGENCY RESPONSE RECOVERY

## How our system works.

### Prior to Billing

You pass ordinance that allows you to bill for various services you provide during an emergency incident. These can be all or some of the following: Motor Vehicle Incidents, which includes Accidents and Fires, Structure Fires, Marine and Water Incidents, Hazmat calls, False Alarms, Fire Investigations, and Special Rescue services.

### Billing Begins

**At The Scene of the Incident:** Your personnel will either log the data from the incident using your existing system protocol, or via our paper-based "Incident Reports".

**Upon Return to the Station:** We have the ability to harvest the billing data from many of today's most popular RMS Systems including, Firehouse, Zoll, Fire Programs, Emergency Reporting, ImageTrend, FDM, etc. If available for your RMS, our link will harvest the data information directly into our RecoveryHub site. If not, your designated personnel will submit the run using our secure RecoveryHub on-line system. When they log-on, RecoveryHub will recognize them and bring them right to your run submission page.

**After Submitting the Run:** We go to work in claim recovery. By utilizing the advanced technology in RecoveryHub, we should be able to harvest the necessary billing data for most incidents without further contact with the client, depending on the quality of the information provided by your staff.

Virtually all of our interaction is with the at-fault individual and their insurance company. We will determine the existing claim number (or create a new claim with the insurance carrier), bill the individual and submit the claim to the insurance company, provide followup proof of laws, legal documents, and other information, and finally, recover the funds.

**Our Processing Center:** After receiving the run, we assign it to a claim representative. Their job is to track down the individual and existing claim or create a claim with the appropriate insurance carriers and/or responsible parties. We work with the insurance companies involved and/or the police to determine who is responsible if necessary for payment.

Our Processing Center sends the initial claim to the responsible party and their insurance tracks the response(s) and begins to plan for approval of the claim. If initially denied, the claim then moves to our escalation team who responds to the reasons for the denial, provides the responsible party(s) of laws pertaining to the claim, and strategizes the most effective way to counter further denials of this claim. **Fire Recovery USA uses advanced methods resulting in a proven higher recovery percentage - over 90% of "fluid-based" MVA runs with hazardous materials spills and over 70% of all billable events.**

**Viewing or Printing Reports is Available 24/7:** The main benefit of this program is our exclusive 24/7 "Real-Time" information and status access through our RecoveryHub

website. You'll never again have to wait for your data or reports. You can access from virtually any computer, anywhere in the world.

The status of each run (Current or Archived) is available 24/7, online, on RecoveryHub. This will both provide immediate account information, but also allow you to forecast incoming funds and plan for their use.

### **Payment of Runs**

On or before the 7<sup>th</sup> of each month, we issue a check for all payments received prior to the previous month's cut-off date (typically the 24<sup>th</sup>), minus our collection fee. This payment will also include an itemized breakdown of what runs the check is paid against.



## ***BILLING FOR STRUCTURE FIRES***

How we bill for structure fires:

When a Fire Department submits a run to us for a structure fire.

Most personal lines insurance policies (homeowners) have a \$500 limit for fire department responses but all policies are different so this may vary. Some insurance companies require the property owner to file the claim, in which case we would have to send a bill directly to the property owner and they will then have to submit the bill to their insurance company. If and when an insurance company pays our invoice, they will often pay the policyholder directly as that is technically who their contract is with. For us to collect that money on your behalf we will need to be able to bill that policyholder directly. The account is sent to collections if the policyholder has received payment and does not forward the check. If the insurance company pays the policyholder directly and you are not willing to allow us to bill the policyholder directly, we cannot bill structure fires for you.

Renters insurance does not cover structure fires. These policies only cover the tenant/renters contents. We must have the actual homeowner/property owner's name, address, and insurance information to successfully bill this.

Commercial Structure Fires are structured similarly but we have to consider the commercial insurance deductible in these cases. If a commercial policy has a \$5,000 deductible, for example, and the loss does not exceed that amount or is close to that amount the insured may not file a claim with their insurance company. If we submit an invoice on your behalf for \$750 for a commercial structure fire response, the insured may not submit to their commercial insurance as the loss may be below the deductible. In this case, we have no choice but to bill this directly to the policyholder as a claim was not filed with the insurance company.

If you are unwilling or unable to bill directly for fires, please do not submit structure fire responses to us for cost recovery.

# Scotts Valley Fire Protection District

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## NOTICE OF PUBLIC HEARING

Notice is hereby given that the Board of Directors of the Scotts Valley Fire Protection District will hold a public hearing to consider adoption of Ordinance No. 2025-2, An ordinance of the Scotts Valley Fire Protection District adopting the 2025 edition of the California Fire Code, regulating and governing the safeguarding of life and property from fire and explosion hazards arising from the storage, handling and use of hazardous substances, materials and devices, and from conditions hazardous to life or property in the occupancy of buildings and premises in the Scotts Valley Fire Protection District providing for the issuance of permits and collection of fees therefore; repealing the Previous Adoption of the 2025 California Fire Code and all other ordinances and parts of the ordinances in conflict therewith.

A copy of the proposed Ordinance is available for public review by appointment at the District Administrative Office, 251 Glenwood Drive, Scotts Valley, California, and on the District's website at [www.scottsvalleyfire.com](http://www.scottsvalleyfire.com)

### **Public Hearing Date & Location:**

November 12, 2025 at 7:00 p.m.  
Scotts Valley City Hall Council Chambers  
1 Civic Center Drive, Scotts Valley, California

At the time and place stated above, any interested person may appear and be heard.

By order of the Board of Directors  
Scotts Valley Fire Protection District  
By: Mark Correira, Fire Chief

Publication Dates: October 24, 2025 and October 31, 2025 (Pub SCT 10/24, 10/31)



# SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, CA 95066-4199 • scottsvalleyfire.com • 831-438-0211

To: Board of Directors  
From: Erin Collins, Fire Marshal  
Date: November 12, 2025  
Subject: Board Memo 2025-50: Adoption of 2025 California Fire Code and the 2024 International Fire Code

## **Recommendation:**

1. Public Hearing – Open a public hearing to receive any comments regarding the adoption of Ordinance 2025-2. After hearing all comments, close the public hearing. The Board may act upon comments as deemed necessary or appropriate.
2. Environmental Checklist – Approve the Environmental Checklist as submitted and direct the Fire Chief to make the appropriate filings.
3. Reading of Ordinance – Dispense with the full reading of Ordinance 2025-2 due to time constraints. Copies have been available for public review at the Administrative Office since September 24, 2025.
4. Adoption of Ordinance – Adopt Ordinance 2025-2: An Ordinance Adopting the 2025 California and 2024 International Fire Codes with amendments.

## **Background**

On September 23, 2025, the Board was introduced to the proposed ordinance. At that time the Board took the following actions:

- Adopted Resolution 2025-11: Notice of Intent to adopt the 2024 International & 2025 California Fire Codes with Amendments, and set this meeting for a public hearing. As directed, staff posted noticed of this hearing in accordance with California Government Code §54954.2
- Adopted Resolution 2025-12: Resolution Finding Modification of State Housing Law, and directed staff to forward a copy of the findings, with a copy of proposed Ordinance 2025-2, to the Santa Cruz County Board of Supervisors and Scotts Valley City Council for review and comment

- Directed staff to make available copies of proposed Ordinance 2025-2 for review by the public in-lieu of the first reading
- Adopted Resolution 2025-13: Notice of intent to Adopt a Negative Declaration, and directed staff to prepare the Environmental Checklist for consideration at this meeting as necessary to adopt a negative declaration in accordance with Public Resources Code §21152

Ordinance 2025-2 proposes adoption of the 2024 International Fire Code and the 2025 California Fire Code with local amendments. The California Health and Safety Code establishes a specific process for adopting the Fire Code, including procedural requirements and timelines. As part of this process, the District must update and adopt the most current model codes with amendments approximately every three years.

Following the first reading, the District solicited comments from the County Board of Supervisors, the City Council, and the general public. No comments have been received.

### **Discussion**

To complete the adoption of Ordinance 2025-2, the Board must take the following actions:

1. Conduct a public hearing on Ordinance 2025-2: An Ordinance Adopting the 2025 California and 2024 International Fire Codes with Amendments.
2. Accept the Environmental Checklist as prepared and direct the Fire Chief to file a Notice of Determination for a Negative Declaration, as required.
3. Adopt Ordinance 2025-2: An Ordinance Adopting the 2025 California and 2024 International Fire Codes with Amendments.

# INITIAL STUDY

## ENVIRONMENTAL CHECKLIST FORM

### I. Background

1. Name of Proponent: Scotts Valley Fire Protection District
2. Address and Phone Number of Proponent:  
7 Erba Lane Scotts Valley, CA 95066 (831) 438-0212
3. Date of Check list Submitted: September 23, 2025

Name of Proposal (if applicable): Adoption of the Scotts Valley Fire Protection District Fire Code and prescribing regulations governing conditions hazardous to life and property from fire and explosion, and providing for the issuance of permits.

### II. Environmental Impacts

	<u>Yes</u>	<u>Maybe</u>	<u>No</u>
1. <b>Earth.</b> Will the proposal result in:			
a. Unstable earth conditions or in changes in geologic substructures?	_____	_____	<u>  X  </u>
b. Disruptions, displacements, compaction or over-covering of the soil?	_____	_____	<u>  X  </u>
c. Change in topography or ground surface relief features?	_____	_____	<u>  X  </u>
d. The destruction, covering or modification of any unique geologic or physical features?	_____	_____	<u>  X  </u>
e. Any increase in wind or water erosion of soils, either on or off the site?	_____	_____	<u>  X  </u>
f. Changes in deposition or erosion of beach sands, or changes in siltation, deposition or erosion which may modify the channel of a river or stream or the bed of the ocean or any bay, inlet or lake?	_____	_____	<u>  X  </u>
g. Exposure of people or property to geologic hazards such as earthquakes, landslides, mudslides, ground failure, or similar hazards?	_____	_____	<u>  X  </u>

	<u>Yes</u>	<u>Maybe</u>	<u>No</u>
2. <b>Air.</b> Will the proposal result in:			
a. Substantial air emissions or deterioration of ambient air quality?	_____	_____	_____ <u>X</u> _____
b. The creation of objectionable odors?	_____	_____	_____ <u>X</u> _____
c. Alteration of air movement, moisture, or temperature, or any change in climate, either locally or regionally?	_____	_____	_____ <u>X</u> _____
3. <b>Water.</b> Will the proposal result in:			
a. Changes in currents, or the course or direction of water movements, in either marine or fresh water?	_____	_____	_____ <u>X</u> _____
b. Changes in absorption rates, drainage patterns, or the rate and amount of surface runoff?	_____	_____	_____ <u>X</u> _____
c. Alterations to the course or low of flood waters?	_____	_____	_____ <u>X</u> _____
d. Change in the amount of surface water in any water body?	_____	_____	_____ <u>X</u> _____
e. Discharge into surface waters, or in any alteration of surface water quality, including but not limited to temperature, dissolved oxygen or turbidity?	_____	_____	_____ <u>X</u> _____
f. Alteration of the direction or rate of flow of ground waters?	_____	_____	_____ <u>X</u> _____
g. Change in the quantity of ground waters, either through direct additions or withdrawals, or through interception of an aquifer by cuts or excavations?	_____	_____	_____ <u>X</u> _____
h. Substantial reduction in the amount of water otherwise available for public water supplies?	_____	_____	_____ <u>X</u> _____
i. Exposure of people or property to water related hazards such as flooding or tidal waves?	_____	_____	_____ <u>X</u> _____
4. <b>Plant Life.</b> Will the proposal result in:			
a. Change in the diversity of species, or number of any species of plants (including trees, shrubs, grass, crops, and aquatic plants)?	_____	_____	_____ <u>X</u> _____

	<u>Yes</u>	<u>Maybe</u>	<u>No</u>
b. Reduction of the numbers of any unique, rare or endangered species of plants?	_____	_____	_____ <u>X</u> _____
c. Introduction of new species of plants into an area, or in a barrier to the normal replenishment of existing species?	_____	_____	_____ <u>X</u> _____
d. Reduction in acreage of any agricultural crop?	_____	_____	_____ <u>X</u> _____
<b>5. Animal Life.</b> Will the proposal result in:			
a. Changes in the diversity of species, or numbers of any species of animals (birds, land animals including reptiles, fish and shellfish, benthic organisms or insects)?	_____	_____	_____ <u>X</u> _____
b. Reduction of the numbers of any unique, rare or endangered species of animals?	_____	_____	_____ <u>X</u> _____
c. Introduction of new species of animals into an area, or result in a barrier to the migration or movement of animals?	_____	_____	_____ <u>X</u> _____
d. Deterioration to existing fish or wildlife habitat?	_____	_____	_____ <u>X</u> _____
<b>6. Noise.</b> Will the proposal result in:			
a. Increases in existing noise levels?	_____	_____	_____ <u>X</u> _____
b. Exposure of people to severe noise levels?	_____	_____	_____ <u>X</u> _____
<b>7. Light and Glare.</b> Will the proposal produce new light or glare?			
	_____	_____	_____ <u>X</u> _____
<b>8. Land Use.</b> Will the proposal result in a substantial alteration of the present or planned land use of the area?			
	_____	_____	_____ <u>X</u> _____
<b>9. Natural Resources.</b> Will the Proposal result in:			
a. Increase in the rate of use of any natural resources?	_____	_____	_____ <u>X</u> _____
<b>10. Risk of Upset.</b> Will the proposal involve:			
a. A risk of an explosion or the release of hazardous substances (including, but not limited to, oil, pesticides, chemicals or radiation) in the event of an accident or upset conditions?	_____	_____ <u>X</u> _____	_____

	<u>Yes</u>	<u>Maybe</u>	<u>No</u>
b. Possible interference with an emergency response plan or an emergency evacuation plan?	_____	_____	_____ <u>X</u> _____
11. <b>Population.</b> Will the proposal alter the location, distribution, density, or growth rate of the human population of an area?	_____	_____	_____ <u>X</u> _____
12. <b>Housing.</b> Will the proposal affect existing housing, or create a demand for additional housing?	_____	_____	_____ <u>X</u> _____
13. <b>Transportation/Circulation.</b> Will the proposal result in:			
a. Generation of substantial additional vehicular movement?	_____	_____	_____ <u>X</u> _____
b. Effects on existing parking facilities, or demand for new parking?	_____	_____	_____ <u>X</u> _____
c. Substantial impact upon existing transportation systems?	_____	_____	_____ <u>X</u> _____
d. Alternatives to present patterns of circulation or movement of people and/or goods?	_____	_____ <u>X</u> _____	_____ _____
e. Alterations to waterborne, rail or air traffic?	_____	_____	_____ <u>X</u> _____
f. Increase in traffic hazards to motor vehicles, bicyclists or pedestrians?	_____	_____	_____ <u>X</u> _____
14. <b>Public Services.</b> Will the proposal have an effect upon, or result in a need for new or altered governmental services in any of the following areas:			
a. Fire Protection?	_____	_____	_____ <u>X</u> _____
b. Police Protection?	_____	_____	_____ <u>X</u> _____
c. Schools?	_____	_____	_____ <u>X</u> _____
d. Parks or other recreational facilities?	_____	_____	_____ <u>X</u> _____
e. Maintenance of public facilities, including roads?	_____	_____	_____ <u>X</u> _____
f. Other government services?	_____	_____	_____ <u>X</u> _____
15. <b>Energy.</b> Will the proposal result in:			
a. Use of substantial amounts of fuel or energy?	_____	_____	_____ <u>X</u> _____

	<u>Yes</u>	<u>Maybe</u>	<u>No</u>
b. Substantial increase in demand upon existing sources of energy, or require the development of new sources of energy?	_____	_____	<u>  X  </u>
<b>16. Utilities.</b> Will the proposal result in a need for new systems, or substantial alterations to the following utilities:			
a. Power or natural gas	_____	_____	<u>  X  </u>
b. Communications systems	_____	_____	<u>  X  </u>
c. Water	_____	_____	<u>  X  </u>
d. Sewer or septic tanks	_____	_____	<u>  X  </u>
e. Storm water drainage	_____	_____	<u>  X  </u>
f. Solid waste disposal	_____	_____	<u>  X  </u>
<b>17. Human Health.</b> Will the proposal result in:			
a. Creation of any health hazard or potential health hazard (excluding mental health)?	_____	_____	<u>  X  </u>
b. Exposure of people to potential health hazards?	_____	<u>  X  </u>	_____
<b>18. Aesthetics.</b> Will the proposal result in the obstruction of any scenic vista or view open to the public, or will the proposal result in the creation of an aesthetically offensive site open to public view?	_____	_____	<u>  X  </u>
<b>19. Recreation.</b> Will the proposal result in an impact upon the quality or quantity of existing recreational opportunities?	_____	_____	<u>  X  </u>
<b>20. Cultural Resources.</b>			
a. Will the proposal result in the alteration of or the destruction of a prehistoric or historic archaeological site?	_____	_____	<u>  X  </u>
b. Will the proposal result in adverse physical or aesthetic effects to a prehistoric or historic building, structure, or object?	_____	_____	<u>  X  </u>
c. Does the proposal have the potential to cause a physical change which would affect unique ethnic cultural values?	_____	_____	<u>  X  </u>
d. Will the proposal restrict existing religious or sacred uses within the potential impact area?	_____	_____	<u>  X  </u>

Yes      Maybe      No

**21. Mandatory findings of Significance**

- a. Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?  

\_\_\_\_\_      \_\_\_\_\_        X
  
- b. Does the project have the potential to achieve short-term, to the disadvantage of long-term, environmental goals? (A short-term impact on the environment is one which occurs in a relatively brief, definitive period of time while long-term impacts will endure well into the future.)  

\_\_\_\_\_      \_\_\_\_\_        X
  
- c. Does the project have impacts which are individually limited, but cumulatively considerable? (A project may impact on two or more separate resources where the impact on each resource is relatively small, but where the effect of the total of those impacts on the environment is significant.)  

\_\_\_\_\_      \_\_\_\_\_        X
  
- d. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?  

\_\_\_\_\_      \_\_\_\_\_        X

**III. Discussion of Environmental Evaluation**

- 10.a. Because provisions of the Ordinance would govern the control and disposition of certain situations hazardous to life and property resulting from fire and explosion, and would control the potential for fire and explosion, through imposing certain standards and/or procedures, it is possible that in implementing provisions of the Ordinance there may be a risk of upset. The intent and purpose of the Ordinance is to alleviate same, and as a result there should be no significant adverse impact on the environment.
  
- 13.d. To the extent that the Ordinance requires a certain type and kind of response to conditions hazardous to life, the environment and property resulting from fire and explosion based on the location and time of day for required response, there may be alterations to the present patterns of circulation or movement of people and/or goods, but, because the project would establish standards for the

safeguarding or protection of that circulation or movement, there is no possibility of an adverse impact on the environment.

- 17.b. Conditions that are hazardous to life, the environment and property may occur which would be subject to standards or procedures authorized by the Ordinance. Due to this, there is the potential for exposure of people to health impacts. However, it is the intent and purpose of the Ordinance to alleviate hazardous conditions, thus alleviating an adverse impact to the environment.

#### **IV. Determination**

On the basis of this initial evaluation, I find that the project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

Date: November 12, 2025

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Signature: Mark Correia  
Fire Chief  
Scotts Valley Fire Protection District

**Scotts Valley Fire Protection District  
Fire Code**

**ORDINANCE NO. 2025-2**

**An ordinance of the Scotts Valley Fire Protection District adopting the 2025 edition of the California Fire Code, regulating and governing the safeguarding of life and property from fire and explosion hazards arising from the storage, handling and use of hazardous substances, materials and devices, and from conditions hazardous to life or property in the occupancy of buildings and premises in the Scotts Valley Fire Protection District providing for the issuance of permits and collection of fees therefore; repealing the Previous Adoption of the 2025 California Fire Code and all other ordinances and parts of the ordinances in conflict therewith.**

**PART 1**

**The Scotts Valley Fire Protection District Fire Code does ordain as follows:**

That portion of the 2025 California Fire Code that imposes substantially the same requirements as are contained in the International Fire Code, 2024 Edition published by the International Code Council and the California Building Standards Commission with Errata, together with those portions of the International Fire Code, 2024 Edition, including Appendices D, I, N and O as published by the International Code Council not included in the California Fire Code, and Appendix P as published by the California Building Standards Commission as modified and amended by this ordinance, are adopted by this reference into this code, and are hereby collectively declared to be the Fire Code of the Scotts Valley Fire Protection District, in the State of California regulating and governing the safeguarding of life and property from fire and explosion hazards arising from the storage, handling and use of hazardous substances, materials and devices, and from conditions hazardous to life or property in the occupancy of buildings and premises as herein provided; providing for the issuance of permits and collection of fees for same; and each and all of the regulations, provisions, penalties, conditions and terms of said Fire Code on file in the office of the Scotts Valley Fire Protection District are hereby referred to, adopted, and made a part hereof, as if fully set out in this ordinance, with the additions, insertions, deletions and changes, if any, prescribed in Part 2 of this ordinance.

**PART 2**

**Ordinance No. 2022-1 of the Scotts Valley Fire Protection District is hereby repealed and replaced with Ordinance 2025-2 to read as follows:**

**California Fire Code Adopted.**

That portion of the 2025 California Fire Code that imposes substantially the same requirements as are contained in the International Fire Code, 2024 Edition published by the International Code Council and the California Building Standards Commission with errata, together with those portions of the International Fire Code, 2024 Edition, including Appendices D, I, N and O published by the International Code Council not included in the 2025 California Fire Code, and Appendix P as published by the California Building Standards Commission as modified and amended by this ordinance, are adopted by this reference into code, and are hereby collectively declared to be the Fire Code of the Scotts Valley Fire Protection District for the purpose of regulating and governing the safeguarding of life, property and public welfare to a reasonable degree from the hazards of fire, hazardous materials release and explosion arising from the storage, use and handling of dangerous and hazardous materials, substances and devices, conditions hazardous to life or property in the occupancy and use of buildings and premises, the operation, installation, construction, location, safeguarding and maintenance of attendant equipment, the installation and maintenance of adequate means of egress not provided for by the building code, and providing for the issuance of permits and collection of fees for same.

**Section 25.101.1 is amended – Title.**

Section 101.1 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.101.1 - Title.** These regulations shall be known as the Fire Code of the Scotts Valley Fire Protection District, hereinafter referred to as “this code.”

**Section 25.102.1 is amended – Construction and design provisions.**

Section 102.1 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.102.1 - Construction and design provisions.** The construction and design provisions of this code shall apply to:

1. Structures, facilities and conditions arising after the adoption of this code.
2. Existing structures, facilities and conditions not legally in existence at the time of adoption of this code.
3. Existing structures, facilities and conditions where required in Chapter 11.
4. Existing structures, facilities and conditions that, in the opinion of the fire code official, constitute a distinct hazard to life or property.
5. Existing Structures, Alterations and Repairs. All new work performed in alterations and/or repairs to existing structures shall comply with the current provisions of this Chapter. When alterations and/or repairs result in the removal, alteration, modification, replacement and/or repair of fifty percent or more of the external walls of a building, or result in the removal, modification, replacement and/or repair of fifty percent or more of the existing internal structural and/or non-structural framework, independently or in combination thereof, within a five year period, the entire building shall be made to conform to the current provisions of this chapter. The determination under this section of the requirement for upgrading any existing structure to full conformance with current provisions of this Chapter shall be at the sole discretion of the Fire Code Official.

**Section 25.102.9 is amended - Matters not provided for.**

Section 102.9 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.102.9 - Matters not provided for.** Requirements that are essential for the public safety of an existing or proposed activity, building or structure, or for the safety of the occupants thereof, which are not specifically provided for by this code shall be determined by the fire code official.

The fire chief is authorized to render interpretations of this code and to make and enforce rules, supplemental regulations and standards in order to carry out the application and intent of its provisions. Such interpretations, rules, regulations and standards shall be in conformance with the intent and purpose of this code and shall be available to the public during normal business hours. Those standards promulgated by the Santa Cruz County Fire Chiefs Association shall be deemed as prima facie evidence of compliance with this code.

**Section 25.103.5 is added – Law enforcement powers.**

Section 103.5 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

**25.103.5 - Law enforcement powers.** The fire code official and his/her deputies shall have the powers of law enforcement officers in performing their duties under this code. When requested to do so by the fire code official, the chief of police or county sheriff of the jurisdiction is authorized to assign such available law enforcement as necessary to assist the fire code official with enforcing the provisions of this code.

**Section 25.105.1 is amended – General.**

Section 105 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.105.1 - General.** Permits shall be in accordance with Sections 105.1.1. through 105.6.25 or other provisions of this code as required by the jurisdiction having authority. When required by the fire code official, a permit shall be obtained. Permit fees, if any, shall be paid prior to issuance of the permit. Issued permits shall be kept on the premises designated therein at all times and shall be readily available for inspection by the fire code official.

**Sections 112.1 through 112.4 are deleted and replaced – Means of Appeals.**

Sections 112.1 through 112.4 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District are deleted and replaced to read as follows:

**Section 25.112.1 is added - Board of appeals established.**

Section 112.1 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

**25.112.1—Board of appeals established.** In order to hear and decide appeals of orders, decisions or determinations made by the fire code official relative to the application and interpretation of this code, there shall be and is hereby created a Board of Appeals. The Board of Appeals shall be:

1. For the Santa Cruz County Fire Department, the Board of Supervisors of Santa Cruz County, or a sub-committee as appointed by the Board of Supervisors of Santa Cruz County; or,
2. For the independent Fire Districts in Santa Cruz County, the Board of Directors of the Fire District, or a sub-committee as appointed by the Board of Directors of the Fire District.

The fire code official shall be an ex-officio member of said board but shall have no vote on any matter before the board. The board may adopt additional rules of procedure for conducting its business and shall render all decisions and findings in writing to the appellant with a duplicate copy to the fire code official.

**Section 25.112.2 is added – Limitations on Authority.**

Section 112.2 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

**25.112.2 Limitations on Authority.** An application for appeal shall be based on a claim that the true intent of this code or the rules legally adopted thereunder have been incorrectly interpreted, the provisions of this code do not fully apply or an equivalent or better form of construction is proposed. The board shall not have authority to waive requirements of this code or interpret the administration of this code.

**Section 25.112.3 is added - Qualifications.**

Section 112.3 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

**25.112.3 Qualifications.** The board of appeals shall consist of members who are qualified by experience and training to pass on matters pertaining to hazards of fire, explosions, hazardous conditions or fire protection systems, and are not employees of the jurisdiction.

**25.112.4 is added – Appeals process.**

112.4 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

**25.112.4.1 - Initiating appeal.** Any beneficially interested party has the right to appeal the order served by the fire code official by filing a written "NOTICE OF APPEAL" with the office of the fire code official within

fourteen (14) days after service of such order. The notice shall state the order appealed from, the identity and mailing address of the appellant, and the specific grounds upon which the appeal is made.

**25.112.4.2 - Stay of order.** The filing of a properly completed notice of appeal shall have the effect of staying the implementation of the order appealed from, until the final decision of appeal.

**Exception:** Orders affecting acts or conditions which in the opinion of the fire code official, pose an immediate threat to life, property, or the environment as a result of panic, fire, explosion, or release.

**25.112.4.3 - Hearing of appeal.** Following is the process for establishing and hearing appeals:

1. The Board of Appeals, or the secretary thereof, shall set the matter to be heard at a date within thirty days of receipt of such notice of appeal. Written notice of the time and place set for hearing shall be served on the appellant by first class mail to the mailing address given in the notice of appeal at least five days prior to the date set for the hearing. The fire code official shall transmit to the Board of Appeals all records related to the appeal.
2. At the hearing on the appeal, the appellant shall, in the first instance present evidence in support of the grounds enumerated in her/his notice of appeal. The fire code official shall next present evidence in support of her/his order. The appellant and the fire code official shall each have one opportunity to rebut the evidence presented by the other. The hearing shall be de novo in all respects.

**25.112.4.4 - Decision of the board of appeals.** Upon hearing the appeal, the Board of Appeals may issue a decision affirming, modifying or vacating the order of the fire code official. The decision shall be in writing and shall be served upon the appellant by first class mail to the mailing address given in the notice of appeal.

**25.112.4.5 - Time of decision.** The Board of Appeals shall have the power to continue any hearing and may, in its discretion, take the appeal under submission. The Board of Appeals shall render a decision not later than the seventh day following the date the matter was taken under submission, and forthwith notify the interested parties as previously set forth.

**Section 25.113.4 is amended – Violation penalties.**

Section 113.4 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.113.4 - Violation penalties.** Persons who shall violate a provision of this code or shall fail to comply with any of the requirements thereof or who shall erect, install, alter, repair or do work in violation of the approved construction documents, or of a permit or certificate used under provisions of this code, shall be guilty of an infraction.

Acts denominated as infractions shall not be punishable by imprisonment. Every violation determined to be an infraction is punishable by:

1. A fine not exceeding one hundred dollars for a first violation;
2. A fine not exceeding two hundred dollars for a second violation of the same provision of this code within one year;
3. A fine not exceeding five hundred dollars for each additional violation of the same provision of this code within one year.

A person charged with an infraction shall not be entitled to a trial by jury. A judgment that a person convicted of an infraction be punished by fine may also provide for the payment to be made within a specified time or in specified installments, contingent upon the person giving his written promise to either pay the fine as provided or to appear in court on the due date. Any person who willfully violates any such written promise is guilty of a misdemeanor.

Each day that a violation continues after due notice has been served shall be deemed a separate offense.

**Section 25.113.4.1 is amended – Abatement of violation.**

Section 113.4.1 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.113.4.1 - Abatement of violation.** In addition to the imposition of the penalties herein described, the fire code official is authorized to institute appropriate action to prevent unlawful construction or to restrain, correct or abate a violation; or to prevent illegal occupancy of a structure or premises; or to stop an illegal act, conduct of business or occupancy of a structure on or about any premises. Any violation of this code shall be deemed a public nuisance pursuant to Santa Cruz County Code Section 1.12.050 and/or the County of Santa Cruz Fire Code. In the event that a public nuisance is not abated in accordance with the fire code official's order or the order of the Board of Appeals, if any, the fire code official may, upon securing approval of the Board of Supervisors of the County of Santa Cruz, or if violation is in a fire district, the Board of Directors of said District, proceed to abate the nuisance by force account, contract, or any other method deemed most expedient by the Board. The cost of such abatement may be charged to the owner of record or assessed to the property in a manner provided in Sections 1.14.040 through 1.14.080 of the County of Santa Cruz Fire Code.

**Section 25.113.4.2 is added – Enforcement.**

Section 113.4.2 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

**25.113.4.2 - Enforcement.** The fire code official and her/his delegated subordinates, pursuant to the provisions of Section 836.5 of the Penal Code of the State of California, are hereby authorized to arrest a person without a warrant whenever they have reasonable cause to believe that the person has committed a violation of any of the provisions of this Code in their presence.

Upon making such an arrest, the fire code official or her/his delegated subordinate shall prepare a citation and release the person arrested pursuant to Section 853.6 of the Penal Code of the State of California, the provisions of which are hereby adopted by reference as part of this Section.

**Section 25.114.4 is amended – Failure to comply.**

Section 114.4 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.114.4 - Failure to comply.** It is unlawful for any person, firm or corporation to violate or fail to comply with any lawful order of the fire code official; fail to comply with an order by the Board of Appeals; or, fail to comply with an order of the court of competent jurisdiction within the time fixed therein. Every such violation shall be deemed a misdemeanor and shall be punishable by a fine of not more than \$500.00 plus court assigned fees or by imprisonment not exceeding 1 year in the county jail, or both such fine and imprisonment.

**Section 25.202 is amended – Definition of All-Weather Surface.**

Definition of All-Weather Surface in Section 202 of Chapter 2 of the Fire Code of Scotts Valley Fire Protection District is added after Alcohol-Blended Fuels to read as follows:

**ALL WEATHER SURFACE.** An all-weather surface shall be a minimum of 6" of compacted Class II base rock for grades up to and including 5%, oil and screened for grades up to and including 15%, and asphaltic concrete for grades exceeding 15%. No grade shall be allowed to exceed 16% in State Responsibility Area (SRA) or 20% in Local Responsibility Area (LRA).

**Section 25.202 is amended – Definition of Bridge.**

Definition of Bridge in Section 202 of Chapter 2 of the Fire Code of the Scotts Valley Fire Protection District is added after Breakout to read as follows:

**BRIDGE.** A bridge shall be defined as a structure designed to carry a roadway over a depression or obstacle.

**Section 25.202 is amended – Definition of De Novo.**

Definition of De Novo in Section 202 of Chapter 2 of the Fire Code of the Scotts Valley Fire Protection District is added after Deluge System to read as follows:

**DE NOVO.** adj. Latin for "anew," which means starting over, as in a trial de novo. For example, a decision in a small claims case may be appealed to a local trial court, which may try the case again, de novo.

**Section 25.202 is amended – Definition of Greenhouse.**

Definition of Greenhouse in Section 202 of Chapter 2 of the Fire Code of the Scotts Valley Fire Protection District is added after Grandstand to read as follows:

**GREENHOUSE.** A greenhouse is a structure with walls and roof made chiefly of a non-combustible, transparent material, such as glass, in which plants requiring regulated climatic conditions are grown. Construction within the greenhouse is also of a non-combustible nature.

**Section 25.202 is amended – Definition of Local Responsibility Area (LRA).**

Definition of Local Responsibility Area (LRA) in Section 202 of Chapter 2 of the Fire Code of the Scotts Valley Fire Protection District is added after Listed to read as follows:

**LOCAL RESPONSIBILITY AREA (LRA).** Shall mean lands on which neither the state nor the federal government has any legal responsibility for providing fire protection. Local responsibility areas include incorporated cities and cultivated agriculture lands. Local responsibility area fire protection is typically provided by city fire departments, fire protection districts, special districts, counties, and by CAL FIRE under contract to local government.

**Section 25.202 is amended – Definition of Stage.**

Definition of Stage in Section 202 of Chapter 2 of the Fire Code of the Scotts Valley Fire Protection District is added after Sprinkler Express Riser to read as follows:

**STAGE.** A space within a building utilized for entertainment or presentations, which includes overhead hanging curtains, drops, scenery or stage effects other than lighting and sound. Stage area shall be measured to include the entire performance area and adjacent backstage and support areas not separated from the performance area by fire-resistance rated construction. Stage height shall be measured from the lowest point on the stage floor to the highest point of the roof or floor deck above the stage.

**Section 25.202 is amended – Definition of State Responsibility Area (SRA).**

Definition of State Responsibility Area (SRA) in Section 202 of Chapter 2 of the Fire Code of the Scotts Valley Fire Protection District is added after Standpipe System, Classes Of to read as follows:

**STATE RESPONSIBILITY AREA (SRA).** Shall mean lands that are classified by the Board of Forestry pursuant to Public Resources Code Section 4125-4127; and the California Code of Regulations, Title 14, Division 1.5, Chapter 7, Article 1, Sections 1220-1220.5 where the financial responsibility of preventing and suppressing forest fires is primarily the responsibility of the State of California.

**Section 25.202 is amended – Definition of Turnaround.**

Definition of Turnaround in Section 202 of Chapter 2 of the Fire Code of the Scotts Valley Fire Protection District is added after Tube Trailer to read as follows:

**TURNAROUND.** A roadway, unobstructed by parking, which allows for a safe opposite change of direction for emergency equipment. Maximum grade in all directions may not exceed 5% and maximum distance from the structure is 150 feet (45,720 mm) or as approved by the fire code official. Design of such area may be found in Santa Cruz County Fire Prevention Officers Standards.

**Section 25.202 is amended – Definition of Turnout.**

Definition of Turnout in Section 202 of Chapter 2 of the Fire Code of the Scotts Valley Fire Protection District is added after Turnaround to read as follows:

**TURNOUT.** A widening in a roadway to allow vehicles to pass. Design of such area may be found in Santa Cruz County Fire Prevention Officers Standards.

**Section 25.304.1.3 is amended - Vegetation.**

Section 304.1.3 of Chapter 3 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.304.1.3 - Vegetation.** Weeds, grass, vines or other growth that is capable of being ignited and endangering property, shall be cut down and removed by the owner or occupant of the premises. Vegetation clearance requirements in urban-wildland interface areas shall be maintained around and adjacent to buildings and structures. A firebreak shall be made by removing and clearing away, for a distance of not less than 30 feet on each side of the building or structure or to the property line, whichever is nearer, all flammable vegetation or other combustible growth. This does not apply to single specimens of trees or other vegetation that is well-pruned and maintained so as to effectively manage fuels and not form a means of rapidly transmitting fire from other nearby vegetation to any building or structure.

When required by state law, or local ordinance, rule or regulation, an additional fire protection zone or firebreak may be made by removing all brush, flammable vegetation, or combustible growth that is located within 100 feet from the building or structure or to the property line. This section does not prevent an insurance company that insures a building or structure from requiring the owner of the building or structure to maintain a firebreak of more than 100 feet around the building or structure. Grass and other vegetation located more than 30 feet from the building or structure and less than 18 inches in height above the ground may be maintained where necessary to stabilize the soil and prevent erosion. This does not apply to single specimens of trees or other vegetation that is well-pruned and maintained so as to effectively manage fuels and not form a means of rapidly transmitting fire from other nearby vegetation to a dwelling or structure.

Vegetation clearance requirements in the wildland-urban interface areas shall be in accordance with Part 7 of Title 24 California Code of Regulations (California Wildland-Urban Interface Code).

**Section 25.305.4 is amended – Deliberate or negligent burning**

Section 305.4 of Chapter 3 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.305.4 Deliberate or negligent burning.** It shall be unlawful to deliberately or through negligence set fire to or cause the burning of combustible material in such a manner as to endanger the safety of persons or property. Any person or entity violating this section is guilty of a misdemeanor; however, any violation of this section may, in the discretion of the district attorney, be charged and prosecuted as an infraction.

**Section 25.307.2 is amended – Permit required.**

Section 307.2 of Chapter 3 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.307.2 - Permit required.** When required by the CAL FIRE Fire Chief for the San Mateo-Santa Cruz Unit, a permit shall be obtained from the fire code official in accordance with Section 105.6 prior to kindling a fire for recognized silvicultural or range or wildlife management practices, prevention or control of disease or pests, or a bonfire. Application for such approval permit shall only be presented by and permits issued to the owner of the land upon which the fire is to be kindled. In addition, open burning is not allowed within the Local Responsibility Area of Santa Cruz County without the approval of the local fire chief having jurisdiction over that property.

The open burn season for Santa Cruz County unless otherwise declared shall be December 1<sup>st</sup> through April 30<sup>th</sup> of the calendar year. Within areas designated State Responsibility Area, open burn season shall not be declared between May 1<sup>st</sup> and the date CAL FIRE declares, by proclamation, that hazardous fire conditions have been abated for that year.

During the open burn season pile burning is allowed under CAL FIRE permits provided that all conditions specified in the permits are followed. Monterey Bay Area Unified Air Pollution Control District (MBARD) permits may also be required given the location, time of year, and type of burn. Responsibility for obtaining the proper MBARD permit rests with the applicant.

**Section 25.311.5 is amended – Placards.**

Section 311.5 of Chapter 3 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.311.5 – Placards.** When required by the fire code official, Any any building or structure determined to be unsafe pursuant to Section 110 of this code relating to structural or interior hazards shall be marked as required by Sections 311.5.1 through 311.5.5.

**Section 25.501.3 is amended – Construction documents.**

Section 501.3 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.501.3 – Construction documents.** Construction documents for proposed fire apparatus access, location of fire lanes, security gates across fire apparatus access roads and construction documents and hydraulic calculations for fire hydrant systems shall be submitted to the fire department for review and approval prior to construction. When grading work is needed for the access road(s) within the jurisdiction of Santa Cruz County, application for a grading permit shall be made with the Santa Cruz County Planning Department pursuant to the Santa Cruz County Grading Ordinance. Such Permits shall be reviewed by the Santa Cruz County Environmental Coordinator as required.

**Section 25.503 is added – Fire Apparatus Access Roads.**

Section 503 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is added and amended below.

**Section 25.503.2.1 is amended – Dimensions.**

Section 503.2.1 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.503.2.1 – Dimensions.** Fire Apparatus access roads shall have an unobstructed width of not less than 20 feet (6096 mm) except for approved security gates in accordance with Section 503.7, and an unobstructed vertical clearance of not less than 15 feet. In addition, areas within 10 feet (3048 mm) on each side of portions of highways, public and private streets and roads which are ordinarily used for vehicular traffic shall be cleared of flammable vegetation and other combustible growth.

Single specimens of trees, ornamental shrubbery or cultivated ground cover such as green grass, ivy, succulents or similar plants used as ground covers, are exempt provided that they do not form a means of readily transmitting fire.

**EXCEPTIONS:**

1. Outside of the Urban Services Line as established by the County of Santa Cruz, access roads shall be a minimum of 18 feet wide for all access roads or driveways serving more than two habitable structures, and 12 feet for an access road or driveway serving two or fewer habitable structures. Where it is environmentally inadvisable to meet these criteria (due to excessive grading, tree removal or other environmental impacts), a 12-foot wide all-weather surface access road with

12-foot wide by 35-foot long turnouts located approximately every 500 feet may be provided with the approval of the fire code official.

2. Inside of the Urban Services Line, private access roads extending from a public road shall be a minimum of 18 feet wide for all access roads or driveways serving more than two habitable structures, and 12 feet for an access road or driveway serving two or fewer habitable structures. Where it is environmentally inadvisable to meet these criteria (due to excessive grading, tree removal or other environmental impacts), a 12-foot wide all-weather surface access road with 12-foot wide by 35-foot long turnouts located approximately every 500 feet may be provided with the approval of the fire code official.

3. Vertical clearance may be reduced, provided such reduction does not impair access by fire apparatus and approved signs are installed and maintained indicating the established vertical clearance when approved by the fire code official.

**Section 25.503.2.1.1 is added – Vegetation clearance along access roads.**

Section 503.2.1.1 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

**25.503.2.1.1 – Vegetation clearance along access roads.** Areas within 10 feet (3048 mm) horizontal and 15 feet (4572 mm) vertical on each side of portions of highways, public and private streets, roads and driveways which are ordinarily used for vehicular traffic shall be cleared of flammable vegetation and other combustible growth. Design of such area may be found in Santa Cruz County Fire Prevention Officers Standards.

**Exception:** Single specimens of trees, ornamental shrubbery or cultivated ground cover such as green grass, ivy, succulents or similar plants used as ground covers, are exempt provided they do not form a means of readily transmitting fire at the discretion of the fire code official.

**Section 25.503.2.3 is amended – Surface.**

Section 503.2.3 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.503.2.3 - Surface.** An all-weather surface shall be a minimum of 6" of compacted Class II base rock for grades up to and including 5%, oil and screened for grades up to and including 15%, and asphaltic concrete for grades exceeding 15%. No grade shall be allowed to exceed 16% in State Responsibility Area (SRA) or 20% in Local Responsibility Area (LRA).

**Section 25.503.2.4 is amended – Turning radius.**

Section 503.2.4 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.503.2.4 – Turning radius.** In the State Responsibility Area (SRA) no roadway shall have a horizontal inside radius of curvature of less than 50 feet and additional surface width of 4 feet shall be added to curves of 50-100 feet radius; 2 feet to those from 100-200 feet. In the Local Responsibility Area (LRA) the minimum centerline radius shall be 35 feet.

**Section 25.503.2.5.1 is added – New dead-end access roads.**

Section 503.2.5 of Chapter 5 of the Fire Code of the County of Scotts Valley Fire Protection District is amended to read as follows:

**25.503.2.5.1 – New dead-end access roads.** New dead-end roads are prohibited, without secondary access, serving more than one parcel in new minor land divisions or subdivisions which exceed the following distances from an adequate through road unless approved by the applicable fire protection agency, the Department of Public Works, and by the Planning Commission; in no case shall a new dead-end road exceed ½ mile in length.

Urban & Suburban General Plan and LCP Land Use Plan designation	500'
Rural General Plan and LCP Land Use Plan designation	1000'
Mountain General Plan and LCP Land Use Plan designation	1500'

**Section 25.503.2.6.1 is added – Width.**

Section 503.2.6.1 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

**25.503.2.6.1 - Width.** All bridges shall be a minimum of 20 feet of clear width. The fire code official may allow the width to be reduced for access to U or R-3 occupancies in accordance with Objective 6.5 – Fire Hazards of the Santa Cruz County General Plan.

**Section 25.503.2.6.2 is added – Certification.**

Section 503.2.6.2 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

**25.503.2.6.2 - Certification.** Every private bridge hereafter constructed shall be engineered by a licensed civil or structural engineer and approved by the fire code official. Certification shall be provided by the licensed engineer in writing that the bridge complies with the design standard required by this section to the fire code official.

**Section 25.503.2.6.3 is added – Recertification.**

Section 503.2.6.3 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

**25.503.2.6.3 - Recertification.** Every private bridge shall be recertified every ten years or whenever deemed necessary by the fire code official. Such recertification shall be in accordance with the requirements of 503.2.6.2.

**Section 25.503.2.6.4 is added – Existing private bridges.**

Section 503.2.6.4 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

**25.503.2.6.4 - Existing private bridges.** An existing private bridge not conforming to these regulations may be required to conform when in the opinion of the fire code official, such repairs are necessary for public safety.

**Section 25.503.2.6.5 is added – Fees.**

Section 503.2.6.5 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

**25.503.2.6.5 - Fees.** All fees charged for the purpose of certification or recertification shall be at the owner's expense.

**Section 25.503.2.7 is amended – Grade.**

Section 503.2.7 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.503.2.7 – Grade.** The grade for all roads, streets, private lanes and driveways shall not exceed 16% in State Responsibility Area (SRA) and 20% in Local Responsibility Area (LRA).

**Section 25.503.6 is added – Gates.**

Section 503.6 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.503.6 – Gates.** The installation of security gates across a fire apparatus access road shall be approved by the fire code official. Where security gates are installed, they shall have an approved means of emergency operation. The security gates and the emergency operation shall be maintained operational at all times. Electric gate operators, where provided, shall be listed in accordance with UL 325. Gates intended for automatic operation shall be designed, constructed and installed to comply with the requirements of ASTM F2200.

All Gates providing access from a road to a driveway, or within any access road, shall be located at least 30 feet from the roadway and shall open to allow a vehicle to stop without obstructing traffic on the road. Gate entrances shall be at least 2 (two) feet wider than the access road being secured, but in no case shall the width be less than 14 (fourteen) feet unobstructed horizontal clearance and unobstructed vertical clearance of 15 (fifteen) feet. When gates are to be locked, the installation of a key box or other acceptable means for immediate access may be required as in Section 506.1

**Section 25.505.2 is amended – Street and road signs.**

Section 505.2 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.505.2 - Street and road signs.** Streets and roads shall be identified with approved signs. Temporary signs shall be installed at each street intersection when construction of new roadways allows passage by vehicles. Signs shall be of an approved size, weather resistant and be maintained until replaced by permanent signs. Posting of any road names and numbers not authorized by the Office of Street Naming and Numbering of the County of Santa Cruz, and the fire code official is prohibited.

**Section 25.507.3 is amended – Fire flow.**

Section 507.3 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.507.3 – Fire flow.** Fire flow requirements for buildings or portions of buildings and facilities shall be determined by an approved method, Appendix B, or Appendix BB (for school buildings as scoped in BB 101.1)

Parcels not within the boundaries of a public or private water purveyor shall have a minimum water supply capable of supplying a flow of 500 gallons per minute for 20 minutes (10,000 gallons) for all new fire sprinklered (NFPA 13D) dwellings, residential additions in excess of 500 square feet, and other structures classified as a residential accessory uses such as garages, storage buildings, barns, etc..

Privately owned water that is not supplied by a licensed water purveyor shall:

1. serve no more than two dwellings and no more than 10,000 square feet of habitable dwelling space, and;
2. be provided pursuant to a recorded covenant that runs with the land if the water supply originates from another parcel. If a water purveyor supplies the water, the applicant must submit with the building plan written verification from the licensed purveyor that the water supply meets the flow requirement.

**Exception:** A 2% reduction will be allowed for flow supplied by approved stationary water tanks, to account for the nominal standardized capacity of such tanks.

**Section 25.507.5.7 is added – Painting.**

Section 507.5.7 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

**25.507.5.7 – Painting.** When required by the fire code official, fire hydrants shall be painted in accordance with NFPA 291 and Santa Cruz County Fire Prevention Officers Standards.

**Section 25.509.1.2 is added – Alternate power sources.**

Section 509.1.2 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

**25.509.1.2. - Alternate power sources.** All permanent installations of electrical generators, wind generators, solar photovoltaic cells, or other power sources shall be approved by the building code official. In addition to all applicable provisions of Title 24 CCR for any such installation, a sign reading:

“WARNING – This premise is provided with an Alternate Power Source. Disconnection of commercial power may not disable the electrical power source”

shall be permanently affixed. Sign shall be red in color with a minimum of ½” tall contrasting lettering and shall be permanently affixed on each electrical panel subject to back-feed from alternate power sources. Any and all power disabling switches shall be clearly labeled.

**CFC Sections 903.2 through 903.2.10.2 are deleted and replaced – Automatic Sprinkler Systems.**

Sections 903.2 through 903.2.10.2 of Chapter 9 of the Fire Code of Scotts Valley Fire Protection District are deleted and replaced to read as follows:

**25.903.2 - Where required.** Approved automatic sprinkler systems in new buildings and structures shall be provided in the locations described in this section.

**25.903.2.1 - New structures.** An automatic fire sprinkler system shall be provided in all new occupancies as defined in Chapter 3 of the California Building Code, regardless of type of construction and/or floor area, unless otherwise pre-empted by the California Health and Safety Code. Any occupancy not specifically mentioned shall be included in the group that it most nearly resembles based on the proposed life and fire hazard;

**Exceptions:**

1. Private garages, carports, sheds not more than 1,000 square feet (93 m2) of total floor area shall not require fire sprinklers where they are detached and separate from other structures and provided with exterior wall and opening protection as per the California Building Code.
2. Sheds exceeding 1,000 square feet, (93 m2) but not exceeding 3,000 square feet (278 m2) shall not require fire sprinklers at the discretion of the fire chief when the applicant demonstrates that the applicant’s proposal does not increase the fire hazard or fire load.
3. Agricultural buildings as defined in Appendix Chapter C, of the California Building Code having a clear unobstructed side yard exceeding 60 feet (18,280 mm) in all directions, not exceeding 25 feet (7620 mm) in height and located within an Agricultural zoned district, as defined in the Santa Cruz County Planning Code.
  - a. Not exceeding 2,000 square feet (186 m2) or as exempted by the fire chief, shall not require fire sprinklers.
  - b. Exceeding 2,000 square feet (186 m2) but not exceeding 5,000 square feet, shall not require fire sprinklers at the discretion of the fire chief when the applicant demonstrates the applicant’s proposal does not increase the fire hazard or fire load.
  - c. Greenhouses of non-combustible construction shall not require fire sprinklers.
4. Group B and Group M Occupancies not more than 500 square feet (46.5 m2) shall not require fire sprinklers where they are detached and separate from other structures and provided with exterior wall and opening protection as per the California Building Code, Table 508.3.3.
5. For public school state-funded construction projects see CFC Section 903.2.19.

**25.903.2.1.4 - Group R.** An automatic sprinkler system installed in accordance with Section 903.3 shall be provided throughout all buildings with a Group R fire area.

**Exceptions:**

1. Existing Group R-3 occupancies converted to Group R-3.1 occupancies not housing bedridden clients, not housing non-ambulatory clients above the first floor, and not housing clients above the second floor.
2. Existing Group R-3 occupancies converted to Group R-3.1 occupancies housing only one bedridden client and complying with section 425.8.3.3 of the California Building Code.
3. Pursuant to Health and Safety Code Section 13113 occupancies housing ambulatory children only, none of whom are mentally ill or mentally retarded, and the buildings or portions thereof in which such children are housed are not more than two stories in height, and buildings or portions thereof housing such children have an automatic fire alarm system activated by approved smoke detectors.
4. Pursuant to Health and Safety Code Section 13143.6 occupancies licensed for protective social care which house ambulatory clients only, none of whom is a child (under the age of 18 years), or who is elderly (65 years of age or over).  
When not used in accordance with Section 504.2 or 506.3 of the California Building Code an automatic sprinkler system installed in accordance with Section 903.3.1.2 shall be allowed in Group R-2.1 occupancies.

**25.903.2.1.5 - Group R-3 congregate residences.** An automatic sprinkler system installed in accordance with Section 903.3.1.3 shall be permitted in Group R-3 congregate living facilities with 16 or fewer residents.

**25.903.2.1.6 - Care facilities.** An automatic sprinkler system installed in accordance with Section 903.3.1.3 shall be permitted in care facilities with 5 or fewer individuals in a single-family dwelling.

**25.903.2.2 - Existing buildings and structures except for one- and two-family dwellings.** An automatic sprinkler system shall be installed in existing buildings and structures, except One- and Two-Family Dwellings, after the effective date of this code, when a building permit is issued to allow additions to be made, as follows:

1. For existing buildings less than 6,000 square feet in gross floor area when an addition to the building causes the structure to exceed 6,000 square feet, the entire structure shall be provided with an automatic sprinkler system.
2. For existing buildings larger than 6,000 square feet in gross floor area when an addition is equal to or greater than 10% of the existing square footage or when extensive renovation or remodeling is done to more than 50% of the gross floor area, the entire structure shall be provided with an automatic sprinkler system.

For the purposes of this section, extensive renovation or remodeling shall be defined as any change, addition or modification in construction or occupancy or structural repair or change in primary function to an existing structure made by, on behalf of or for the use of a public accommodation or commercial facility that affects or could affect the usability of the building or facility or part thereof. Alterations include, but are not limited to, remodeling, renovation, rehabilitation, reconstruction, historic restoration, changes or rearrangement of the structural parts or elements, and changes or rearrangement in the plan configuration of walls and full-height partitions.

All new work performed in alterations and/or repairs to existing structures shall comply with the current provisions of this Chapter. When alterations and/or repairs result in the removal, alteration, modification, replacement and/or repair of fifty percent or more of the external walls of a building, or result in the removal, modification, replacement and/or repair of fifty percent or more of the existing internal structural and/or non-structural framework, independently or in combination thereof, within a five year period, the entire building shall be made to conform to the current provisions of this chapter. The determination under this section of the requirement for upgrading any existing structure to full conformance with current provisions of this Chapter shall be at the sole discretion of the Fire Code Official.

**Exceptions to Section 25.903.2.2 (1 and 2)**

- (a) **Group A2.** An automatic sprinkler system shall be provided throughout stories containing Group A-2 occupancies and throughout all stories from the Group A-2 occupancy to and including the levels of exit discharge serving that occupancy where one of the following conditions exists:
1. The fire area exceeds 5,000 square feet (464 m<sup>2</sup>).
  2. The fire area has an occupant load of 100 or more.
  3. The fire area is located on a floor other than a level of exit discharge serving such occupancies.
  4. The structure exceeds 5,000 square feet (465 m<sup>2</sup>), contains more than one fire area containing a Group A-2 occupancy, and is separated into two or more buildings by fire walls of not less than 4-hour fire-resistance rating without openings.
- (b) **Group A-5.** Occupancies exceeding 1,000 square feet in the following areas: concession stands, retail areas, press boxes and other accessory use areas shall have an automatic sprinkler system installed.
- (c) **Assembly occupancies on roofs.** Where an occupied roof has an assembly occupancy with an occupant load exceeding 100 for Group A-2 and 300 for other Group A occupancies, all floors between the occupied roof and the level of exit discharge shall be equipped with an automatic sprinkler system in accordance with Section 903.3.1.1 or 903.3.1.2.  
**Exception:** Open Parking garages of Type I or Type II construction.
- (d) **Multiple fire areas of Group A-1, A-2, A-3 or A-4 occupancies share exit or exit access components and the combined occupant load of these fire areas is 300 or more.**
- (e) **Group B.** Regardless of square footage, an automatic sprinkler system shall be provided for Group B occupancies as follows:
1. **Ambulatory Care Facilities.** An automatic sprinkler system shall be installed throughout the entire floor containing an ambulatory care facility where either of the following conditions exist at any time:
    - a. Four or more care recipients are incapable of self-preservation.
    - b. One or more care recipients that are incapable of self-preservation are located at other than the level of exit discharge serving such a facility.

In buildings where ambulatory care is provided on levels other than the level of exit discharge, an automatic sprinkler system shall be installed throughout the entire floor as well as all floors below where such care is provided, and all floors between the level of ambulatory care and the nearest level of exit discharge, the level of exit discharge, and all floors below the level of exit discharge.  
**Exception:** Floors classified as an open parking garage are not required to be sprinklered.
  2. **Laboratories involving research and development or testing.** An automatic sprinkler system shall be installed throughout the fire areas utilized for the research and development or testing of lithium-ion or lithium metal batteries.
- (f) **Group F-1 occupancies.** An automatic sprinkler system shall be provided throughout all buildings containing a Group F-1 occupancy where one of the following conditions exists:
1. A Group F-1 fire area exceeds 6,000 square feet (1115 m<sup>2</sup>).

2. A Group F-1 fire area is located more than three stories above grade plane.
3. The combined area of all Group F-1 fire areas on all floors, including any mezzanines, exceeds 5,000 square feet (2230 m<sup>2</sup>).

**Group F-1 Woodworking Operations.** An automatic sprinkler system shall be provided throughout all Group F-1 occupancy fire areas that contain woodworking operations in excess of 2,500 square feet (232 m<sup>2</sup>) in area that generate finely divided combustible waste or use finely divided combustible materials. [SFM] A fire wall of less than 4-hour fire-resistance rating without openings, or any fire wall with openings, shall not be used to establish separate fire areas.

**Group F-1 Distilled Spirits.** An automatic sprinkler system shall be provided throughout a Group F-1 fire area used for the manufacture of distilled spirits.

**Group F-1 Upholstered Furniture or Mattresses.** An automatic sprinkler system shall be provided throughout a Group F-1 fire area that exceeds 2,500 square feet (232 m<sup>2</sup>) used for the manufacture of upholstered furniture or mattresses.

- (g) **Group H occupancies** shall be provided with an automatic sprinkler system.
- (h) **Group I occupancy** fire areas shall be provided with an automatic sprinkler system.

**Exceptions:**

- (1) Those areas exempted by Section 407.6 of the California Building Code.
  - (2) Group I-2 occupancies, or any alterations thereto, located in Type IA construction in existence on or before March 4, 1972 as required in California Health and Safety Code Section 13113(d).
- (i) **Group I-2 occupancies.** An existing, unsprinklered Group I-2, nurses' stations open to fire-resistive exit access corridors shall be protected by an automatic sprinkler system located directly above the nurses' station. It shall be permitted to connect the automatic sprinkler system to the domestic water service.
  - (j) **Group I-3 occupancies.** Every building, or portion thereof, where inmates or persons are in custody or restrained shall be protected by an automatic sprinkler system conforming to NFPA 13. The main sprinkler control valve or valves and all other control valves in the system shall be locked in the open position and electrically supervised so that at least an audible and visual alarm will sound at a constantly attended location when valves are closed. The sprinkler branch piping serving cells may be embedded in the concrete construction.
  - (k) **Group M occupancy** used for the display and sale of upholstered furniture or mattresses exceeds 5,000 square feet.
  - (l) **Group M.** An automatic sprinkler system shall be provided throughout buildings containing a Group M occupancy where one of the following conditions exists:
    1. A Group M fire area exceeds 12,000 square feet (1115 m<sup>2</sup>).
    2. A Group M fire area is located more than three stories above grade plane.
    3. The combined area of all Group M fire areas on all floors, including any mezzanines, exceeds 24,000 square feet (2230 m<sup>2</sup>).
    4. **[SFM] The structure exceeds 24,000 square feet (465 m<sup>2</sup>), contains more than one fire area containing a Group M occupancy, and is separated into two or more buildings by fire walls of not less than 4-hour fire-resistance rating without openings.**

- (m) Group S-1 occupancies used for the storage of commercial motor vehicles where the fire area exceeds 5,000 square feet.
  - (n) Group S-1 occupancies exceeding 2,500 square feet used for the storage of upholstered furniture or mattresses shall have an automatic sprinkler system installed.
  - (o) Group S-1 fire areas exceeding 5,000 square feet used for the repair of commercial motor vehicles.
  - (p) Structures where the area for the storage of tires exceeds 20,000 cubic feet shall be equipped throughout with an automatic fire sprinkler system in accordance with Section 903.3.1.1.
  - (q) Group U occupancies exceeding 1,000 square feet shall have an automatic sprinkler system installed. Group U occupancies not exceeding 1,000 square feet are exempt where they are detached and separate from other structures and provided with exterior wall and opening protection as per the California Building Code.
  - (r) Sheds exceeding 1,000 square feet but not exceeding 3,000 square feet shall not require fire sprinklers at the discretion of the fire chief when the applicant demonstrates that the applicant's proposal does not increase the fire hazard or fire load.
  - (s) Agricultural buildings as defined in Appendix Chapter C, of the California Building Code having a clear unobstructed side yard exceeding 60 feet (18,280 mm) in all directions, not exceeding 25 feet (7620 mm) in height and located within an Agricultural zoned district, as defined in the Santa Cruz County Planning Code.
    - i. Not exceeding 2,000 square feet (186 m<sup>2</sup>) or as exempted by the fire chief, shall not require fire sprinklers.
    - ii. Exceeding 2,000 square feet (186 m<sup>2</sup>) but not exceeding 5,000 square feet, shall not require fire sprinklers at the discretion of the fire chief when the applicant demonstrates the applicant's proposal does not increase the fire hazard or fire load.
    - iii. Greenhouses of non-combustible construction shall not require fire sprinklers.
3. Any alteration and/or repair within a building that contains an automatic fire sprinkler system requires that the automatic fire sprinkler system be extended/modified to the area of proposed work, thus, creating fire sprinkler protection throughout the entire building.
4. Any change in use or occupancy creating a more hazardous fire/life safety condition, as determined by the Fire Chief, requires that the entire structure be provided with an automatic sprinkler system.
5. Any combination of addition, alteration, repair and/or change of use shall comply with Sections 903.2.11 through 903.6.

**Exceptions to Section 25.903.2.2:**

- (a) Seismic or Accessibility improvements.
- (b) Any exemption otherwise allowable under the Fire Code, if in the discretion of the Fire Chief, the safety of the public is not compromised.

- (c) Exterior improvements and work not requiring permits as provided in the Building Code.
- (d) Work requiring only a mechanical, electrical, plumbing and/or demolition permit.

**25.903.2.3 - Existing one- and two-family dwellings.** An automatic sprinkler system shall be installed in existing one- and two-family dwellings, after the effective date of this code, when a building permit is issued to allow additions to be made, as follows:

1. Any addition is made which increases the total existing square footage by 50% or more.

Exception: Construction for the purpose of either an ADU or JADU

2. The proposed total floor area exceeds the available fire flow as specified in Section 507.1 or APPENDIX B.
3. Any addition to a one- or two-family dwelling that contains an automatic fire sprinkler system requires that the automatic fire sprinkler system be extended/modified to the area of proposed work, thus, creating fire sprinkler protection throughout the entire dwelling.

**Exceptions to Section 25.903.2.3:**

- (a) Additions of 500 square feet or less when the proposed total floor area does not exceed the available fire flow are exempt from fire sprinklers unless the dwelling is already protected by a fire sprinkler system.

**Section 25.903.2.4 – is added – Accessory Dwelling Unit (ADU)**

Section 903.2.4 of Chapter 9 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

**Accessory Dwelling Unit(s).** The following is included for clarification of the requirements for newly constructed accessory dwelling units. All newly constructed ADUs are required to comply with the standards for fire protection such as water supply and fire department access contained in Chapter 5 of this code.

1. Accessory Dwelling Units constructed on lots with an existing sprinklered primary residence:
  - a) Attached to main residence – fire sprinklers required.
  - b) Detached from main residence, fire sprinklers required.
2. Accessory Dwelling Units constructed on lots with an existing non-sprinklered primary residence:
  - a) Attached to main residence and is less than or equal to 50% of the existing sq-ft. of the primary residence – fire sprinklers not required.
3. Accessory Dwelling Units are required to comply with the standards for fire protection such as water supply and fire department access set forth in Chapter 5 of this code.
  - a) Water supply for fire protection shall be a minimum of 1,000 gpm for 60 minutes as required in §507.3 and Appendix B Table 105.1(1) of this code.
  - b) Access for new ADUs and JADUs shall be within 150 feet of all portions of the structure in accordance with §503.1.1 of this code.

Where a newly constructed accessory dwelling unit does not meet these fire protection standards, an automatic residential sprinkler system may be utilized as an alternative to items 3(a) and, or 3(b) above.

**Section 25.903.3.1.3 is amended – NFPA 13D sprinkler systems.**

Section 903.3.1.3 of Chapter 9 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.903.3.1.3 - NFPA 13D sprinkler systems.** Automatic sprinkler systems installed in one and two-family dwellings, Group R-3 and R-4 congregate living facilities and townhouses, non-habitable structures classified as accessory to a residential use and not intended for commercial usage or mercantile, shall be permitted to be installed throughout in accordance with NFPA 13D and installation guidelines as promulgated by the Santa Cruz County Fire Chiefs Association.

**Section 25.903.3.7 is amended – Fire department connections.**

Section 903.3.7 of Chapter 9 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.903.3.7 - Fire department connections.** Fire department connections for automatic sprinkler systems shall be installed in accordance with Section 912. Buildings equipped with a fire sprinkler system in accordance with this chapter shall have a fire department connection located within 100 feet (183m). The location of the fire department connections shall be approved by the fire code official.

**Exception:** Single- and two-family dwellings protected by a fire sprinkler system in accordance with Section 903.3.1.3.

**Section 25.3905.1.3 is amended – Operation**

Section 3905.1.3 of Chapter 39 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.3905.1.3 – Operation.** Activation of the gas detection system shall result in all of the following:

1. Initiation of distinct audible and visual alarm signals in extraction room.
2. Deactivation of all heating systems located in the extraction room.
3. Activation of the mechanical ventilation system, where the system is interlocked with gas detection.
4. De-energize all light switches and electrical outlets.
5. For detection levels at or exceeding 25% of the LEL/LFL shall result in the activation of the building's fire alarm system.

**Section 25.5303.5.3 is amended – Securing compressed gas containers, cylinders and tanks.**

Section 5303.5.3 of Chapter 53 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.5303.5.3 - Securing compressed gas containers, cylinders and tanks.** Compressed gas containers, cylinders and tanks shall be secured to prevent falling caused by contact, vibration or seismic activity. Securing of compressed gas containers, cylinders and tanks shall be by one of the following methods:

1. Securing containers, cylinders and tanks to a fixed object with ~~one~~ two or more non-combustible restraints. The object used to anchor the restraint to shall be capable of withstanding the anticipated load(s) imposed. Anchor(s) shall be attached to a structural framing member or similar.
2. Securing containers, cylinders and tanks on a cart or other mobile device designed for the movement of compressed gas containers, cylinders or tanks.
3. Nesting of compressed gas containers, cylinders and tanks at container filling or servicing facilities or in seller's warehouses not accessible to the public. Nesting shall be allowed provided the nested containers, cylinders or tanks, if dislodged, do not obstruct the required means of egress.
4. Securing of compressed gas containers, cylinders and tanks to or within a rack, framework, cabinet or similar assembly designed for such use.

**Exception:** Compressed gas containers, cylinders and tanks in the process of examination, filling, transport or servicing.

**CHAPTER 56 is amended - EXPLOSIVES AND FIREWORKS.**

Chapter 56 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

**25.5601.1.3 – Fireworks.** The possession, manufacture, storage, sale, handling and use of fireworks are prohibited within the County of Santa Cruz.

**Exception:** The use of fireworks for fireworks displays, pyrotechnics before a proximate audience and pyrotechnic special effects in motion pictures, television, theatrical or group entertainment productions as allowed in Title 19, Division 1, Chapter 6 Fireworks reprinted in Section 5608 and Health and Safety Code Division 11.

**25.5601.2 – Permit required.** Permits shall be required as set forth in 105.5 and regulated in accordance with this section. Permits for explosives as contained within this chapter, with the exception of display fireworks, shall be obtained by the Law Enforcement Agency of Jurisdiction.

**25.5601.2.2 - Sale and retail display.** Persons shall not construct a retail display nor offer for sale explosives, explosive materials or fireworks on highways, sidewalks, public property or in Group A or E occupancies within Santa Cruz County.

**CHAPTER 90 is added – SUPPRESSION AND CONTROL OF FIRE IN WILDFIRE RISK AREAS.**

Chapter 90 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

**25.9001 - SCOPE.** The unrestricted use of grass-, grain-, brush- or forest-covered land in wildfire risk areas is a potential menace to life and property from fire and resulting erosion. Safeguards to prevent the occurrence of fires and to provide adequate fire-protection facilities to control the spread of fire which might be caused by recreational, residential, commercial, industrial or other activities shall be in accordance with Chapter 90.

**25.9002 - RESTRICTED ENTRY.** The fire code official shall determine and publicly announce when wildfire risk areas shall be closed to entry and when such areas shall again be opened to entry. Entry on and occupation of wildfire risk areas, except public roadways, inhabited areas or established trails and camp sites which have not been closed during such time when the wildfire risk area is closed to entry, is prohibited.

**Exceptions:**

1. Residents and owners of private property within wildfire risk areas and their invitees and guests going to or being upon their lands.
2. Entry, in the course of duty, by peace or police officers, and other duly authorized public officers, members of a fire department and members of the United States Forest Service.

**25.9003 - TRESPASSING ON POSTED PROPERTY.**

**25.9003.1 - General.** When the fire code official determines that a specific area within a wildfire risk area presents an exceptional and continuing fire danger because of the density of natural growth, difficulty of terrain, proximity to structures or accessibility to the public, such areas shall be closed until changed conditions warrant termination of closure. Such areas shall be posted as hereinafter provided.

**25.9003.2 - Signs.** Approved signs prohibiting entry by unauthorized persons and referring to §9002 shall be placed on every closed area.

**25.9003.3 - Trespassing.** Entering and remaining within areas closed and posted is prohibited.

**Exception:** Owners and occupiers of private or public property within closed and posted areas, their guests or invitees, and local, state and federal public officers and their authorized agents acting in the course of duty.

**25.9004 - USE OF FIRE ROADS AND FIREBREAKS.** Motorcycles, motor scooters and motor vehicles shall not be driven or parked upon, and trespassing is prohibited upon, fire roads or firebreaks beyond the point where travel is restricted by a cable, gate or sign, without the permission of the property owners. Vehicles shall not be parked in a manner which obstructs the entrance to a fire road or firebreak.

**Exception:** Public officers acting within their scope of duty.

Radio and television aerials, guy wires thereto, and other obstructions shall not be installed or maintained on fire roads or firebreaks unless located 16 feet (4877 mm) or more above such fire road or firebreak.

**25.9005 - USE OF MOTORCYCLES, MOTOR SCOOTERS AND MOTOR VEHICLES.** Motorcycles, motor scooters and motor vehicles shall not be operated within wildfire risk areas, without a permit by the fire code official, except upon clearly established public or private roads. Permission from the property owner shall be presented when requesting a permit.

**25.9006 - LIABILITY FOR DAMAGE.** The expenses of fighting fires which result from a violation of this chapter shall be a charge against the person whose violation caused the fire. Damages caused by such fires shall constitute a debt of such person and are collectable by the fire code official in the same manner as in the case of an obligation under a contract, expressed or implied.

### PART 3

The geographic limits referred to in certain sections of the Fire Code of the Scotts Valley Fire Protection District are hereby established as follows:

**Establishment of limits of districts in which storage of flammable or combustible liquids in outside aboveground tanks is prohibited.** The limits referred to in Sections 5704.2.9.6.1 and 5706.2.4.4 of the Fire Code of the County of Santa Cruz in which the storage of Class I flammable liquids or Class II combustible liquids in aboveground tanks outside of buildings is restricted are hereby established as the incorporated area of the political boundary of the Scotts Valley Fire Protection District.

**Exceptions:** Such use is allowed in the following zoning districts:

1. The storage of Class I flammable liquids or Class II combustible liquids in aboveground tanks outside of buildings is allowed in A or A-1 Zones;
2. The storage of Class I flammable liquids or Class II combustible liquids in aboveground tanks outside of buildings is allowed in M-1, M-2 or M-3 Zones;
3. The storage of Class I flammable liquids or Class II combustible liquids in aboveground tanks outside of buildings is allowed in NR Zones.

**Establishment of limits of districts in which storage of flammable cryogenic fluids in stationary containers is to be prohibited.** The limits referred to in Section 5806.2 of the Fire Code of the Scotts Valley Fire Protection District in which storage of flammable cryogenic fluids in stationary containers is prohibited are hereby established as the political boundary of the County of Santa Cruz.

**Exceptions:**

1. The storage of flammable cryogenic fluids in stationary containers is allowed in an M-2 Zone with a Conditional Use Permit issued by the Planning Department.
2. The storage of flammable cryogenic fluids in stationary containers is allowed in an M-3 Zone.

**Establishment of limits for storage of Liquefied Petroleum Gas.** The limits referred to in Section 6104.2 of the Fire Code of the County of Santa Cruz are hereby limited to a maximum of 2,000 gallons water capacity within the political boundary of the County of Santa Cruz.

### PART 4

Ordinance No. 2025-2 of the Scotts Valley Fire Protection District entitled “2025 Fire Code”, and all other ordinances or parts of ordinances in conflict herewith are hereby repealed.

### PART 5

That if any section, subsection, sentence, clause or phrase of this ordinance is, for any reason, held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance. The Board of Directors of the Scotts Valley Fire Protection District hereby declares that it would have passed this ordinance, and each section, subsection, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional.

**PART 6**

That nothing in this ordinance or in the Fire Code hereby adopted shall be construed to affect any suit or proceeding impending in any court, or any rights acquired, or liability incurred, or any cause or causes of action acquired or existing, under any act or ordinance hereby repealed as cited in Part 4 of this ordinance; nor shall any just or legal right or remedy of any character be lost, impaired or affected by this ordinance.

**PART 7**

That the Clerk of the Board is hereby ordered and directed to cause a notice of this ordinance to be published in a newspaper in general circulation in accordance with Section 6066 of the California Government Code.

**PART 8**

That this ordinance and the rules, regulations, provisions, requirements, orders and matters established and adopted hereby shall take effect and be in full force and effect on January 1, 2026 pursuant to Health and Safety Code Section 18941.5. This Ordinance shall remain in full force and effect until a subsequent superseding ordinance becomes effective.

**PASSED AND ADOPTED** this 12th day of November 2025, by the Board of Directors of the Scotts Valley Fire Protection District by the following vote:

**YES:** \_\_\_\_\_  
**NOES:** \_\_\_\_\_  
**ABSENT:** \_\_\_\_\_  
**ABSTAIN:** \_\_\_\_\_

\_\_\_\_\_  
Chairperson of the Scotts Valley Fire Protection District Board of Directors

**ATTEST:**

\_\_\_\_\_  
Clerk of the Board

**APPROVED AS TO FORM:**

\_\_\_\_\_  
District Council

**DISTRIBUTION:** Board of Supervisors  
Scotts Valley City Council

# **Scotts Valley Fire Protection District**

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## **NOTICE OF PUBLIC HEARING OF THE SCOTTS VALLEY FIRE PROTECTION DISTRICT CONSIDERING THE ADOPTION OF A FIRE FACILITIES IMPACT FEE STUDY**

NOTICE IS HEREBY GIVEN that the Board of Directors (“Board”) of the Scotts Valley Fire Protection District (“District”) at its Regular Meeting to be held on November 12, 2025 will conduct a Public Hearing to consider its report entitled, “Fire Facilities Impact Fee Study” dated July 22, 2025 (“Nexus Study”), and consider adopting a Resolution approving the Nexus Study pursuant to the Mitigation Fee Act (Government Code §§ 66000-66025).

The Public Hearing of the District to be held November 12, 2025 will begin at 7:00 p.m., or as soon thereafter as practicable, in the Scotts Valley City Council Chamber, located at 1 Civic Center Dr., Scotts Valley, CA 95066. These matters will be considered at such time as this agenda item is considered by the Board of the District.

Questions and/or comments can be sent to [info@scottsvalleyfire.com](mailto:info@scottsvalleyfire.com).

Publication Dates: 10/31/2025 and 11/7/2025  
(Pub SCT 10/31, 11/7)



# SCOTTS VALLEY FIRE PROTECTION DISTRICT

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TO: Hon. Board of Directors  
FROM: Mark Correira, Fire Chief  
DATE: November 12, 2025  
RE: Board Memo 2025-49: Fire Facility Impact Fee Nexus Study Adoption

## **Recommendation**

Approve Resolution 2025-18 adopting the Fire Impact Fee Study

## **BACKGROUND**

On March 24, 2024, the Board approved a proposal from NBS Government Finance Group (NBS) to conduct a study on impact fees for new development. This study, known as a Nexus Study, was prepared using best practices and templates developed for the California Department of Housing and Community Development by the Turner Center for Housing Innovation at UC Berkeley.

Since March 2024, NBS has closely collaborated with staff and the District's General Counsel to develop the Nexus Study report. This report was presented to the Board at the July 30 Special Board Meeting, with no changes made to its content.

There are a few remaining steps before impact fees on new developments can be implemented. First, the District's General Counsel recommends that the Board adopt the Nexus Study as the official final report. Once adopted, staff and counsel will work together to establish agreements with the City of Scotts Valley and Santa Cruz County, allowing these agencies to adopt the impact fee on our behalf. It is important to note that, under state law, special districts do not have authority to implement such fees directly—only counties and cities have that authority. Once the agreements are finalized, they will be presented to the Board for approval.

The District is also required to adopt a Capital Improvement Plan (CIP). The CIP can be found on this Board Meeting Agenda.

Passing Resolution 2025-18, the Fire Facilities Impact Fee Study Adoption, will officially adopt the Nexus Study as the District's final report and accomplish one more step in the process of the implementation of impact fees throughout the district.

Staff recommends approval of Resolution 2025-18, Fire Facility Impact Fee Study Adoption.

**SCOTTS VALLEY FIRE PROTECTION DISTRICT**

**RESOLUTION NO. 2025-18**

**APPROVING A FIRE FACILITIES IMPACT FEE STUDY, DELEGATION OF  
AUTHORITY, AND OTHER RELATED MATTERS**

**WHEREAS**, pursuant to the Mitigation Fee Act (Government Code §§ 66000-66025), local agencies may establish, increase, or impose fees (“Impact Fees”) as a condition for approval of development to mitigate the impacts of such development on public facilities; and

**WHEREAS**, new development within the boundaries of the Scotts Valley Fire Protection District (“District”) impacts and necessitates the need and demand for fire protection services and other emergency services, including, but not limited to, the need for certain District capital facilities and other District capital assets; and

**WHEREAS**, wildfires are a frequent natural disaster in California, causing significant harm and loss to individuals, communities, property, and great swaths of natural landscape, and the frequency, duration and size of wildfires have increased over the last several decades; and

**WHEREAS**, as climate change extends and exacerbates fire risk in California, there are areas within the District that are at relatively high risk for fire and according to the Santa Cruz County Climate Vulnerability Technical Compendium (January 2025), the decadal probability of a wildfire is projected to increase to the 50th and 90th percentiles for 2040s and 2070s, respectively, compared to historical baseline for emissions scenarios; and

**WHEREAS**, on June 11, 2025, the District adopted the Scotts Valley Fire District Hazard Map Ordinance No. 2025-1, establishing fire hazard severity zones (FHSZ) within the District, including FHSZs high and moderate fire hazard zones, thereby increasing the importance of fire protection services and capital facilities; and

**WHEREAS**, the District has caused a Fire Facilities Impact Fee Study dated July 22, 2025 (“Nexus Study”) to be prepared, for the purposes of establishing the legal and policy basis to support a new Impact Fee program within the District.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Scotts Valley Fire Protection District, as follows:

1. Nexus Study. The Board receives and approves the Nexus Study provided as Attachment “A” that is incorporated into this Resolution.
2. Public Hearing. Prior to the adoption of this Resolution, the Board conducted a public hearing at which oral and written presentations were made as part of the Board’s regularly scheduled meeting on November 12, 2025. Notice of the public hearing was published in accordance with Government Code § 6062a.

3. Findings. After considering the Nexus Study and testimony received at this public hearing, the Board hereby makes the following findings pursuant to Government Code § 66001:
  - a. The broad purpose of the Impact Fees is to protect public health, safety, and general welfare by providing adequate District facilities. The specific purpose of the Impact Fees is to fund the acquisition or construction of fire protection and emergency fire protection services and other emergency services, including, but not limited to, the need for certain capital facilities and other capital assets (collectively, “Fire Protection Facilities and Assets”) provided by the District attributable to new development in the District.
  - b. The uses of the Impact Fees will be used to fund the District’s Fire Protection Facilities and Assets to serve new development. The specific Fire Protection Facilities and Assets are further set forth in the District’s Capital Improvement Plan (“CIP”), which was approved by the Board on November 12, 2025. The CIP indicates the approximate location, size, time of availability, and estimates of costs for all Fire Protection Facilities and Assets that may be funded with Impact Fees.
  - c. The uses of the Impact Fees are reasonably related to the types of development projects for which the Impact Fees are imposed, in that the Impact Fees will be used to expand the District’s Fire Protection Facilities and Assets to meet the additional demand generated by new development.
  - d. The Impact Fees bear a reasonable relationship to the need for Fire Protection Facilities and Assets and the type of development on which the Impact Fees are imposed.
  - e. The Nexus Study demonstrates that there is a reasonable relationship between the amount of the Impact Fees and the cost of the Fire Protection Facilities and Assets attributable to the new development within the District’s boundaries.
4. Creation of Fund. The Board finds that a separate fund or sub-funds (“Fund”) of the District will be or has been created or are authorized to be established for all Impact Fees received by the District. Said Fund at all times will be or has been separately maintained, except for temporary investments, with other funds of the District as authorized by law.
5. Expenditure of Impact Fees. The Board finds that the Impact Fees have been imposed for the purposes of funding the Fire Protection Facilities and Assets, as more specifically set forth in the CIP, and thus, the Impact Fees may be expended for all those purposes permitted by applicable law. The Impact Fees may also be expended by the District for the costs of performing any studies or otherwise making the findings and determinations required under subdivisions (a), (b), and (d) of Section 66001 of the Government Code.
6. CEQA Compliance. The Board further finds pursuant to the California Environmental Quality Act (“CEQA”), this action is not a “project” because the Resolution provides for the creation of a funding mechanism for Fire Protection Facilities and Assets but does not involve a commitment to any specific projects for such purposes that may result in a potentially significant impact on the environment. (CEQA Guidelines § 15378(b)(4).)

CEQA also provides, in CEQA Guidelines Section 15061(b)(3), that where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is exempt from CEQA.

7. Severability. If any portion of this Resolution is found by a court of competent jurisdiction to be invalid, such finding shall not affect the validity of the remaining portions of this Resolution.
8. Impact Fees. The Board hereby approves the following Impact Fees on new development within the District:

Development Type	Units	Impact Fee per Unit	Avg Sq Ft per Unit	Impact Fee per Sq Ft
All Residential	DU	\$ 1,262	2,485	\$ 0.51
Assisted Living	Bed	\$ 10,693		
Hotel/Motel	Room	\$ 743		
Commercial-Retail	KSF	\$ 1,040		
Office	KSF	\$ 668		
Industrial	KSF	\$ 149		

9. Delegation of Authority. The Board hereby delegates its authority to the District’s Fire Chief, or the Fire Chief’s designee, to take any further action necessary to accomplish the purposes of this Resolution. The Fire Chief, or Fire Chief’s designee, is hereby authorized and directed to proceed with any steps necessary or arising from these findings and orders of this Resolution, including, but not limited to, coordination with the City and County to collect Impact Fees on behalf of the District.

**BE IT FURTHER RESOLVED** that the Board formally requests that the City of Scotts Valley City Council and Santa Cruz County Board of Supervisors consider adopting and imposing the Impact Fees on behalf of the District.

(Continued on following page)

**PASSED AND ADOPTED** by the Board of Directors of the Scotts Valley Fire Protection District, County of Santa Cruz, State of California, this 12th day of November 2025, by the following vote:

	<u>AYES</u>	<u>NOES</u>	<u>ABSENT</u>	<u>ABSTAIN</u>
Director Adam Cosner				
Director Kris Hurst				
Director Daron Pisciotta				
Director Mike Weaver				
Director Ron Whittle				

ATTEST: \_\_\_\_\_  
Adam Cosner  
Board President

\_\_\_\_\_  
Mark Correia  
Board Secretary

**Attachment “A”** - Nexus Study

# **SCOTTS VALLEY FIRE PROTECTION DISTRICT**

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## **Fire Facilities Impact Fee Study Final Report**

**July 22, 2025**

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## Executive Summary

The Scotts Valley Fire Protection District retained NBS Government Finance Group to prepare this study to analyze the impacts of new development on capital facilities and to calculate impact fees based on that analysis.

The methods used in this study are consistent with those outlined in the *Impact Fee Nexus Study Templates* prepared for the California Department of Housing and Community Development by the Turner Center for Housing Innovation at UC Berkeley in fulfillment of AB 602. Those methods are designed to satisfy the legal requirements of the U. S. Constitution, and the California Mitigation Fee Act (Government Code Sections 66000 *et seq.*).

### Organization of the Report

Chapter 1 of this report provides an overview of the legal requirements for establishing and imposing such fees, and methods that can be used to calculate impact fees.

Chapter 2 contains data on existing and future development used in this report.

Chapter 3 analyzes the impacts of development on fire protection facilities and calculates impact fees for those facilities.

Chapter 4 summarizes requirements for adopting and implementing impact fees.

Appendix A to this report contains a comparison of impact fees for surrounding and/or similar agencies including the cities of Coalinga, King City, Marina, Morgan Hill, Santa Cruz, Soledad, and Watsonville.

### Development Data

Chapter 2 of this report presents estimates of existing development in the District's service area, and a forecast of future development in terms of units of development and calls for service per year for each type of development defined in this study.

Chapter 2 also establishes values for demand factors such as fire calls per unit per year. Those factors are used to represent the impact of new development in the impact fee calculations.

It is important to note that because of amendments to the Mitigation Fee Act contained in AB 602 (2021) that were incorporated into California law effective in 2022, residential impact fees must be calculated proportionately to the square footage of the proposed units. Impact fees for residential development in this study are calculated as impact fees per square foot for residential development. Prior to the adoption of AB 602 it was common practice to calculate residential impact fees on a per-unit basis for single-family and multi-family residential development.

## Impact Fees Analysis

The impact fees calculated in this report are based on the existing level of service in the District in keeping with the requirements of Government Code Section 66016.5, which was added by AB 602 in 2021. The existing level of service is defined as the relationship between the replacement cost of existing District facilities, apparatus, vehicles and equipment and the number of calls for service per year received by the District. That relationship is stated as a cost per call for service per year.

As part of this study, NBS analyzed the distribution of the District’s calls for service for a full year to determine the average number of calls per unit per year generated by different types of development. The impact fee per unit for each type of development is calculated by multiplying the cost per call by the number of calls per unit per year generated by each type of development. The impact fees calculated in this report are intended to apply to all types of new development in the District other than development by government entities.

The impact fees calculated in this report are shown in Table S.1, below. Fees for residential development are calculated on a per square foot basis, and non-residential impact fees are calculated on a per-unit basis.

**Table S.1 Summary of Impact Fees Calculated in this Study**

Development Type	Units <sup>1</sup>	Impact Fee per Unit <sup>2</sup>	Avg Sq Ft per Unit <sup>3</sup>	Impact Fee per Sq Ft <sup>4</sup>
All Residential	DU	\$ 1,284	2,485	\$ 0.52
Assisted Living	Bed	\$ 10,876		
Hotel/Motel	Room	\$ 755		
Commercial-Retail	KSF	\$ 1,057		
Office	KSF	\$ 680		
Industrial	KSF	\$ 151		
Other Non-Residential Uses: Impact Fee = Calls per KSF per Year X \$7,553.09 per call per Year				

<sup>1</sup> DU = dwelling unit; KSF = 1,000 gross square feet of building area; room = guest room or suite

<sup>2</sup> Impact fee per unit = cost per call for service X calls for service per unit

<sup>3</sup> Average square feet per new residential unit built between 2018 - 2024 provided by the City of Scotts Valley Community Development Department

<sup>4</sup> Impact fee per square foot (residential) = impact fee per unit / square feet per unit

Table S.2 shows the proposed impact fees from Table S.1 with the addition of a 0.3% administrative charge. That percentage is intended to cover the average annual cost of preparing an impact fee update study every eight years as required by the Mitigation Fee Act.

The percentage of the administrative charge is based on the estimated cost of an impact fee update study (\$25,000) divided by eight years of estimated future impact fee revenue.

**Table S.2 Proposed Impact Fees + Administrative Charge**

Development Type	Units <sup>1</sup>	Impact Fee per Unit <sup>2</sup>	Avg Sq Ft per Unit	Impact Fee per Sq Ft
All Residential	DU	\$ 1,288	2,485	\$ 0.52
Assisted Living	Bed	\$ 10,910		
Hotel/Motel	Room	\$ 758		
Commercial-Retail	KSF	\$ 1,061		
Office	KSF	\$ 682		
Industrial	KSF	\$ 152		
Other Non-Residential Uses: Impact Fee = Calls per KSF per Year X \$7,576.68 per call per Year				

<sup>1</sup> DU = dwelling unit; KSF = 1,000 gross square feet of building area; room = guest room or suite

<sup>2</sup> In this table an administrative charge is added to the Impact Fee in Table S.1; See discussion in text

As explained in Chapter 2 and Chapter 3 of this report, the District may encounter non-residential development projects that do not fit well into any of the non-residential development categories for which impact fees are calculated in that report. In that case, the District can calculate a customized impact fee using the formula shown as “Other Non-Residential Uses” in the tables above and further discussed in Chapter 3.

# Chapter 1. Introduction

## Purpose

The purpose of this study is to analyze the impacts of development on the need for certain capital facilities and other capital assets provided by the Scotts Valley Fire District (District) and to calculate impact fees based on that analysis. This report documents the approach, data and methodology used in this study to calculate impact fees.

The impact fees calculated in this report are intended to satisfy all legal requirements governing such fees, including provisions of the U. S. Constitution, the California Constitution and the California Mitigation Fee Act (Government Code Sections 66000-66025).

## Legal Framework for Impact Fees

This brief summary of the legal framework for development fees is intended as a general overview. It was not prepared by an attorney and should not be treated as legal advice.

**Fire Protection District Law of 1987.** California Health and Safety Code Section 13916, which is part of the Fire Protection District Law of 1987, states: “A (fire protection) district board shall not charge a fee on new construction or development for the construction of public improvements or facilities or the acquisition of equipment.” However, although the District itself may not charge such fees, it is quite common in California for cities and counties to impose fire impact fees for fire protection districts that provide services within their boundaries. The fees calculated in this report are intended to be adopted by the City of Scotts Valley and Santa Cruz County.

**U. S. Constitution.** Like all land use regulations, development exactions, including impact fees, are subject to the 5th Amendment prohibition on taking of private property for public use without just compensation. Both state and federal courts have recognized the imposition of impact fees on development as a legitimate form of land use regulation, provided the fees meet standards intended to protect against “regulatory takings.” A regulatory taking occurs when regulations unreasonably deprive landowners of property rights protected by the Constitution.

In two cases dealing with exactions, the U. S. Supreme Court has held that when a government agency requires the dedication of land or an interest in land as a condition of development approval or imposes exactions as a condition of approval on a development project, the agency must demonstrate an "essential nexus" between such exactions and the interest being protected (See *Nollan v. California Coastal Commission*, 1987) and make an “individualized determination” that the exaction imposed is "roughly proportional" to the burden created by development (See *Dolan v. City of Tigard*, 1994). In April 2024, the U. S. Supreme Court ruled that even legislatively adopted impact fees are subject to *Nollan* and *Dolan*.

**Defining “Nexus.”** The nexus required to justify exactions and impact fees can be thought of as having the three elements discussed below. We think proportionality is logically included as one element of that nexus, even though it was discussed separately in *Dolan v. Tigard*. The elements of the nexus discussed below mirror the three “reasonable relationship” findings required by the Mitigation Fee Act for establishment and imposition of impact fees.

**1. Need or Impact.** An agency imposing impact fees must demonstrate that a development project subject to those fees will create a need for the facilities to be funded by the impact fees. All new development in a community creates additional demands on some or all public facilities provided by local government. If the capacity of facilities is not increased to satisfy the additional demand, the quality or availability of public services for the entire community will deteriorate. Impact fees may be used to recover the cost of development-related facilities, but only to the extent that the need for facilities is related to the development project subject to the fees.

The *Nollan* decision reinforced the principle that development exactions may be used only to mitigate impacts created by the development projects upon which they are imposed. In this study, the impact of development on facility needs is analyzed in terms of quantifiable relationships between various types of development and the demand for public facilities based on applicable level-of-service standards. This report contains all of the information needed to demonstrate compliance with this element of the nexus.

**2. Benefit.** An agency imposing impact fees must demonstrate that a development project subject to those fees will benefit from the facilities funded by the impact fees. With respect to the benefit relationship, the most basic requirement is that facilities funded by impact fees be available to serve the development paying the fees. A sufficient benefit relationship also requires that impact fee revenues be segregated from other funds and expended in a timely manner on the facilities for which the fees were charged. Nothing in the U.S. Constitution or California law requires that facilities paid for with impact fee revenues be available exclusively to development projects paying the fees.

Procedures for earmarking and expenditure of fee revenues are mandated by the Mitigation Fee Act, as are procedures to ensure that the fees are either expended in a timely manner or refunded. Those requirements are intended to ensure that developments benefit from the impact fees they are required to pay. Thus, over time, procedural issues as well as substantive issues can come into play with respect to the benefit element of the nexus.

**3. Proportionality.** An agency imposing impact fees must demonstrate that the amount of those fees is proportional to the impact created by development projects subject to the fees. Proportionality in impact fees depends on properly identifying development-related facility costs and calculating the fees in such a way that those costs are allocated in proportion to the facility needs created by different types and amounts of development. The section on impact fee methodology, below, describes methods used to allocate facility costs and calculate impact fees that meet the proportionality standard.

**California Constitution.** The California Constitution grants broad police power to local governments, including the authority to regulate land use and development. That police power is the source of authority for local governments in California to impose impact fees on development. Some impact fees have been challenged on grounds that they are special taxes imposed without voter approval in violation of Article XIII A. Impact fees calculated in this report do not exceed the cost of providing facilities needed to serve new development and, thus, are not special taxes requiring voter approval pursuant to Article XIII A.

Articles XIII C and XIII D, added to the California Constitution by Proposition 218 in 1996, require voter approval for some “property-related fees,” but exempt “the imposition of fees or charges, as a condition of property development.” Thus, impact fees are exempt from those requirements.

**The Mitigation Fee Act.** California’s impact fee statute originated in Assembly Bill 1600 during the 1987 session of the Legislature and took effect in January 1989. AB 1600 added several sections to the Government Code, beginning with Section 66000. Since that time, the impact fee statute has been amended from time to time, and in 1997 was officially titled the “Mitigation Fee Act.” Unless otherwise noted, code sections referenced in this report are from the Government Code.

The Mitigation Fee Act does not limit the types of capital improvements for which impact fees may be charged. It defines public facilities very broadly to include “public improvements, public services and community amenities.” Although the issue is not specifically addressed in the Mitigation Fee Act both case law and statute (see Government Code Section 65913.8) clarify that impact fees may not be used to pay for ongoing maintenance or operating costs. Consequently, the fees calculated in this report are based on the cost of capital assets only.

The Mitigation Fee Act does not use the term “mitigation fee” except in its official title. Nor does it use the common term “impact fee.” The Act simply uses the word “fee,” which is defined as “a monetary exaction, other than a tax or special assessment...that is charged by a local agency to the applicant in connection with approval of a development project for the purpose of defraying all or a portion of the cost of public facilities related to the development project ....”

To avoid confusion with other types of fees, this report uses the widely accepted term “impact fee” which should be understood to mean “fee” as defined in the Mitigation Fee Act.

The Mitigation Fee Act contains requirements for establishing, increasing and imposing impact fees. They are summarized below. It also contains provisions that govern the collection and expenditure of fees and requires annual reports and periodic re-evaluation of impact fee programs. Those administrative requirements are discussed in the implementation chapter of this report.

Required Findings. Section 66001 (a) requires that an agency establishing, increasing or imposing impact fees, must make findings to:

1. Identify the purpose of the fee
2. Identify the use of the fee; and
3. Determine that there is a reasonable relationship between the use of the fee and the development type on which it is imposed
4. Determine that there is a reasonable relationship between the need for the facility and the type of development on which the fee is imposed

In addition, Section 66001 (b) requires that in any action imposing a fee as a condition of approval of a development project by a local agency, the local agency shall determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.

The requirements outlined above are discussed in more detail below.

Identifying the Purpose of the Fees. The broad purpose of impact fees is to protect public health, safety and general welfare by providing for adequate public facilities. The specific purpose of the fees calculated in this study is to fund acquisition or construction of certain capital assets that will be needed to mitigate the impacts of planned new development on District facilities, and to maintain an acceptable level of public services as the District grows.

This report recommends that findings regarding the purpose of an impact fee should define the purpose broadly, as providing for the funding of adequate public facilities to serve additional development.

Identifying the Use of the Fees. According to Section 66001(a)(2), if a fee is used to finance public facilities, those facilities must be identified. A capital improvement plan may be used for that purpose but is not mandatory if the facilities are identified in a General Plan, a Specific Plan, or in other public documents. Section 66002(a) says the CIP shall indicate the approximate location, size, time of availability and estimates of cost for all facilities or improvements to be financed with the fees. Section 66002 (b) requires that if a capital improvement plan is used to identify the facilities, it must be updated annually.

However, a new provision in Section 66016.5(a)(6), which was added by AB 602 in 2021, requires that large jurisdictions adopt a capital improvement plan as part of an impact fee study. That requirement applies to impact fee nexus studies adopted after January 1, 2022. "Large jurisdiction" means a county of 250,000 or more or any city within that county. That new requirement appears to override the original language of Section 66001(a)(2), so that a capital improvement plan (CIP) is no longer optional. A CIP is now required for all new impact fee nexus studies adopted by large jurisdictions. The annual update requirement remains in effect.

Reasonable Relationship Requirement. As discussed above, Section 66001 requires that, for fees subject to its provisions, a "reasonable relationship" must be demonstrated between:

1. the use of the fee and the type of development on which it is imposed;
2. the need for a public facility and the type of development on which a fee is imposed; and,
3. the amount of the fee and the facility cost attributable to the development on which the fee is imposed.

Development Agreements and Reimbursement Agreements. The requirements of the Mitigation Fee Act do not apply to fees collected under development agreements (see Govt. Code Section 66000) or reimbursement agreements (see Govt. Code Section 66003). The same is true of fees in lieu of park land dedication imposed under the Quimby Act (see Govt. Code Section 66477).

Existing Deficiencies. In 2006, Section 66001(g) was added to the Mitigation Fee Act (by AB 2751) to clarify that impact fees “shall not include costs attributable to existing deficiencies in public facilities...” The legislature’s intent in adopting this amendment, as stated in the bill, was to codify the holdings of *Bixel v. City of Los Angeles* (1989), *Rohn v. City of Visalia* (1989), and *Shapell Industries Inc. v. Governing Board* (1991).

Section 66001(g) also states that impact fees “may include the costs attributable to the increased demand for public facilities reasonably related to the development project in order to (1) refurbish existing facilities to maintain the existing level of service or (2) achieve an adopted level of service that is consistent with the general plan.” (Emphasis added.)

**Impact Fees for Existing Facilities.** Impact fees may be used to recover costs for existing facilities to the extent that those facilities are needed to serve additional development and have the capacity to do so. In other words, it must be possible to show that fees used to pay for existing facilities meet the need and benefit elements of the nexus. As a practical matter, such fees are difficult to implement unless the fees are needed to repay outstanding debt related to the facilities in question.

## Recent Legislation

Several new laws enacted by the State of California since 2019 to facilitate development of affordable housing bear on the implementation of impact fees calculated in this study. Below are brief overviews of some key bills passed since 2019.

**SB 330 – The Housing Crisis Act of 2019.** SB 330 (amended and clarified in 2021 by SB 8) contained a variety of amendments designed to promote affordable housing. Among them was a provision in Government Code Section 65589.5 that prohibits the imposition of new approval requirements on a housing development project once a preliminary application has been submitted. That provision applies to increases in impact fees except

when the resolution or ordinance establishing the fee authorizes automatic, inflationary adjustments to the fee or exaction. These provisions will remain in effect until January 1, 2030.

**AB 1483 – Housing Data: Collection and Reporting (2019).** AB 1483 added Section 65490.1 to the Government Code, and requires that a city, county or special district must post on its website a current schedule of its fees and exactions, as well as associated nexus studies and annual reports. Updates must be posted within 30 days.

**SB 13 – Accessory Dwelling Units (2019).** SB 13 amended Government Code Section 65852.2 to prohibit the imposition of impact fees on accessory dwelling units (ADUs) smaller than 750 square feet and to require that impact fees for ADUs of 750 square feet or more must be proportional to the square footage of the primary dwelling unit. The proportionality requirement means that impact fees for ADUs of 750 square feet or more must be calculated on a case-by-case basis during the approval process.

Prior to SB 13, a water or sewer connection fee or capacity charge for an accessory dwelling unit requiring a new or separate utility connection was required to be based on either the accessory dwelling unit’s size or the number of its plumbing fixtures. SB 13 revises the basis for calculating the connection fee or capacity charge to either the accessory dwelling unit’s square feet or the number of its drainage fixture units.

**AB 602 – Amendments to the Planning and Land Use Law and the Mitigation Fee Act (2021).** AB 602 adds Section 65940.1 to the Planning and Land Use Law requiring cities, counties and special districts that have internet websites to post schedules of fees, exactions and affordability requirements, annual fee reports, and an archive of nexus studies on that website, and to update that information within 30 days after any changes.

AB 602 also adds Section 66016.5 to the Mitigation Fee Act imposing several new requirements for impact fees that went into effect in 2022, including:

- A nexus study must identify the existing level of service for each facility, identify the proposed new level of service (if any), and explain why the new level of service is appropriate.
- If a nexus study supports an increase in an existing fee the local agency shall review the assumptions of the nexus study supporting the original fee and evaluate the amount of the fees collected under the original fee.
- Large jurisdictions (counties over 250,000 and cities within those counties) must adopt a capital improvement plan as part of the nexus study.
- All impact fee nexus studies shall be adopted at a public hearing with at least 30 days’ notice, and the local agency shall notify any member of the public that requests notice of intent to begin and impact fee nexus study of the date of the hearing.
- Nexus studies shall be updated at least every eight years, from the period beginning on January 1, 2022.

- A nexus study adopted after July 1, 2022, shall calculate a fee imposed on a housing development project proportionately to the square footage of proposed units in the development. A nexus study is not required to comply with this requirement if the local agency makes certain findings specified in the law. A local agency that imposes a fee proportionately to the square footage of units in the development shall be deemed to have used a valid method to establish a reasonable relationship between the fee charged and the burden posed by the development.
- Authorizes any member of the public, including an applicant for a development project, to submit evidence that impact fees proposed by an agency fail to comply with the Mitigation Fee Act, and requires the legislative body of the agency to consider such evidence and adjust the proposed fee if deemed necessary.

**AB 516 – Amendments to the Mitigation Fee Act (2023).** AB 516, which took effect on January 1, 2024, amends Government Code Section 66006 to add certain requirements to the annual reports mandated by that section. Specifically, Section 66006 now requires that:

- Annual reports indicate whether construction on public improvements identified in previous annual reports began on the approximate date shown in the previous annual report; and,
- If a project failed to start construction on schedule, the annual report must explain the reason for the delay and provide a revised approximate date when construction will begin.

AB 516 also amends Section 66023 to provide that when a person requests an audit of a fee or charge levied by a local agency, that audit may address when revenue generated by that fee or charge is scheduled to be expended, and when the public improvement to be funded by that fee or charge is scheduled to be completed. Prior to this amendment, the only stated purpose of such an audit was to determine whether such a fee or charge exceeds the amount reasonably necessary to cover the cost of any product, public facility or service provided by the local agency.

## **Impact Fee Calculation Methodology**

The methods used to calculate impact fees in this study are designed to comply with all of the legal requirements discussed earlier in this chapter. Any one of several legitimate methods may be used to calculate impact fees. The choice of a particular method depends primarily on the service characteristics of, and planning requirements for, the type of facility being addressed. To some extent those methods are interchangeable, because they all allocate facility costs in proportion to the needs created by development.

Allocating facility costs to various types and amounts of development is central to all methods of impact fee calculation. Costs are allocated by means of formulas that quantify the relationship between development and the need for facilities. In a cost allocation

formula, the impact of development is represented by some attribute of development such as added population or added vehicle trips that represent the impacts created by different types and amounts of development.

Although it is not mandatory, this study adopts the nomenclature used in the Impact Fee Nexus Study Templates prepared by the Turner Center for Housing Innovation at UC Berkeley to describe impact fee calculation methods. Those templates were prepared for The California Department of Housing and Community Development pursuant to Section 50466.5 of the Health and Safety Code and are cited in AB 602.

**Planned Facility Method.** With this method, impact fees are calculated so that new development will pay for the planned expansion of facilities at the future standard attributable to new development. To calculate the cost per unit of demand, the cost of planned facilities is divided by the amount of demand that will be created by new development. The impact fees depend on the cost of planned future facilities and a plan for future development, so the fees should be recalculated if facility plans or development plans change.

**Existing Inventory Method.** With this method, impact fees are calculated so that new development will fund expansion of facilities at the same standard currently used to serve existing development. To calculate the cost per unit of demand, the value of existing facilities is divided by the amount of demand associated with existing development. This method allows impact fees to be calculated without a list of planned facilities, but such a list is required by AB 602 as part of a Capital Improvement Plan that must be adopted with any new impact fee nexus study. This approach can be used to calculate impact fees for many types of public facilities but is usually not appropriate for facilities such as transportation improvements or water, wastewater or drainage systems where improvement needs must be determined by engineering analysis.

**System Plan Method.** With this method, impact fees are calculated so that new development pays for its share of the cost of an integrated system of facilities at the future standard attributable to new development. To calculate the cost per unit of demand, the value of existing facilities plus the cost of planned facilities is divided by the combined demand associated with both existing development and planned development. This approach is especially appropriate for impact fees for fire protection and EMS facilities because new facilities must be planned to integrate geographically with existing facilities.

### **Impact Fees for Accessory Dwelling Units (ADUs)**

SB 477, enacted in 2024, relocated and consolidated California's ADU laws into a new Government Code Chapter (Chapter 13, Division 1, Title 7). Recent amendments to ADU law provide that impact fees may not be imposed on ADUs smaller than 750 square feet and establish the following requirement for impact fees imposed on ADUs of 750 square feet or more:

“Any impact fees charged for an accessory dwelling unit of 750 square feet or more shall be charged proportionately in relation to the square footage of the primary dwelling unit.”

The proportionality requirement, as stated above, generally depends on the square footage of both the primary unit and the ADU. Since the fees calculated in this report for residential are assessed on a per square foot basis, proportionality is already provided by the impact fee calculation for ADUs.

## Chapter 2. Development Data

This chapter presents data on existing and future development that will be used to calculate impact fees in subsequent chapters of this report. The information in this chapter may be used to establish levels of service, analyze facility needs, and/or allocate the cost of capital facilities among various types of new development.

### Study Area

The study area for this study is the area within the boundaries of the Scotts Valley Fire Protection District which includes the City of Scotts Valley and a portion of unincorporated Santa Cruz County surrounding the City.

### Time Frame

Planned future development in this study is forecasted out to 2045. However, the methods used to calculate impact fees in this study do not depend on the timing of future development.

### Development Types

The development types for which impact fees are calculated in this report are discussed below. Impact fees calculated in this report are intended to be applied based on actual land uses rather than zoning or general plan land use designations. For mixed use development projects, impact fees should be applied to each type of development within the project, consistent with the number of units of development of each type within the project.

**Residential Development.** Government Code Section 66016.5(a)(5)(A) which was added to the Mitigation Fee Act by AB 602 in 2021 contains the following requirement:

“A nexus study adopted after July 1, 2022, shall calculate a fee imposed on a housing development project proportionately to the square footage of proposed units of the development. A local agency that imposes a fee proportionately to the square footage of the proposed units of the development shall be deemed to have used a valid method to establish a reasonable relationship between the fee charged and the burden posed by the development”

This study calculates impact fees per square foot fees for all types of residential development using average square-foot-per-unit numbers provided by the District.

**Senior/Assisted Living Facilities.** While senior living and assisted living facilities, including rehabilitation and skilled nursing facilities have some of the characteristics of residential uses, their impact characteristics can be substantially different from most residential development, with less impact on transportation and parks and recreation facilities and greater impact on emergency medical services. Consequently senior/assisted living facilities are treated as a separate category in this study and are not considered a form of housing development subject to the requirements of Government Code Section 66016.5.

Development in this category is measured in terms of beds, which is intended as a proxy for the number of occupants of a facility.

**Non-Residential Development.** Non-residential development types used in this study are:

- Hotel/Motel
- Commercial/Retail
- Office
- Industrial

The impact fees calculated in this report are intended to be applied to development projects, or portions of projects, based on the actual type of development being constructed. Except for the Hotel/Motel category, which is measured in terms of guest rooms, the non-residential development types listed above are measured in terms of gross leasable floor area in thousands of square feet (KSF).

In cases where a proposed development project does not fit reasonably well into one of the development types defined in this study, the District has the option to calculate an impact fee that is tailored to that specific use. See the sub-section on Other Types of Development, below.

**Public Facilities, Public Schools and Parks.** In addition to the development types listed above, the development tables presented later in this chapter include public (government) facilities, public schools and parks. Impact fees cannot be imposed on those uses, either because of legal constraints or because the local government agency would be imposing the fees on itself, which serves no purpose. However, those uses do create measurable impacts on fire protection/emergency medical services, and they are included in the impact fee analysis so that the impacts associated with those exempt uses can be distinguished from demand associated with fee-paying development types.

**Other types of Development.** The development types for which impact fees are calculated in this study will encompass most new development in the District, but there may be some development projects that don't fit very well within any of the established fee categories. In such cases, it is possible to calculate a customized impact fee at the time a project is approved.

For example, to calculate a customized fire impact fee, it would be necessary to estimate the number of fire calls for service per year that will be generated by the project, based on the number of calls generated by similar existing uses in the District's service area. Then, that number would be multiplied by the cost per call per year calculated in this study to arrive at the fire impact fee for the project.

## **Demand Variable**

To calculate impact fees, the relationship between facility needs and development must be quantified in cost allocation formulas. Some measurable attribute of development, in this case, calls for service per year, is used as a "demand variable" in the cost allocation

formula to represent the impact of different types of development the facility type being analyzed.

Demand variables are selected either because they directly measure the service demand created by various types of development, or because they are reasonably correlated with that demand.

Demand for fire protection, emergency medical response and other services provided by the District is impacted by both residential and non-residential development. In this study, the number of fire calls for service per unit per year is used to represent the demand for fire protection and emergency response services by various types of development in the District. The calls-for-service-per year-factors used in this study are based on analysis by NBS of a random sample of all calls for a one-year period.

January 1, 2023, and December 31, 2023, the District logged over 2,357 calls for service. As part of this study, NBS analyzed a random sample of 500 of those calls and classified them by development type based on address. Calls that could not be associated with a particular type of development were excluded from the analysis. The results based on a sample size of 500 are correlated with a 5% margin of error at the 95% confidence level.

To arrive at a calls-for-service-per-year factor for each type of development, the percentage of sampled calls associated with each type of development defined in this study was applied to the number of calls for service per year to determine the number of calls generated by each type of development for the year. Then, the number of calls per year attributed to each type of development was divided by the number of existing units for that type to arrive at the average number of calls per unit per year. Fire calls-per-unit-per-year factors used in this study are shown in Table 2.1, discussed on the following page.

## Demand Factors

Table 2.1 shows the demand factors used in this study, which are fire calls per unit per year factors for each type of development.

**Table 2.1: Demand Factors**

Development Type <sup>1</sup>	Unit Type <sup>2</sup>	Fire Calls per Unit <sup>3</sup>
All Residential	DU	0.17
Assisted Living	Bed	1.44
Hotel/Motel	Room	0.10
Commercial-Retail	KSF	0.14
Office	KSF	0.09
Industrial	KSF	0.02
Public Facilities	KSF	0.12
Schools	Student	0.02
Parks	Acre	0.07

<sup>1</sup> The square-foot-per-unit ranges shown in this table for residential development include all types of residential development including single-family, multi-family and mobile homes

<sup>2</sup> DU = dwelling unit; KSF = 1,000 square feet of gross leasable area (GLA);  
Room = guest room or suite

<sup>3</sup> Fire calls for service per unit per year based on analysis of a random sample of all 2023 calls for service; see discussion in text and in Chapter 2

## Existing and Future Development

Tables 2.2 through 2.4 on the following pages present summaries of existing and future development by development type in the District.

Table 2.2 shows estimated existing development as of January 1, 2024, in terms of units and fire district calls for service.

**Table 2.2: Existing Development January 1, 2024 - Scotts Valley Fire District**

Development Type	Unit Type <sup>1</sup>	No. of Units <sup>2</sup>	Fire Calls per Year <sup>5</sup>
All Residential	DU	8,826	1,464
Assisted Living	Bed	220	316
Hotel/Motel	Room	685	71
Commercial-Retail	KSF	1,607	226
Office	KSF	1,028	95
Industrial	KSF	3,355	60
Public Facilities	KSF	357	42
Schools	Students	2,779	65
Parks	Acres	255	18
<b>Totals</b>			<b>2,357</b>

<sup>1</sup> DU = dwelling unit; KSF = 1,000 gross sq ft of building area; Room = guest room or suite

<sup>2</sup> Number of existing residential units based on ESRI Housing Summary Report for SVFD Boundaries; non-residential units provided by City of Scotts Valley and ESRI Business Summary Report employees per unit x number of Units from Table 2.1

<sup>5</sup> Fire calls for service per year based on analysis of a random sample of all 2023 calls for service; see discussion in text and in Chapter 2

Table 2.3 shows projected new development to 2045, in terms of units and fire department calls for service.

**Table 2.3: Projected Future Development to 2045 - Scotts Valley Fire District**

Development Type	Unit Type <sup>1</sup>	No. of Units <sup>2</sup>	Fire Calls per Year <sup>7</sup>
All Residential	DU	1,268	216
Assisted Living	Bed	61	88
Hotel/Motel	Room	175	17
Commercial-Retail	KSF	2.0	0
Office	KSF	60.0	5
Industrial	KSF	242.8	5
Public Facilities	KSF	1.7	0
Schools	Students	735	15
Parks	Acres	70	5
<b>Totals</b>			<b>351</b>

<sup>1</sup> DU = dwelling unit; KSF = 1,000 gross sq ft of building area

<sup>2</sup> Added units based on City of Scotts Valley AMBAG growth projections

<sup>3</sup> Added population based on Table LU-1 of the Scotts Valley General Plan

<sup>4</sup> Added employees from City of Scotts Valley

<sup>7</sup> Added fire calls per year for residential development = added units X the average residential rate of 0.17 fire calls per unit per year; added fire calls for non-residential development = added units X calls per unit per year from Table 2.1

Table 2.4 shows projected total development in 2045 in terms of units and fire district calls for service. The figures shown in Table 2.4 represent the sum of the corresponding figures from Tables 2.2 and 2.3.

**Table 2.4: Total 2045 Development - Scotts Valley Fire District**

Development Type	Unit Type <sup>1</sup>	No. of Units <sup>2</sup>	Fire Calls per Year <sup>7</sup>
All Residential	DU	10,094	1,680
Assisted Living	Bed	281	404
Hotel/Motel	Room	860	88
Commercial-Retail	KSF	1,609	226
Office	KSF	1,088	100
Industrial	KSF	3,598	65
Public Facilities	KSF	358	42
Schools	Students	3,514	80
Parks	Acres	325	23
<b>Totals</b>			<b>2,708</b>

Note: The figures shown in Table 2.4 represent the sum of the corresponding figures from Tables 2.2 and 2.3

## Chapter 3. Impact Fees

Scotts Valley Fire District does not have an existing fire impact fee program. This chapter calculates impact fees for fire protection and emergency response facilities, apparatus and equipment provided by the District to all development in the District's service area.

### Service Area

The Scotts Valley Fire District provides fire protection and emergency services to the City and community of Scotts Valley, Branciforte, and adjacent unincorporated areas of Santa Cruz County.

The impact fees calculated in this chapter are intended to apply to all new development in the District with the exception of government buildings, which are typically exempt from impact fees.

### Methodology

This chapter calculates impact fees using the existing inventory method discussed in Chapter 1. With this method, impact fees are calculated so that new development will fund the acquisition of additional facilities (including apparatus, vehicles and equipment) necessary to maintain the level of service currently provided by the District.

To calculate the cost per unit of demand with this method, the replacement cost of existing facilities, apparatus, vehicles and equipment is divided by the number of calls for service per year associated with existing development. As discussed in the next section, demand for services provided by the District is represented by the number of calls for service per year. This method ensures that the impact fees charged to future development will not exceed the amount needed to maintain the existing level of service. With the existing inventory method, replacement costs for existing assets are not depreciated because they represent the cost to acquire additional assets needed to serve additional development

### Demand Variable

As discussed in Chapter 2, the impact of development is represented in this study by the number of calls for service per unit per year generated by each type of development defined in this study.

### Level of Service

In 2021, Section 66016.5 was added to the Mitigation Fee by Act AB 602. That section requires that, after January 1, 2022, the level of service used in an impact fee study must be compared with the existing level of service. If new impact fees are based on a level of service that exceeds the existing level of service, an explanation is required. For impact fees calculated using the Existing Inventory Method, the fees are based on the same level

of service as the existing level of service, so no justification is required to satisfy Paragraph 66016.5(a)(2).

## Facilities, Apparatus and Equipment

At present, the District operates three stations. The administrative office is co-located at Station 1 in Scotts Valley. Table 3.1 contains information on the District’s existing fire stations including construction dates, building sizes, and site sizes, as well as building replacement costs and land values.

**Table 3.1: Existing Fire Stations**

Facility	Constr Date	Building Sq Ft <sup>1</sup>	Site Acres <sup>2</sup>	Bldg Cost/ Repl Cost <sup>3</sup>	Est Land Cost <sup>4</sup>	Impact Fee Cost Basis <sup>5</sup>
Station 1 (Headquarters) – 7 Erba Lane, Scotts Valley	1963	9300	0.90	\$ 4,900,000	\$ 1,109,858	\$ 6,009,858
Station 2 – 251 Glenwood Drive, Scotts Valley	2001	5600	0.50	\$ 2,300,000	\$ 616,588	\$ 2,916,588
Station 3 – 2711 Branciforte Drive, Santa Cruz	1950	5000	1.00	\$ 1,600,000	\$ 1,233,176	\$ 2,833,176
<b>Total</b>				<b>\$ 8,800,000</b>	<b>\$ 2,959,622</b>	<b>\$ 11,759,622</b>

<sup>1</sup> Building square feet provided by the Scotts Valley Fire Protection District Facilities Master Plan, May 2019

<sup>2</sup> Site acres provided by the the Scotts Valley Fire Protection District Facilities Master Plan, May 2019

<sup>3</sup> Building replacement cost provided by SVFPD; estimates reflect age and condition of facilities

<sup>4</sup> Cost or value of site estimated based on \$1,233,176 per acre; provided by SVFPD based on recent appraisal

<sup>5</sup> Impact fee cost basis = sum of building and site cost or value

Table 3.2 lists the District’s existing firefighting apparatus and other vehicles and equipment. Costs for all vehicles and equipment shown in the far-right column of Table 3.2 are replacement costs provided by the District.

**Table 3.2: Existing Fire Apparatus and Vehicles**

Model Year	Description	Useful Life (Yrs)	Replacement Cost <sup>1</sup>	Impact Fee Cost Basis <sup>3</sup>
2003	Pierce/International Water Tender WT2550	20	\$ 500,000	\$ 500,000
2006	GMC/Leader Type III Ambulance R2566	15	\$ 300,000	\$ 300,000
2007	Pierce/International Type III E2537	20	\$ 600,000	\$ 600,000
2008	Chevy Tahoe QRV U2562	10	\$ 60,000	\$ 60,000
2012	Pierce Saber E2510	20	\$ 1,100,000	\$ 1,100,000
2013	Dodge Ram PU 1500 B2504	12	\$ 70,000	\$ 70,000
2014	Dodge Ram PU 1500 B2502	12	\$ 70,000	\$ 70,000
2017	Pierce Enforcer E2511	20	\$ 1,100,000	\$ 1,100,000
2017	2017 Ford Explorer P2591	12	\$ 60,000	\$ 60,000
2018	KME Type III E2538	20	\$ 600,000	\$ 600,000
2018	Chevy Tahoe C2500	12	\$ 70,000	\$ 70,000
2018	Dodge Ram PU 2500 U2595	20	\$ 70,000	\$ 70,000
2019	Chevy 1500 PU B2501	12	\$ 70,000	\$ 70,000
2024	Weis Type VI E2546	15	\$ 273,000	\$ 273,000
2024	Pierce Enforcer E2512	20	\$ 1,100,000	\$ 1,100,000
<b>Total</b>			<b>\$ 6,043,000</b>	<b>\$ 6,043,000</b>

<sup>1</sup> Replacement cost provided by SVFPD

<sup>2</sup> Impact fee cost basis equals the replacement cost

Table 3.3 summarizes the costs from Tables 3.1 and 3.2.

**Table 3.3: Impact Fee Cost Basis - Existing Assets**

Component	Total Cost Basis <sup>1</sup>
Existing Fire Stations	\$ 11,759,622
Existing Fire Apparatus and Vehicles	\$ 6,043,000
<b>Total Cost</b>	<b>\$ 17,802,622</b>

<sup>1</sup> See Tables 3.1 and 3.2

## Cost per Call for Service

Table 3.4 calculates the cost per call for service for existing facilities, apparatus and equipment using the total impact fee cost basis from Table 3.3 and the number of existing calls for service per year.

**Table 3.4: Cost per Call for Service**

Total Cost Basis <sup>1</sup>	Existing Calls for Service <sup>2</sup>	Cost per CFS <sup>3</sup>
\$17,802,622	2,357	\$7,553.09

<sup>1</sup>Total cost basis: See Table 3.3

<sup>2</sup>See Table 2.2

<sup>3</sup>Cost per call for service = total cost basis / existng calls for service

In the next section, the cost per call for service per year from Table 3.4 is used to calculate impact fees per unit for all types of development defined in this study as well as impact fees per square foot for residential development.

The cost per call for service per year in Table 3.4 can also be used to calculate customized impact fees for development projects that do not fit well within the categories of development defined in this study. Customized impact fees can be calculated using the cost per call for service per year from Table 3.4 multiplied by the estimated number of calls per year that will be generated by a specific project.

## Impact Fees per Unit

Table 3.5 shows the calculation of fire facilities impact fees per unit of development for each category of development defined in this study, as well as impact fees per square foot for residential development. Those fees are calculated using the cost per call for service per year from Table 3.4 and the calls-per-unit-per-year factors from Table 2.2. The residential impact fees per unit are divided by the average existing square foot per unit in the district to get a fee per square foot.

**Table 3.5 Impact Fees per Unit and per Square Foot (Residential)**

Development Type	Units <sup>1</sup>	Cost per Call <sup>2</sup>	Calls per Unit <sup>3</sup>	Impact Fee per Unit <sup>4</sup>	Avg Sq Ft per Unit <sup>5</sup>	Impact Fee per Sq Ft <sup>6</sup>
All Residential	DU	\$7,553.09	0.17	\$ 1,284.02	2,485	\$ 0.52
Assisted Living	Bed	\$7,553.09	1.44	\$ 10,876.44		
Hotel/Motel	Room	\$7,553.09	0.10	\$ 755.31		
Commercial-Retail	KSF	\$7,553.09	0.14	\$ 1,057.43		
Office	KSF	\$7,553.09	0.09	\$ 679.78		
Industrial	KSF	\$7,553.09	0.02	\$ 151.06		
Public Facilities	KSF	\$7,553.09	0.12	\$ 906.37		
Schools	Student	\$7,553.09	0.02	\$ 151.06		
Parks	Acre	\$7,553.09	0.07	\$ 528.72		

<sup>1</sup> DU = dwelling unit; KSF = 1,000 gross square feet of building area; room = guest room or suite

<sup>2</sup> Cost per call for service; see Table 3.4

<sup>3</sup> Calls for service per unit; see Table 2.1

<sup>4</sup> Impact fee per unit = cost per call for service X calls for service per unit

<sup>5</sup> Average square feet per new residential unit built between 2018 - 2024<sup>7</sup> provided by the City of Scotts Valley Community Development Department

<sup>6</sup> Impact fee per square foot (residential) = impact fee per unit / square feet per unit

**Customizing Impact Fees.** For any type of non-residential development that does not fit well into the Commercial-Retail, Office, or Industrial categories, the District can customize impact fees based on an analysis of the number of calls for service they are likely to generate. That analysis can be based on the calls generated by similar uses in the District or in areas served by other fire departments. The formula to calculate a customized fee would be:

$$\text{Impact Fee per Unit} = \text{Calls per Unit per Year} \times \text{Cost per Call per Year from Table 3.3}$$

## Projected Revenue

Because there is no way to estimate the actual square footage of residential development that will be subject to these impact fees, potential revenue from these fire facilities impact fees is estimated here based on the projected number of calls for service that will

be added by new development to buildout and the cost per call for service used in the impact fee calculations. Table 3.6 shows that calculation. In Table 3.6, calls for service generated by public facilities are excluded from the projected revenue calculation because no impact fees will be imposed on those facilities.

**Table 3.6 Projected Revenue**

Added Calls for Service <sup>1</sup>	Cost per Call <sup>2</sup>	Projected Revenue <sup>3</sup>
331	\$7,553.09	\$2,501,319

<sup>1</sup> See Table 2.3; added calls from public facilities and K-12 public schools are excluded because the District does not collect impact fees from those types of development

<sup>2</sup> See Table 3.4

<sup>3</sup> Projected revenue = added calls for service X cost per call

The revenue projected in Table 3.6 assumes that future development occurs as shown in Chapter 2. Actual revenue may vary depending on the actual mix of development that occurs in the District between the date of this report and buildout of undeveloped land in the District.

To ensure that revenue from impact fees does not exceed the cost of future facilities needed to serve added development, projected revenue should be compared with the estimated cost of future Fire Department facilities, apparatus and equipment.

The District plans to obtain added capacity in their facilities needed to serve future development through either the retrofit of existing Station 1, or a replacement Station, as well as retrofits and added equipment to existing training facilities. The cost of these improvements ranges from approximately \$10 million up to \$29 million based on the District’s knowledge of project parameters at this time. Additionally, the District requires purchase of a ladder truck, which is estimated to cost approximately \$2 million. The projected \$2.9 million in impact fee revenue shown in Table 3.6 will cover a portion of the facility improvement costs needed for the District to serve its buildout service population; therefore, there is no anticipated risk of the revenue from impact fees exceeding the cost of future facilities needed to serve added development.

### Updating the Fees

The impact fees calculated in this chapter are based on the current estimated replacement costs for fire district facilities, apparatus and vehicles. We recommend that the fees be reviewed and adjusted annually using local cost data or an index such as the Engineering News Record Building Cost Index or the California Construction Cost Index. See the Implementation Chapter for more on indexing of fees.

## Nexus Summary

As discussed in Chapter 1 of this report, Section 66001 of the Mitigation Fee Act requires an agency establishing, increasing or imposing impact fees to make findings to:

Identify the purpose of the fee;

Identify the use of the fee; and,

Determine that there is a reasonable relationship between:

- a. The use of the fee and the development type on which it is imposed;
- b. The need for the facility and the type of development on which the fee is imposed; and
- c. The amount of the fee and the facility cost attributable to the development project.

Satisfying those requirements also ensures that the fees meet the “rational nexus” and “rough proportionality” standards enunciated in leading court decisions bearing on impact fees and other exactions. (For more detail, see “Legal Framework for Impact Fees” in Chapter 1.) The following paragraphs explain how the impact fees calculated in this chapter satisfy those requirements.

**Purpose of the Fee:** The purpose of the impact fees calculated in this chapter is to mitigate the impact of new development in the District on the need for facilities, apparatus and equipment provided by the Scotts Valley Fire Protection District.

**Use of the Fee.** Impact fees calculated in this chapter will be used to provide additional facilities, apparatus and equipment to mitigate the impact of new development in the District on the need for those facilities.

**Reasonable Relationship between the Use of the Fee and the Development Type on Which It Is Imposed.** The impact fees calculated in this chapter will be used to provide additional facilities, apparatus and equipment to serve the added demand for fire protection and other emergency services associated with new development in the Scotts Valley Fire Protection District.

**Reasonable Relationship between the Need for the Facilities and the Type of Development on Which the Fee Is Imposed.** New development in the District increases the demand for fire protection and other emergency services provided by the Scotts Valley Fire Protection District. Without additional facilities, apparatus and equipment, the increase in demand associated with new development would negatively impact the ability the District to provide services efficiently and effectively to all development in the District.

**Reasonable Relationship between the Amount of the Fee and the Facility Cost Attributable to the Development Project.** The amount of the fire impact fees charged to a development project will depend on the increase in calls for service associated with that project. The fees per square foot for residential development and the fees per unit of

non-residential development calculated in this chapter for each type of development are based on the estimated calls for service per unit per year associated with that type of development in the Scotts Valley Fire Protection District. Thus, the fee charged to a development project reflects the impact of that project on the overall need for facilities, apparatus and equipment used by the District to serve development in the District.

## Chapter 4. Implementation

This chapter of the report summarizes requirements for adoption and administration of impact fees, calculated in this study. It was not prepared by an attorney and is not intended as legal advice.

Statutory requirements for the adoption and administration of fees imposed as a condition of development approval (impact fees) are found in the Mitigation Fee Act (Government Code Sections 66000 *et seq.*).

### Adoption

Procedures for adoption of fees subject to the Mitigation Fee Act, including notice and public-hearing requirements, are specified in Government Code Sections 66016 and 66018. It should be noted that Section 66018 refers to Government Code Section 6062a, which requires that the public hearing notice be published at least twice during the 10-day notice period. However, Section 66016.5 added by AB 602 in 2021 requires that impact fee nexus studies be adopted at a public hearing with at least a 30-day notice.

Government Code Section 66017 provides that fees subject to the Mitigation Fee Act do not become effective until 60 days after final action by the governing body.

Actions establishing or increasing fees subject to the Mitigation Act require certain findings, as set forth in Government Code Section 66001 and discussed in Chapter 1 of this report.

A nexus summary for each impact fee calculated in this report can be found in individual chapters of this report and those nexus summaries may be used to support the findings required by Section 66001.

### Administration

The California Mitigation Fee Act (Government Code Sections 66000 *et seq.*) mandates procedures for administration of impact fee programs, including collection and accounting, reporting, and refunds. References to code sections in the following paragraphs pertain to the California Government Code.

**Notices and Statute of Limitations.** Section 66006 (f) provides that a local agency, at the time it imposes a fee for public improvements on a specific development project, "... shall identify the public improvement that the fee will be used to finance." The required notification could refer to the capital improvement plan that must now be adopted with each new impact fee nexus study.

Section 66020 (d) (1) requires that the agency, at the time it imposes an impact fee, shall provide a written statement of the amount of the fee and written notice of a 90-day period during which the imposition of the fee can be protested. Failure to protest imposition of the fee during that period may deprive the fee payer of the right to subsequent legal challenge.

Section 66022 (a) provides a separate procedure for challenging the establishment of an impact fee. Such challenges must be filed within 120 days of enactment.

**Collection of Fees.** Government Code section 66007 provides that, with some exceptions, a local agency shall not require payment of impact fees by developers of residential development projects prior to the issuance of the first certificate of occupancy, or first temporary certificate of occupancy, whichever occurs first.

In 2024, SB 937 added Government Code section 66007(c) relating to “designated residential development projects,” as defined by statute. Subdivision (c) directs local agencies to not require payment of impact fees for “designated residential development projects” until the first certificate of occupancy or first temporary certificate of occupancy is issued, whichever occurs first. Subdivision (c) also provides that a local agency may require the payment of fees or charges at an earlier time if either of the following conditions are met: (i) the fees or charges are to reimburse the local agency for expenditures previously made to the extent those expenditures have not been paid or reimbursed by another parties; or (ii) the fees or charges will be collected for public improvements or facilities related to providing fire, public safety, and emergency services to the residential development, and an account has been established and funds appropriated for the public improvements or facilities. “Appropriated” means authorization by the governing body of the local agency for which the fee is collected to make expenditures and incur obligations for specific purposes.

Statutory restrictions on the time at which fees may be collected do not apply to non-residential development.

**Earmarking and Expenditure of Fee Revenue.** Section 66006 (a) mandates that fees be deposited “with other fees for the improvement in a separate capital facilities account or fund in a manner to avoid any commingling of the fees with other revenues and funds of the local agency, except for temporary investments, and expend those fees solely for the purpose for which the fee was collected.” Section 66006 (a) also requires that interest earned on the fee revenues be placed in the capital account and used for the same purpose.

**Impact Fee Exemptions, Reductions, and Waivers.** In the event that a development project is found to have no impact on facilities for which impact fees are charged, such project must be exempted from the fees.

If a project has characteristics that will make its impacts on a particular public facility or infrastructure system significantly and permanently smaller than the average impact used to calculate impact fees in this study, the fees should be reduced accordingly to meet the requirement that there must be a reasonable relationship between the amount of the fee and the cost of the public facility attributable to the development on which the fee is imposed. The fee reduction is required if the fee is not proportional to the impact of the development on relevant public facilities.

In some cases, an agency may desire to voluntarily waive or reduce impact fees that would otherwise apply to a project as a way of promoting goals such as affordable housing or economic development. Such a waiver or reduction is within the discretion of the governing body but may not result in increased costs to other development projects. So, the effect of such policies is that the lost revenue must be made up from sources other than impact fees.

**Credit for Improvements Provided by Developers.** If the responsible agency requires a developer, as a condition of project approval, to dedicate land or construct facilities or improvements for which impact fees are charged, the responsible agency should ensure that the impact fees are adjusted so that the overall contribution by the developer does not exceed the impact created by the development.

In the event that a developer voluntarily offers to dedicate land, or construct facilities or improvements in lieu of paying impact fees, the responsible agency may accept or reject such offers and may negotiate the terms under which such an offer would be accepted. Excess contributions by a developer may be offset by reimbursement agreements.

**Credit for Existing Development.** If a project involves replacement, redevelopment or intensification of previously existing development, impact fees should be applied only to the portion of the project that represents a net increase in demand for relevant responsible agency facilities, applying the measure of demand used in this study to calculate that impact fee.

**Annual Report.** Section 66006 (b) (1) requires that once each year, within 180 days of the close of the fiscal year, the local agency must make available to the public the following information for each separate account established to receive impact fee revenues:

1. A brief description of the type of fee in the account or fund;
2. The amount of the fee;
3. The beginning and ending balance of the account or fund;
4. The amount of the fees collected and interest earned;
5. Identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the percentage of the cost of the public improvement that was funded with fees;
6. Identification of the approximate date by which the construction of a public improvement will commence, if the agency determines sufficient funds have been collected to complete financing of an incomplete public improvement;
7. A description of each inter-fund transfer or loan made from the account or fund, including interest rates, repayment dates, and a description of the improvement on which the transfer or loan will be expended;
8. The amount of any refunds or allocations made pursuant to Section 66001, paragraphs (e) and (f).

The annual report must be reviewed by the agency's governing body at its next regularly scheduled public meeting, but not less than 15 days after the statements are made public, per Section 66006 (b) (2).

**Five-Year Findings and Refunds under the Mitigation Fee Act.** Prior to 1996, The Mitigation Fee Act required that a local agency collecting impact fees was required to expend or commit impact fee revenue within five years or make findings to justify a continued need for the money. Otherwise, those funds had to be refunded. SB 1693, adopted in 1996 as an amendment to the Mitigation Fee Act, changed that requirement in material ways.

Now, Section 66001 (d) requires that, for the fifth fiscal year following the first deposit of any impact fee revenue into an account or fund as required by Section 66006 (b), and every five years thereafter, the local agency shall make all of the following findings for any fee revenue that remains unexpended, whether committed or uncommitted:

1. Identify the purpose to which the fee will be put;
2. Demonstrate the reasonable relationship between the fee and the purpose for which it is charged;
3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements for which impact fees are to be used;
4. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited into the appropriate account or fund.

Those findings are to be made in conjunction with the annual reports discussed above. If such findings are not made as required by Section 66001, the local agency could be required to refund the moneys in the account or fund, per Section 66001 (d).

Once the agency determines that sufficient funds have been collected to complete financing on incomplete improvements for which impact fee revenue is to be used, it must, within 180 days of that determination, identify an approximate date by which construction of the public improvement will be commenced (Section 66001 (e)). If the agency fails to comply with that requirement, it must refund impact fee revenue in the account according to procedures specified in Section 66001 (d).

For a useful discussion of the foregoing requirements, see "The Mitigation Fee Act's Five-Year Findings Requirement: Beware Costly Pitfalls" by Glen Hansen, Senior Counsel, Abbott and Kindermann, and Rick Jarvis, Managing Partner, Jarvis, Fay and Gibson, presented at the 2022 League of California Cities City Attorneys Spring Conference.

**Audit Requests.** Section 66023 provides that any person may request an audit to determine whether any fee or charge levied by a local agency exceeds the amount reasonably necessary to cover the cost of any product, public facility, as defined in Section 66000, or service provided by the local agency. The legislative body of the local agency

may retain an independent auditor to conduct the audit but is not required to conduct an audit if an audit has been performed for the same fee within the previous 12 months.

The agency shall retain an independent auditor to conduct an audit only if the person who requests the audit deposits with the local agency the amount of the local agency's reasonable estimate of the cost of the independent audit. At the conclusion of the audit, the local agency shall reimburse unused sums, if any, or the requesting person shall pay the local agency the excess of the actual cost of the audit over the amount that was deposited.

However, if the local agency fails to comply with the annual report requirement of Section 66006 following the establishment, increase or imposition of a fee, but requires payment of that fee in connection with the approval of a development project for three consecutive years, the agency shall not require a deposit for the independent audit and shall pay the cost of the audit.

**Indexing of Impact Fees.** Impact fees calculated in this report are based on current costs and should be adjusted periodically to account for changes in the cost of facilities or other capital assets that will be funded by those fees. That adjustment is intended to account for escalation in costs for land, construction, vehicles and other relevant capital assets. For construction costs, the General Services Department's California Cost Index is a useful reference, as is the *Engineering News Record* Building Cost Index (BCI). Where land costs are covered by an impact fee, land costs should be adjusted based on changes in local land prices. Costs for vehicles and other assets may be updated based on vendor information.

## **Requirements Imposed by AB 602**

In 2021, the California Legislature passed AB 602 and the Governor signed it into law. AB 602 creates some new requirements for impact fees that went into effect in 2022. The new law amends Government Code Section 65940.1 and adds Section 66016.5 to impose the following requirements:

- 1) A city, county or special district that has an internet website shall post on its website:
  - a) A current written schedule of fees, exactions and affordability requirements applicable to a proposed housing development project, and shall present that information in a manner that identifies the fees, exactions and affordability requirements that apply to each parcel and the fees that apply to each new water and sewer utility connection
  - b) All zoning ordinances and development standards and specifying the zoning, design and development standards that apply to each parcel
  - c) A list of the information that will be required from any applicant for a development project, as specified in Government Code Section 69540

- d) The current and five previous annual fee reports required by Government Code Section 66006 and Subsection 66013 (d).
  - e) An archive of impact fee nexus studies, cost of service studies or equivalent conducted on or after January 1, 2018.
- 2) The above information shall be updated within 30 days of any changes
  - 3) A City or County shall request from a development proponent, upon issuance of a certificate of occupancy or final inspection, the total amount of fees and exactions associated with the project for which the certificate is issued. That information must be posted on the website and updated at least twice a year.
  - 4) Before adoption of an impact fee, an impact fee nexus study shall be adopted.
  - 5) When applicable, the nexus study shall identify the existing level of service for each public facility, identify the proposed new level of service and explain why the new level of service is appropriate
  - 6) If a nexus study supports the increase of an existing fee, the local agency shall review the assumptions of the nexus study supporting the original fee and evaluate the amount of the fees collected under the original fee.
  - 7) A nexus study adopted after July 1, 2022, shall calculate a fee imposed on a housing development project proportionately to the square footage of the proposed units of the development. A local agency that imposes a fee proportionately to the square footage if the proposed units of the development shall be deemed to have used a valid method to establish a reasonable relationship between the fee charged and the burden posed by the development. A nexus study is not required to comply with this requirement if the agency makes certain findings outlined in the statute.
  - 8) Large jurisdictions as defined in Section 53559.1 (d) of the Health and Safety Code (counties of 250,000 or more and cities in those counties) shall adopt a capital improvement plan as part of a nexus study.
  - 9) All studies shall be adopted at a public hearing with at least 30-day's notice, and the local agency shall notify any member of the public that requests notice of intent to begin an impact fee nexus study of the date of the hearing.
  - 10) Studies shall be updated at least every eight years, beginning on January 1, 2022.

### **Training and Public Information**

Effective administration of an impact fee program requires considerable preparation and training. It is important that those responsible for collecting the fees, and for explaining them to the public, understand both the details of the fee program and its supporting rationale.

It is also useful to pay close attention to handouts that provide information to the public regarding impact fees. Impact fees should be clearly distinguished from other fees, such

as user fees for application processing, and the purpose and use of particular impact fees should be made clear.

Finally, anyone responsible for accounting, capital budgeting, or project management for projects involving impact fees must be fully aware of the restrictions placed on the expenditure of impact fee revenues. Fees must be expended for the purposes identified in the impact fee nexus study in which they were calculated, and the responsible agency must be able to show that funds have been properly expended.

### **Recovery of Administrative Costs**

To recover the cost of periodic impact fee update studies and ongoing staff costs for capital budgeting, annual reports, five-year updates and other requirements of the Mitigation Fee Act, an administrative charge may be added to the impact fees calculated in this report. See the Executive Summary for a discussion of an administrative charge to recover some costs for administration and/or updating of impact fees.

# Appendix A

## Fee Comparison

Development Type/Fee Category	Fee Type / Unit	Proposed Maximum Fee	City of Coalinga [1]	King City [2]	City of Marina [3]	City of Morgan Hill [4]	City of Santa Cruz [5]	City of Soledad [6]	City of Watsonville [7]
			<i>Fire Services</i>	<i>Fire Protection Services</i>	<i>Public Safety Fee [8]</i>	<i>Public Safety Facilities [8]</i>	<i>Public Safety Impact Fee: Fire [8]</i>	<i>Public Safety Facilities [8]</i>	<i>Fire Impact Fee</i>
<b>RESIDENTIAL</b>	per DU	\$0.52 per s.f.	Low / Medium Density: \$489 per DU	Single Family: \$865.22 per DU Multiple Family / Mobile Home / Low, Very Low, and Extremely Low Income Restricted: \$692.64 per DU	Single-Family: \$996 per DU Multi-Family: \$922 per DU Mobile Home: \$922 per Home Senior Homes: \$662 per Home Campground: \$922 Per campground	Single Family : \$703 per DU Multifamily : \$677 per DU  Senior/Downtown/ Secondary Unit: \$464 per DU	Single-Family: \$0.574 per Sq.Ft. (\$287 per DU)  Multi-Family: \$0.975 per Sq.Ft. (\$488 per DU)	Single Family: \$1,670 per DU Multi Family: \$1,335 per DU	New Construction: \$1,090 per DU Addition: \$0.45 per Sq. Ft.
<b>NON RESIDENTIAL</b>									
Assisted Living	Bed	\$ 10,876	<i>No Comparison Available</i>	<i>No Comparison Available</i>	Assisted Living-Senior: \$368 per DU	<i>No Comparison Available</i>	<i>No Comparison Available</i>	<i>No Comparison Available</i>	<i>No Comparison Available</i>
Hotel/Motel	Room	\$ 755	<i>No Comparison Available</i>	\$376.03 per unit	\$164 per room	\$76 per room	\$ 0.193 per Sq. Ft. (\$97 per room)	<i>No Comparison Available</i>	<i>No Comparison Available</i>
Commercial-Retail	KSF	\$ 1,057	\$0.03 per Sq. Ft. (\$30 per KSF)	\$0.57 per Sq. Ft. (\$570 per KSF)	\$361 per KSF	\$13,791 per Acre (\$313 per KSF)	\$ 0.551 per Sq. Ft. (\$551 per KSF)	\$410 per KSF	\$ 0.45 per Sq. Ft. (\$450 per KSF)
Office	KSF	\$ 680	<i>No Comparison Available</i>	<i>No Comparison Available</i>	\$604 per KSF	\$16,534 per Acre (\$376 per KSF)	\$ 0.644 per Sq. Ft. (\$644 per KSF)	\$1,268 per KSF	<i>No Comparison Available</i>
Industrial	KSF	\$ 151	\$0.01 per Sq. Ft. (\$10 per KSF)	\$0.16 per Sq. Ft. (\$160 per KSF)	\$120 per KSF	\$16,553 per Acre (\$385 per KSF)	\$ 0.257 per Sq. Ft. (\$257 per KSF)	\$799 per KSF	\$ 0.45 per Sq. Ft. (\$450 per KSF)

**[Notes]**

- [1] Sourced: "Coalinga\_Development Impact Fees Master List Updated 10-15-2018\_202008191109278741.pdf"
- [2] Sourced: "KingCity\_Master Fee Schedule Update 1.15.2024\_202401111305358055.pdf"
- [3] Sourced: "CityofMarina - Exhibit A - 21-22 Annual Impact Fee Report.pdf"
- [4] Sourced: "MorganHill\_Impact Fee Schedule Effective January 15, 2024 (PDF)\_202401091843409673.pdf"
- [5] Sourced "SantaCruz\_Citywide Master Fee Schedule\_wlImpactFees.pdf"
- [6] Sourced "CityofSoledad\_Master-Fee-Schedule-FY-24-25.pdf"
- [7] Sourced "City of Watsonville\_Impact Fees 2022-23.pdf"
- [8] May include both police and fire facilities



# SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, CA 95066-4199 • scottsvalleyfire.com • 831-438-0211

TO: Hon. Board of Directors  
FROM: Mark Correira, Fire Chief  
DATE: November 12, 2025  
RE: Board Memo 2025-51: Resolution 2025-17 Graydon Resolution Approving Direct Solicitation of Public Contracts

## **Recommendation**

Approve Resolution 2025-17

## **BACKGROUND**

District Staff has been working with the County to add an Americans with Disability (ADA) compliant bathroom at the Branciforte Fire Station. Recently, the County approved the building plans and approved the project for permitting. Staff used these plans to solicit bids through a request for proposals (RFP) process. Unfortunately, the District received no responsive bidders – a common problem the District has experiences with these size projects.

A few weeks after the close of the RFP, a local contractor reached out to the District and offered to submit a quote for the project. Staff contacted general counsel to determine if we could use the local contractor's quote for this project because we had satisfied the RFP process. Counsel recommended using the Graydon Resolution process for this project.

The Graydon Resolution allows the Board to approve the project and the quote from the lone contractor interested in doing this work. The Resolution is based on case law from *Graydon v. Pasadena Redevelopment Agency* where a similar situation arose after doing an RFP for a small project.

Staff recommends approval of Resolution 2025-17

**SCOTTS VALLEY FIRE PROTECTION DISTRICT**

**RESOLUTION NO. 2025-17**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SCOTTS VALLEY FIRE PROTECTION DISTRICT APPROVING DIRECT SOLICITATION OF QUOTES FOR BRANCIFORTE BATHROOM CONSTRUCTION PROJECT**

**WHEREAS**, the Scotts Valley Fire Protection District (“SVFPD”) is in the process of procuring a public works contract to construct an ADA-compliant bathroom, travel pathway, and access ramp at SVFPD Fire Station 3, which is located at 2711 Branciforte Dr, Santa Cruz, California 95060, generally referred to as the “Branciforte Community Room Project” (hereinafter, “Project”); and

**WHEREAS**, on September 19, 2025, the Scotts Valley Fire Protection District (“SVFPD”) issued Invitation to Bid No. 2025-02 (“ITB”) for the Project; and

**WHEREAS**, by October 2, 2025, the closing date of the ITB, SVFPD did not receive any bids from contractors on the Project; and

**WHEREAS**, the District is normally subject to competitive bidding requirements for construction projects, including the Project, pursuant to Public Contract Code Section 20813; and

**WHEREAS**, the California Court of Appeal in *Graydon v. Pasadena Redevelopment Agency*, (1980) 104 Cal. App. 3d 631, determined that there are well-recognized exceptions to requirements for competitive bidding, including when competitive proposals would be unavailing or would not produce an advantage, or where it practically is not possible to obtain what is required through competitive bidding (*Id.* at 635-637); and

**WHEREAS**, competitive bidding in this instance would be impractical and would not produce an advantage as SVFPD sought bids for the Project and received none, and further attempts to competitively bid for this project are reasonably expected to yield the same results; and

**WHEREAS**, the Project is anticipated to be a smaller contract, with an estimated cost of approximately \$140,000; and

**WHEREAS**, SVFPD has often struggled to identify contractors to perform smaller jobs, such as the Project, in light of the distances many area contractors must travel to examine the job-site, coupled with the smaller contract amount and the uncertainty that they will ultimately be awarded the work through a competitive process.

**NOW, THEREFORE,** the Board of Directors (“Board”) of the Scotts Valley Fire Protection District hereby determines, resolves, and orders as follows:

**Section 1.** The foregoing recitals are true and correct and are adopted as findings of the Board.

**Section 2.** The Board finds that it is not practical and would not produce an advantage to competitively bid this project; thus, procurement for the Project is exempt from requirements for competitive bidding consistent with the Court of Appeal’s decision in *Graydon v. Pasadena Redevelopment Agency*.

**Section 3.** The Board hereby authorizes SVFPD to seek to procure public works contract for the Project through direct solicitation of contractors and delegates authority to the Fire Chief of SVFPD, in coordination with legal counsel, to take such action as may be necessary to negotiate a contract consistent with the direction of the Board contained herein.

**Section 4.** The Board hereby authorizes the Fire Chief and/or his designee to take any and all such actions necessary to effectuate the purpose of this Resolution, and negotiate a public works contract for the completion of the Project, which shall be subject to future approval by the Board before final award.

PASSED AND ADOPTED by the Board of Directors of the Scotts Valley Fire Protection District, County of Santa Cruz, State of California, at a regular meeting held on the 12th day of November, 2025, by the following roll call vote:

	<u>Ayes</u>	<u>Noes</u>	<u>Absent</u>	<u>Abstain</u>
Director Adam Cosner				
Director Kris Hurst				
Director Daron Pisciotta				
Director Mike Weaver				
Director Ron Whittle				

Attest: \_\_\_\_\_  
Mark Correia  
Board Secretary

\_\_\_\_\_  
Adam Cosner  
Board President



# SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, CA 95066-4199 • scottsvalleyfire.com • 831-438-0211

TO: Hon. Board of Directors  
FROM: Mark Correira, Fire Chief  
DATE: November 12, 2025  
RE: Board Memo 2025-52: Capital Improvement Plan 2025 - 2030

## **Recommendation**

Approve the 2025 - 2030 Capital Improvement Plan

## **Introduction**

This Board Memo presents the proposed Capital Improvement Plan (CIP) for the Scotts Valley Fire District for fiscal years 2025 through 2030. The CIP (attached) aims to address critical infrastructure needs, enhance emergency response capabilities, and ensure the safety and well-being of our community through strategic investments in facilities, equipment, and technology. It is also a requirement for the implementation of fire facility impact fees.

## **Background**

The Scotts Valley Fire District has historically maintained a proactive approach to capital improvements and purchasing. In light of increasing call volumes, technological advancements, and aging infrastructure, a comprehensive review of current assets and future needs was conducted in 2025. This review informed the development of the proposed CIP, which aligns with the District's strategic goals and financial capacity for most of the District's capital needs.

## **Key Components of the Proposed CIP**

### **1. Equipment and Vehicle Replacement**

- Replacement schedule of aging fire engines and rescue vehicles
- Acquisition of specialized rescue and mitigation equipment
- Identification and schedule for the replacement of high-dollar medical and rescue equipment that can be adjusted as incident volume increases
- Ongoing funding strategy for information technology needs

### **2. Facility Needs**

- Evaluation of current and future facility needs

- Maintenance funding for existing facilities

### **Funding Strategy**

The funding for the CIP will be sourced through a combination of funding sources including:

- Capital Outlay / Zone A
- General Fund
- State and Federal Grants
- Fire Facility Impact Fees (if approved)
- Special levy(s)

### **Evaluation and Implementation**

The CIP will undergo an annual review to monitor progress and revise priorities as needed. It will also be submitted with any changes for adoption by the Board. The CIP is meant to be a living-document and will evolve with the Fire District.

The Fire Chief's Executive Leadership Team will oversee the implementation process, ensure fiscal responsibility, and provide regular updates on milestones in the quarterly Fire Chiefs' Report.

### **Conclusion**

Adopting this Capital Improvement Plan will position the Scotts Valley Fire District to better serve the community, and create a plan to maintain resilient infrastructure. Approval of this plan is recommended to proceed with the outlined projects and funding strategies.

# SCOTT'S VALLEY FIRE PROTECTION DISTRICT CAPITAL IMPROVEMENT PLAN 2025/2026 2025-2030



# Scotts Valley Fire Protection District

## Capital Improvement Plan FY 25/26 to FY 30/31

### Summary

The Capital Improvement Plan (CIP) is one of the most critical planning tools for the Scotts Valley Fire Protection District. It aims to identify the organization's capital needs over a five-year period, addressing both immediate priorities and long-term requirements, with a planning horizon extending through fiscal year 2030/31.

Primarily, the CIP serves as a dynamic, annually updated document that adapts as organizational and community needs become clearer and projects progress through planning and budgeting stages. An effective CIP facilitates advanced project identification, planning, evaluation, scope definition, design, public engagement, cost estimation, and financial planning.

The development of this CIP is guided by several objectives:

- Preserving and improving infrastructure through sustainable capital asset procurement.
- Maximizing the lifespan of investments by scheduling major renovations, modifications, and procurement at optimal times.
- Identifying current and future infrastructure and equipment needs, establishing project priorities to utilize resources effectively.
- Enhancing financial stability through resource comparison, future funding projections, and fiscal impact analysis.

This plan serves multiple purposes:

- As a strategic guide for the District Board and administration regarding current and future capital needs.
- To inform personnel, the community, businesses, and stakeholders about capital requirements and associated costs.
- To meet administrative and regulatory requirements.
- To identify funding sources and strategies aimed at achieving plan objectives and recommendations.
- To inform financial decisions, allocations, and needs over the planning period, regardless of funding availability.
- To present feasible funding options and evaluate their viability.

The Scotts Valley Fire Protection District provides fire and emergency medical services within the City of Scotts Valley and nearby unincorporated areas of Santa Cruz County, operating from two staffed stations—SCO1 (Erba Lane) and SCO2 (Glenwood)—and a third station, SCO3 (Branciforte) is staffed during high-risk periods. SCO1 is located at 7 Erba Lane, SCO2 at 251 Glenwood Drive, and SCO3 at 2711 Branciforte Drive. The administrative and community risk reduction teams are normally based at SCO 1 but have been temporarily relocated to SCO 2.

The response area covers approximately 30 square miles and serves approximately 22,000 residents within the City of Scotts Valley and adjacent rural and suburban regions. The department is staffed with a minimum of seven emergency responders per 24-hour shift. In addition, the district staffs a fire chief, fire marshal, 2.6 equivalent administrative staff, and about twelve paid-call firefighters.

### **Introduction**

This CIP balances industry standards and community needs within resource constraints. As standards evolve and costs increase, the plan will remain flexible and subject to annual updates. Its purposes include:

- Supporting future financial decisions and capital allocations.
- Providing a basis for budgeting capital projects as demands evolve.
- Guiding the District’s Board on funding requirements.
- Informing stakeholders about the department’s current and planned capital assets and funding status.
- Ensuring consistent planning for major expenditures and “just-in-time” replacement of apparatus, equipment, and facilities.

The following sections outline the guiding principles for capital improvements, replacement schedules, facility use, cost estimates, and financial strategies.

### **Section 1 Program Context**

As one of California’s fire protection districts organized under the Fire Protection District Act of 1961 and further revised under the Fire Protection District Act of 1987, the Scotts Valley Fire Protection District provides fire and EMS services within a designated area of Santa Cruz County. The district’s jurisdiction covers over 30 square miles, including the City of Scotts Valley and the surrounding rural or suburban areas.

Our adopted Mission Statement — “Dedicated to saving lives, property, and the environment of the communities we serve through rapid response, prevention, and education” — reflects our commitment to delivering comprehensive emergency medical services (EMS), fire response and suppression, special operations, vehicle extrication, hazardous materials response, fire district administration, staff professional development, and public safety education. Maintaining a Board-adopted CIP that is both realistic and adaptable is essential to fulfilling our mission and ensuring operational safety. We also consider recommended standards for fire protection and EMS issued by the National Fire Protection Association (NFPA). These standards are often incorporated into laws and regulations and are frequently used by courts to establish industry benchmarks.

Additionally, Public Protection Classification surveys conducted by the Insurance Services Office (ISO) are of significant importance to the district and property owners, as they directly influence fire insurance premiums. Currently, the district’s classification is split: a Class 2 in the urban area within Scotts Valley city limits, and a Class 10 in areas over five road miles from a fire station. Recent experience demonstrates that failure to meet minimum service standards results in immediate and costly increases in fire insurance premiums for property owners in these rated areas. A well-

developed CIP is rooted in consistent planning for major expenditures and anticipates the “just-in-time” replacement of apparatus, equipment, and facilities.

Supported by an appropriate funding stream and thoughtful analysis and forecasting by staff, the CIP is a powerful instrument for managing the Fire District’s level of service delivery and in seeking the necessary funding. Major capital improvements may include the following:

- Apparatus: Purchase and/or refurbishment/replacement of type-I engines, type-III engines, type-VI engines, ladder trucks, water tenders, command vehicles, utility vehicles, and rescue vehicles.
- Major Equipment: Purchase and/or replacement of personal protective equipment (PPEs), self-contained breathing apparatus (SCBAs), EMS diagnostic equipment, rescue tools, fire hose, communications equipment, information technology related devices and hardware, and small/portable equipment.
- Facilities: New construction, renovation or major maintenance of fire stations, training facilities (classrooms and manipulative drill ground buildings and props), and administrative and support offices. Property (land) acquisition is also addressed in this category.

The administration has chosen to include non-capitalized but high-value equipment purchases in selected categories as a way to account for additional equipment items necessary for operations and service provision. These items include rescue equipment, personal protective gear, IT devices, and similar items that exceed \$5,000.

Debt-service payment(s) would also be included in this plan as a way to provide a comprehensive look at what is being spent annually on equipment related purchases, be they direct budget allocation, debt payments, or actual capitalized equipment and improvements. This plan does not include debt financing payments.

The CIP allows policymakers and management to effectively plan, approve, and implement a sustained and continuous effort when operating a progressive fire protection service delivery system through a proactive budgeting strategy. If funding for a CIP has not yet been established, there is a requisite initial investment whenever inaugurating or restoring a CIP. Scotts Valley Fire Protection District is just now developing from this type of situation. This is necessary for creating a baseline of equipment and identifying the sources of funding to support an equipment and facilities replacement schedule based on a formally established policy specifying the useful service life of equipment and facilities, or OSHA mandated service lives.

## **Section 2 Capital Acquisitions – Apparatus**

The Scotts Valley Fire Protection District established some standard apparatus and equipment depreciation values. These amounts can be found in Policy 1604 - Depreciation. Primary funding is now provided under the pay-as-you-go process, by using reserve funds, borrowing capital, or through grants.

**Type I Engine Replacement Recommendations:** Follow Policy 1604’s depreciation schedule of 20 years using the following approach: 10 years of frontline service for all type I firefighting apparatus, with a minimum of 10 years reserve service before consideration of decommissioning the apparatus. Apparatus refurbishment may also be a consideration.

**Aerial Apparatus:** The District may consider the future purchase of an aerial or quint type fire apparatus. This addition could be in place of a type I Engine. The multipurpose capability of an aerial unit could be beneficial in the core area of the District, and would be based on the vertical growth that is currently planned in the town center and along main city thoroughfares. With this purchase, an existing type I Engine could be retired from front line service, thus placing the current unit into reserve status. The purchase of this apparatus could also be used regionally and collaboration on this purchase may be the most efficient way to acquire this type of apparatus. Because this apparatus type is a consideration caused by growth, some or all of its funding above the cost of a type I engine could be derived from impact fees. More study is needed on the type of apparatus, when it should be purchased, and the funding sources used.

**Type III and Type VI Engine Replacement Recommendations:** Continue to follow and implement an apparatus replacement schedule policy of 15 years of frontline service and 15 years reserve for all type III and VI firefighting apparatus. Apparatus refurbishment may also be a consideration.

**Water Tender Replacement Recommendations:** Continue to follow and implement an apparatus replacement schedule policy of 25 years of frontline service for all Water Tender apparatus. Apparatus refurbishment may also be a consideration.

**Light Duty Vehicle Replacement Recommendations:** It is recommended that light vehicles should be considered for a replacement policy of 15 years for the Chief Command Vehicles and Utility Vehicles.

**Ambulance / Rescue (transport) Unit:** The District recently purchased a surplus transport-capable ambulance / rescue unit. Once this resource is put in service, and depending on demand, a replacement apparatus should be considered for the replacement schedule.

**CIP Project Table for Apparatus:** The following is the CIP Planning Table which incorporates the preceding recommendations and includes estimated cost allocations and define funding recommendations and/or specific funding strategies.

Projected Useful Life of Fire				
Apparatus & Type	Apparatus 1st Out Response	2nd Out Response	Emergency Reserve	Total
Engine Type I or Aerial	10 Years	10 Years	5 Years	25 Years
Type III and Type VI	15 Years	10 Years	5 Years	30 Years
Water Tender	25 Years	N/A	5 Years	30 Years
Command/Utility Vehicle	15 Years	N/A	Off-Budget Unit	15 Years
Rescue (Transport Ambulance)	10 years***	5 Years	5 Years	20 Years

<b>Current Fleet Apparatus &amp; Type</b>		<b>Actual or Projected Move to 2nd Out</b>	<b>Actual or Projected Move to Reserve</b>	<b>Projected Retirement</b>
	<b>Placed In Service 1st Out</b>			
Engine 2511 - Type I (Pierce Enforcer)	2017	2027	2037	2042
Engine 2512 - Type I (Pierce)	2025	2035	2045	2050
Engine 2560 - Type VI (2546)	2025	N/A	N/A	2045
Engine 2538 - Type III (KME)	2018	N/A	N/A	2038
Water Tender – 2560 (Pierce/International)	2003	N/A	N/A	2028
Engine 2537 – Type III (Pierce/International)	2007	N/A	N/A	2027*
2591 – FM (2017 Ford Explorer)	2017	N/A	N/A	2032
2592 – BC (Dodge Ram 1500)	2014	N/A	N/A	2029
2593 – QRV (Chevy Tahoe)	2008	N/A	N/A	2023 **
2594 – BC (Dodge Ram 1500)	2013	N/A	N/A	2028
2597 – CH (Chevy Tahoe)	2018	N/A	N/A	2032
2595 – Utility (Dodge Ram 2500)	2018	N/A	N/A	2032

<b>Additional and Replacement Apparatus Needs Next 5 Years</b>		
<b>Apparatus &amp; Type</b>	<b>Estimated Cost as of 2025</b>	<b>Reason of Addition</b>
Rescue (transport ambulance)	\$250,000	If the Santa Cruz County Fire Agencies were to assume transport ambulance the District should plan on purchasing a new type 3 ambulance.
Water Tender – 2560 (Pierce/International)	\$450,000	Reached end of its useful life during this CIP schedule.
Engine 2537 – Type III (Pierce/International)	\$650,000	Reached end of its useful life. *
2592 – BC (Dodge Ram 1500)	\$60,000	Reached end of its useful life.
2594 – BC (Dodge Ram 1500)	\$60,000	Reached end of its useful life.

<b>Additional and Replacement Apparatus Needs Next 5-10 Years</b>		
<b>Apparatus &amp; Type Estimated</b>	<b>Cost as of 2025</b>	<b>Reason for Addition</b>
2591 – FM (2017 Ford Explorer)	\$60,000	Reached end of its useful life.
2597 – CH (2018 Chevy Tahoe)	\$60,000	Reached end of its useful life
2595 – Utility (2018 Dodge Ram 2500)	\$55,000	Reached end of its useful life
<b>TOTAL</b>	<b>\$1,645,000</b>	

*\* Could be replaced with the type VI (2560)*

*\*\* Off-replacement-schedule vehicle. Replaced with type VI once placed in service.*

*\*\*\*National Fire Protection Association (NFPA) recommends an ambulance be replaced every 5 years or 75,000-100,000 miles.*

### **Section 3 Capital Acquisitions – Equipment**

This section discusses the replacement of capital equipment in the on-going business of fire, rescue, and EMS service delivery. It includes personal protective equipment (PPE) turnout gear, self-contained breathing apparatus (SCBA), rescue extrication tools, advanced life support cardiac monitoring/intervention equipment, and information technology related devices such as desktop/laptop computers and tablets. While some items may not be considered a capital asset by policy, they are included as a way of presenting some of our ongoing equipment needs that are funded through the Capital Outlay/Zone A Fund.

**Personal Protective Equipment (PPE):** PPE is recommended to be replaced every ten years, or every two NFPA standards revision cycles, or whenever the equipment is damaged beyond repair or fails an inspection. The Scotts Valley Fire Protection District has approximately 35 sets of frontline structural firefighting gear and an equal number of wildland firefighting PPE gear. The district also provides each career firefighter with a second set of structural gear. The 2025 cost for one (1) set of structural firefighting gear (pants, coat, hood, boots, helmet, and gloves) cost is approximately \$7,450. One (1) set of wildland firefighting gear (pants, jacket, boots, helmet, gloves, filtered respirators, and fire shelters) cost approximately \$1,800. There are many ways to approach PPE replacement including a large purchase every three (3), five (5) or ten (10) years, or purchase a set amount of gear each year. Larger block purchases do not allow for flexibility with staff turnover, or body-shape-changes. The district's most recent hybrid-approach is to purchase a set amount of PPE each year, and add additional gear as needed to keep in compliance with recognized standards. Therefore, in order to amortize the cost of PPE replacement in a planned fashion over a 5 to 7-year period, the District should budget for four (4) sets of PPE at approximately \$38,000 annually, in addition to maintenance and repairs costs. This approach allows the District to maintain its serviceable complement of PPEs in manageable increments versus larger purchases.

**Recommendation:** Continue to budget an annual amount for replacement gear, and phase in replacement and second-sets of turnouts as set forth through the previously established replacement plan. Accelerate the replacement if possible. As turnouts are replaced the older sets shall become the member's back up set of turnouts. This will allow for turnouts to be laundered more efficiently reducing the member's exposure to carcinogens and helping prolong the life and performance of the turnouts. If a set is not serviceable due to wear, age, contamination, or degradation, the gear will be placed back onto the list and the assigned member will receive an additional set after higher priority sets are ordered. Turnout gear falling out of usable life compliance must be replaced. Non-structural Volunteer PPE (gear not used in a hazardous environment) should also be considered in future years when gear is not available.

**Rescue Tools:** Hydraulic rescue tools are mission critical equipment for delivering service. Staff is recommending replacement every 10 years, and or depending on advances in technology and the cost of maintenance and repairs to each unit. The District has made good progress in past years in this area. Funding for new battery powered tools (eDRAULIC) should continue. The 2025 quote for eHydraulic Tools is \$51,407.

**Recommendation:** Refocus on the purchase of battery powered units in order to equip all staffed type I engines, and a reserve-ready type I engine. An additional set of heavy rescue eDRAULIC tools should be considered, and is included for purchase in fiscal year (FY) 2026/27. These three (3) items should be added to the CIP for funding and replacement every 10 years.

**EMS Equipment:** Cardiac monitors/defibrillators and CPR devices (Lucas) have been a huge technological improvement to the department’s response for over a decade and is responsible for many lives saved within the Scotts Valley Fire Protection District. In addition, the District has purchased mechanical CPR devices (Lucas) to improve quality of care and reduce risk if injury to the responders. The original Lucas device was deployed on the battalion chief / duty chief apparatus but, with the purchase of a second device, they are now deployed on the two (2) frontline type I Engines. The District currently owns five (5) cardiac monitors and two (2) Lucas Devices.

**Recommendation:** Staff is recommending the district maintain three (3) frontline cardiac monitors and two (2) Lucas devices on a ten (10) year replacement schedule. As the community grows and call volume increases, an additional monitor and Lucas device may be warranted, or a reduction of service years should be considered.

**Information Technology (IT):** The IT budget support ongoing costs of computer equipment, and network hardware. As public safety technology and software become more interconnected and advanced, and as services levels increase with growth, continued investment in IT equipment will ensure reliable service delivery. The district currently has one (1) server, fifteen (15) iPads, eight (8) laptops, and fifteen (15) desk top computers. Staff is currently transitioning administrative and management staff desk top computers to laptops with docking stations. This prevents the need to issue more than one computer to a single staff member, and allows them to work seamlessly from any location.

**Recommendation:** Staff will continue to implement laptop computers for administrative and management staff. To accomplish this, Staff has budgeted a higher amount in FY 2025/26 (\$12,000), and a lesser amount (\$8,000) for equipment replacement in the out-years. Staff is also evaluating the need to maintain a server versus moving to cloud computing. In FY 2025/26, a cost analysis will be performed to determine if moving to cloud computing makes sense. Lastly and as growth occurs, additional equipment may be required to accommodate increase call volume, or inspection requirements.

				Expected Fiscal Year Purchased				
Category	Overall item description	Total Cost		2025/2026	2026/2027	2027/2028	2028/2029	2029/2030
PPE	Structural FF Gear	\$170,000		\$30,000	\$35,000	\$35,000	\$35,000	\$35,000
PPE	Wildland FF Gear	\$190,000		\$38,000	\$38,000	\$38,000	\$38,000	\$38,000

Rescue Tools	eDRAULIC Extrication Tools	\$51,407		\$0	\$51,407	\$0	\$0	\$0
EMS Equipment	Cardiac Monitors / Defib	\$150,000		\$0	\$0	\$150,000	\$0	\$0
EMS Equipment	Lucas CPR Devices	\$0		\$0	\$0	\$0	\$0	\$0
IT	Computers, iPads	\$44,000		\$12,000	\$8,000	\$8,000	\$8,000	\$8,000
	<i>TOTAL</i>	\$605,407		\$80,000	\$132,407	\$231,000	\$81,000	\$81,000

**Section 4 Capital Acquisitions – Facilities**

Capital improvements and investments in facilities can represent some of the largest expenditures of a CIP, especially if new fire facilities are contemplated. The facilities section requires a very dynamic approach if new facilities are considered. Detailed response time analysis, call saturation data, ISO cost/benefits, flood plain impacts, current and proposed development and associated zoning, street and highway access, are just some of the considerations which make predicting new facilities needs a challenge.

The Scotts Valley Fire Protection District has been fortunate over the years to be able to continue to maintain its stations in serviceable condition, but its primary station, SCO1 at 7 Erba Lane, reached the end of its useful life in 2018. The current location of SCO1 is not the most advantageous response location and should be moved further south. Since 2005, four (4) attempts have been made to seek voter approval to build on a 1.5 acre District-owned parcel at 6000 La Madrona but have failed by very close margins. Because of its location and the need to replace the Erba Lane Station, relocating and building SCO1 on the La Madrona site is the preferred option. To accomplish this, a dedicated funding source will be needed for the majority of this purchase as the District does not have the capacity in its current revenue streams. The district has a board committee dedicated to fleet and facilities, and district staff continue to look for funding options to support this need.

The SCO2 Station on Glennwood was built in 2000 and opened in 2001. SCO3 Station on Branciforte was built in 1950, and a newer two-bay station with crew quarters on the second floor was constructed in 2018 and opened in 2020. Both of these stations continue to be maintained and remain in a serviceable capacity.

In addition to fire station facilities, the Fire District has limited space to train its firefighters. The District currently uses Connex (shipping) boxes for this purpose which are limited to two stories. As the District grows vertically, a site will be needed to train to this new expanded requirement. Although no funds have been set aside for this need, as the community grows a more detailed plan will be developed on this facility and its need.

**General Recommendation:** Due to the age of the buildings the District will continue to pursue relocating SCO1 to La Madrona Drive as well as updating the existing fire station. This will allow the district to expand as well as be able to meet the space requirements for new apparatuses like a quint/Ladder, or to improve the service levels for which the district is reliant on surrounding departments to fulfill the need. The improved facility would also meet the current health and safety requirements as identified by the National Fire Protection Association (NFPA). The estimated cost to replace & build a new fire station is \$19.5 Million.

Maintaining SCO2 and SCO3 Fire Stations shall be paramount to protect these investments. To accomplish this and as part of the District’s Strategic Plan, the agency shall work with consultants to identify investments into maintaining these two fire stations. Until this study is completed, it is recommended the District should consider an annual \$25,000-for-each-station reserve to cover these expenses. This amount is budgeted in the FY2025/26 Capital Fund, and is recommended this amount be maintained in the out-years.

Planning for a training building as the community grows is critical.

Station	CIP	Estimated Replacement Year	2025/26	2026/27	2027/28	2028/29	2029/30	TOTAL
SCO 1 - Headquarters 7 Erba Lane Scotts Valley, CA	Relocate and replace	2020	\$1,500,000					<b>\$1,500,000</b>
SCO2 – Glennwood 251 Glennwood Drive Scotts Valley, CA	Maintain	2040	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	<b>\$125,000</b>
SCO3 – Branciforte 2711 Branciforte Drive Santa Cruz, CA	Maintain	2060	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	<b>\$125,000</b>
Training Building	New	N/A					\$250,000	<b>\$250,000</b>
							<b>TOTAL</b>	<b>\$2,000,000</b>

**Section 5 CIP Funding Summary**

Based on the preceding recommendations the Scotts Valley Fire Protection District estimates that over the next five years, the District needs to consider \$4,250,407 in Capital Investments. The amount considers the three areas of capital investment identified in this document, totaling \$1,645,000 (38.70%) for Apparatus, \$605,407 (14.24%) for Major Equipment and \$2,000,000 (47.05%) for Facilities.

## **Section 6 Funding Strategies**

This financial strategy provides an analysis and recommendations for funding the needs and projects identified in the Capital Improvement Plan. This is designed to be a living document and not a definitive answer. Utilized along with thoughtful analysis and forecasting by staff, it allows management and the board of directors to effectively plan and approve a sustainable maintenance of effort through a proactive budgeting strategy.

This financial strategy document provides a description of several capital funding possibilities by presenting alternatives with a recommendation, an implementation schedule, and an estimated cost to implement the recommendation.

### **Sources of Capital Funds**

Funding for capital improvements comes from several sources. These funds are generated through local taxes, fees, grants, outside funding or other similar sources. The availability of these funds is sensitive to economic cycles, human capital contracts, outside service contracts, health insurance costs, etc., and other unforeseen and unfunded mandates from outside sources.

Currently, the District has a general fund where property taxes fund ongoing programs and a Capital Outlay / Zone A fund that is used to fund the District's Capital Equipment Needs. In 2025/26 Fiscal Year, it is estimated the Zone A will generate \$165,729 in revenue, not including interest income. In addition, the District transferred \$750,000 from the General Fund to the Capital Fund to keep the capital replacement scheduled fully funded in the out years.

It has been a historical practice to move monies between funds to meet the needs of the District. It has also been a historical practice to plan for large capital expenses and use these funds to pay for the capital item. Other options exist to pay for capital items, and each need should be evaluated to determine which "tool in the toolbox" is best for the purchase.

The remainder of this section provides other ways to fund capital equipment.

**Pay-As-You-Go (PAYG)** comes from annual appropriations and is part of the adopted operating budget. PAYG funding provides the greatest flexibility and historically has funded many of the District's capital items and projects. Projects that are typically smaller in scale as well as minor renovations are likely candidates for PAYG funding – as long as the project has an expected useful life of at least 10 years or more. PAYG has no debt service cost that must be paid on the expenditure. It is available at the start of the fiscal year but must compete with other operating programs for funding. Funding can also be carried over at the end of each fiscal year.

**Loan financing** refers to debt financing of projects. Loan financing is generated through the borrowing of funds (principal) at a cost (interest) through the sale of municipal bonds or through a standard financial loan with traditional banking institution.

**Inter-Governmental Loans** refers to loans specifically provided from one government entity to another. In some cases, they can be interest free or structured with interest. They are usually considered for one-time capital purchases. While still a consideration, it may be difficult for one agency to loan money to another due to internal funding needs and restrictions on reserve amounts.

**Grant Funding** has been a challenge for the District, but may be a funding option for capital items. Over the past ten years the District has spent countless hours writing grants only to have them denied. Regardless, annual grant opportunities should continue to be pursued when the opportunities present themselves.

**Impact Fees** are assessed on new development in order to pay for a portion of the costs of the capital needed to serve the new development. Impact fees are one-time assessments established by local governments to assist with the provision of Capital Improvements necessitated by new growth and development. In 2024, the District contracted with NBS Government Finance Group to analyze the impacts of new development on capital facilities and to calculate impact fees based on this analysis.

**Philanthropic Donations** are another potential source of funding. While the opportunities are far and few between, there are times when this opportunity does make itself available. The former Branciforte Fire District received a significant donation from the Barnes Family Trust. These funds were used to purchase the 2025 type VI engine, and hope to be used to remodel the SCO3 Branciforte Fire Station Community Room.

## **Section 7 Summary**

The need for capital investment planning is an important responsibility for the Scotts Valley Fire Protection District. As demonstrated in the preceding pages, the district has many critical and competing needs. The CIP allows the District and the public to see the identified needs, projected costs, and the estimated timeline assigned to those needs. Not all items within a CIP will be funded or can be funded. Therefore, the CIP can allow the organization and governing body to establish priorities, make adjustments, establish procurement policies, and otherwise, better manage its financial resources that are applied to capital improvements. Lastly, this document should be considered a dynamic and living document subject to significant change over time. While effort has been put forth to forecast the needs in five (5) year periods, unforeseen influences can and will have an impact on what is presented. The impacts may include labor resources, downturns in the economy, or emergency procurement needs, to name a few. The CIP is only a guide towards future needs and capital costs. The most current year of the CIP should receive the most attention regarding funding efforts as it represents the most reliable estimate of what is needed both functionally and what can potentially be supported financially.



# SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, CA 95066-4199 • scottsvalleyfire.com • 831-438-0211

TO: Hon. Board of Directors  
FROM: Mark Correira, Fire Chief  
DATE: November 12, 2025  
RE: Board Memo 2025-53: Regional Interoperable Next Generation (RING) Radio System

## **Recommendation**

Authorize the Board President to advocate on behalf of the District regarding the RING Project.

## **Background**

The Scotts Valley Fire District uses Santa Cruz County's emergency radio system for communication with other units and our dispatch agency. Most law enforcement agencies within the county also rely on this system. Currently, it is an outdated analog VHF system that requires replacement. Although not yet mandated, the current system does not meet law enforcement requirements for message encryption, as set by the Department of Justice.

The effort to replace this system began over four years ago. The County convened stakeholders from both law enforcement and fire services to discuss system requirements, governance, and cost sharing. After numerous meetings, in April 2024, the County issued a Request for Proposal (RFP) for the radio project. Following the RFP closing, stakeholders evaluated the bid proposals and recommended a preferred vendor. After months of negotiations, County staff are preparing to present the final contract proposal to the Santa Cruz County Board of Supervisors in December for approval.

The proposed new system is a digital P25-compliant public safety radio system designed to achieve 95% street-level coverage. It will improve coverage and capacity, introduce functionalities not available on the current analog system, and enhance communications (interoperability) among public safety agencies. The governance structure will be similar to that of our dispatch agency (Netcom), where the cities and the County, collectively referred to as "members," will each have a representative on an executive committee or board. The current proposal includes the Central Fire District of Santa Cruz County as a member, though it is

unclear whether they will remain in this capacity. Scotts Valley Fire will be a “subscriber” to the system. To subscribe, the District will need to sign an agreement, which has yet to be shared by the County, and will be responsible for paying an annual connection fee as well as contributing to maintenance and operations costs. Some of these fees are scheduled to begin in fiscal year (FY) 2027/28 (\$29,337), with a substantial increase in FY 2030/31 and beyond (\$86,297). Notably, the Fire District currently does not pay for access or maintenance on the existing system.

It is important to note that the Fire District has choices related to public safety communication. The District could choose to move away from Netcom and the County’s radio system and move to CalFire. CalFire’s ECC currently dispatches their resources throughout the County and, in other counties, dispatch local government resources through a contractual arrangement. The CalFire radio system is analog similar to our current radio system. This option has not yet been evaluated by Staff, but it could be an option that competes with the County’s proposal.

Santa Cruz County Fire District chiefs are working behind the scenes to advocate for the Districts’ interests. Staff is informing the Board about this project, as additional advocacy and potential action may be needed. Staff requests that the Board empower the Board President to advocate on behalf of the District as deemed appropriate. This could include attending meetings, speaking at other public forums, or writing letters supporting positions that serve the best interests of the District.

Attachment A provides more details on the proposed radio system and the cost-sharing model.

# Santa Cruz Regional Interoperable Next Generation (RING) Radio System



**Critical Action Required:** Requesting City Council approval for Master Service & Governance Agreement (MSGGA) and financial commitment

## **The Urgent Need**

Santa Cruz County faces a **critical need to replace ALL existing public safety radio systems** across the County, all Cities, and UCSC. Current fragmented systems create dangerous communication gaps that compromise public safety, violate CA DOJ encryption compliance requirements, and limit operational effectiveness during emergencies and daily operations.

### The RING Solution

The Regional Interoperable Next Generation (RING) Radio System is a Project 25 (P25) compliant digital communications platform that will transform how our region's agencies communicate and collaborate. The RING system will serve as the unified communication backbone for:

- **Public Safety:** Sheriff, all police departments, fire agencies, probation, district attorney
- **Municipal Services:** Public works, parks, solid waste across all jurisdictions
- **Regional Partners:** NetCom dispatch, UCSC campus operations
- **County Services:** All county departments requiring radio communications

### Primary Objectives:

- **Enhanced Interoperability:** Seamless communication across all agencies and jurisdictions
- **Expanded Coverage:** Robust connectivity throughout Santa Cruz County's diverse geography
- **Improved Reliability:** Mission-critical system performance when lives depend on it
- **CA DOJ Encryption Compliance:** Meeting mandatory state security standards

## **Proven Governance Model: Master Service and Governance Agreement (MSGGA)**

The MSGGA provides a tested framework that enables rapid implementation while ensuring collaboration, coordination, and reliability:

### Executive Committee Structure:

- County of Santa Cruz, Cities of Santa Cruz, Watsonville, Capitola, Scotts Valley, and UCSC
- Policy and financial decision-making authority
- Clear ownership and liability definitions

### Inclusive Regional Participation:

- **Regional Subscriber Group** (~25 operational representatives) ensures all stakeholders have input
- **Technical Advisory Group** provides expert evaluation and system acceptance
- Monthly coordination administered by the County

## Financial and Operational Benefits

### Immediate Advantages:

- **Enhanced Safety:** Coordinated response capabilities save lives and property
- **System Reliability:** Professional maintenance and redundancy exceed current capabilities
- **Compliance Assurance:** Meets CA DOJ encryption guidance
- **Cost Efficiency:** Shared regional approach reduces per-agency expenses
- **Grant Eligibility:** Maintains access to federal public safety funding streams

Risk Mitigation: Current system stabilization efforts are underway with emergency service vendors, but these are temporary measures. Without RING implementation, agencies face continued system failures, compliance violations, and reduced coordination during critical incidents.

## The Stakes for Your Community

### Without City participation in RING:

- Public safety risks during multi-agency incidents
- Escalating costs for maintaining aging, incompatible equipment
- Inability to leverage shared resources and expertise

## Recommendation

The City Council should approve participation in the RING Master Service and Governance Agreement and authorize the required financial commitment. This decision enables:

1. **Immediate Integration** into the regional vendor selection and implementation process
2. **Shared Cost Structure** reducing financial burden while maximizing capabilities
3. **Voice in Governance** through Executive Committee representation
4. **Technical Input** through advisory group participation
5. **Future-Ready Infrastructure** supporting decades of reliable service

## Next Steps

1. **Approve MSGA participation** and designate Executive Committee representative
2. **Authorize funding commitment** based on agreed cost-sharing formula
3. **Assign technical representatives** to advisory groups for vendor evaluation
4. **Commit to implementation timeline** aligned with regional partners

The RING system represents a transformational investment in our community's safety and operational excellence.

## Proposed Funding Allocation\*

## Annual Connection Fee

Capital Fee Allocation										
Member	Unit	% of Total	FY27	FY28	FY29	FY30	FY31	FY32	6 Year	AVG
City of Capitola	61	2.4%	\$ 12,754	\$ 12,754	\$ 12,754	\$ 60,390	\$ 60,390	\$ 51,900	\$ 210,942	\$ 35,157
City of Santa Cruz	384	14.9%	\$ 80,290	\$ 80,290	\$ 80,290	\$ 380,159	\$ 380,159	\$ 326,712	\$ 1,327,899	\$ 221,317
City of Scotts Valley	46	1.8%	\$ 9,618	\$ 9,618	\$ 9,618	\$ 45,540	\$ 45,540	\$ 39,137	\$ 159,071	\$ 26,512
City of Watsonville	111	4.3%	\$ 23,209	\$ 23,209	\$ 23,209	\$ 109,890	\$ 109,890	\$ 94,440	\$ 383,846	\$ 63,974
County of Santa Cruz	1120	43.5%	\$ 234,178	\$ 234,178	\$ 234,178	\$ 1,108,797	\$ 1,108,797	\$ 952,911	\$ 3,873,039	\$ 645,507
Central FD	303	11.8%	\$ 63,353	\$ 63,353	\$ 63,353	\$ 299,969	\$ 299,969	\$ 257,796	\$ 1,047,795	\$ 174,633
UCSC	550	21.4%	\$ 114,998	\$ 114,998	\$ 114,998	\$ 544,499	\$ 544,499	\$ 467,947	\$ 1,901,939	\$ 316,990
<b>Total</b>	<b>2575</b>		<b>\$ 538,400</b>	<b>\$ 538,400</b>	<b>\$ 538,400</b>	<b>\$ 2,549,244</b>	<b>\$ 2,549,244</b>	<b>\$ 2,190,844</b>		
<b>Subscriber Capital Connection Fee</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 205,926</b>	<b>\$ 205,926</b>	<b>\$ 205,926</b>		
Members + Subs	Unit	% of Subscriber Total	FY27	FY28	FY29	FY30	FY31	FY32		
AMR	20	7.1%	\$ -	\$ -	\$ -	\$ 14,605	\$ 14,605	\$ 14,605	\$ 43,814	\$ 7,302
Ben Lommond FD	54	19.1%	\$ -	\$ -	\$ -	\$ 39,433	\$ 39,433	\$ 39,433	\$ 118,298	\$ 19,716
Boulder Creek FD	59	20.9%	\$ -	\$ -	\$ -	\$ 43,084	\$ 43,084	\$ 43,084	\$ 129,251	\$ 21,542
Scotts Valley FD	49	17.4%	\$ -	\$ -	\$ -	\$ 35,781	\$ 35,781	\$ 35,781	\$ 107,344	\$ 17,891
Felton FD	49	17.4%	\$ -	\$ -	\$ -	\$ 35,781	\$ 35,781	\$ 35,781	\$ 107,344	\$ 17,891
Zayante FD	51	18.1%	\$ -	\$ -	\$ -	\$ 37,242	\$ 37,242	\$ 37,242	\$ 111,726	\$ 18,621
<b>Total</b>	<b>282</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 205,926</b>	<b>\$ 205,926</b>	<b>\$ 205,926</b>		

## Operations and Maintenance Annual Subscriber Fee (based on number of radio units)

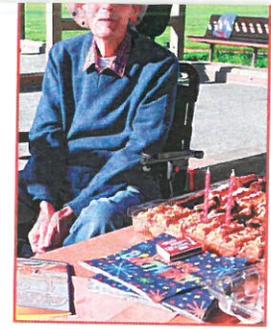
RING Operations and Maintenance	Operational Expenses		FY27	FY28	FY29	FY30	FY31	FY32		
	Radio Shop O&M		\$ 1,710,500	\$ 1,778,920	\$ 1,850,077	\$ 1,924,080	\$ 2,001,043	\$ 2,081,085		
	RING Support Svcs		\$ -	\$ -	\$ 509,919	\$ 1,021,307	\$ 1,055,600	\$ 1,066,877		
	<b>Total</b>		<b>\$ 1,710,500</b>	<b>\$ 1,778,920</b>	<b>\$ 2,359,996</b>	<b>\$ 2,945,387</b>	<b>\$ 3,056,643</b>	<b>\$ 3,147,962</b>		
O & M Fee Allocation			FY27	FY28	FY29	FY30	FY31	FY32		
Members + Subs	Unit	% of Total	FY27	FY28	FY29	FY30	FY31	FY32		
City of Capitola	61	2.1%	\$ 36,521	\$ 37,982	\$ 50,388	\$ 62,887	\$ 65,263	\$ 67,212	\$ 320,253	\$ 53,376
City of Santa Cruz	384	13.4%	\$ 229,903	\$ 239,099	\$ 317,199	\$ 395,880	\$ 410,833	\$ 423,107	\$ 2,016,021	\$ 336,004
City of Scotts Valley	46	1.6%	\$ 27,540	\$ 28,642	\$ 37,998	\$ 47,423	\$ 49,214	\$ 50,685	\$ 241,503	\$ 40,250
City of Watsonville	111	3.9%	\$ 66,456	\$ 69,114	\$ 91,690	\$ 114,434	\$ 118,757	\$ 122,304	\$ 582,756	\$ 97,126
County of Santa Cruz	1120	39.2%	\$ 670,550	\$ 697,372	\$ 925,165	\$ 1,154,649	\$ 1,198,264	\$ 1,234,063	\$ 5,880,062	\$ 980,010
UCSC	550	19.3%	\$ 329,288	\$ 342,459	\$ 454,322	\$ 567,015	\$ 588,433	\$ 606,013	\$ 2,887,530	\$ 481,255
AMR	20	0.7%	\$ 11,974	\$ 12,453	\$ 16,521	\$ 20,619	\$ 21,398	\$ 22,037	\$ 105,001	\$ 17,500
Ben Lommond FD	54	1.9%	\$ 32,330	\$ 33,623	\$ 44,606	\$ 55,671	\$ 57,773	\$ 59,499	\$ 283,503	\$ 47,250
Boulder Creek FD	59	2.1%	\$ 35,324	\$ 36,737	\$ 48,736	\$ 60,825	\$ 63,123	\$ 65,009	\$ 309,753	\$ 51,626
Central FD	303	10.6%	\$ 181,408	\$ 188,664	\$ 250,290	\$ 312,374	\$ 324,173	\$ 333,858	\$ 1,590,767	\$ 265,128
Scotts Valley FD	49	1.7%	\$ 29,337	\$ 30,510	\$ 40,476	\$ 50,516	\$ 52,424	\$ 53,990	\$ 257,253	\$ 42,875
Felton FD	49	1.7%	\$ 29,337	\$ 30,510	\$ 40,476	\$ 50,516	\$ 52,424	\$ 53,990	\$ 257,253	\$ 42,875
Zayante FD	51	1.8%	\$ 30,534	\$ 31,755	\$ 42,128	\$ 52,578	\$ 54,564	\$ 56,194	\$ 267,753	\$ 44,625
<b>Total</b>	<b>2857</b>		<b>\$ 1,710,500</b>	<b>\$ 1,778,920</b>	<b>\$ 2,359,996</b>	<b>\$ 2,945,387</b>	<b>\$ 3,056,643</b>	<b>\$ 3,147,962</b>		

## TOTAL ANNUAL COSTS

RING Agencies Total Fee Schedule (projected actuals)									
Membership	Municipality/Agency	FY27	FY28	FY29	FY30	FY31	FY32		
Member	City of Capitola	\$ 49,275	\$ 50,736	\$ 63,143	\$ 123,277	\$ 125,652	\$ 119,112	\$ 531,196	\$ 88,533
Member	City of Santa Cruz	\$ 310,192	\$ 319,388	\$ 397,489	\$ 776,039	\$ 790,992	\$ 749,819	\$ 3,343,920	\$ 557,320
Member	City of Scotts Valley	\$ 37,158	\$ 38,260	\$ 47,616	\$ 92,963	\$ 94,754	\$ 89,822	\$ 400,574	\$ 66,762
Member	City of Watsonville	\$ 89,665	\$ 92,323	\$ 114,899	\$ 224,324	\$ 228,646	\$ 216,745	\$ 966,602	\$ 161,100
Member	County of Santa Cruz	\$ 904,727	\$ 931,549	\$ 1,159,342	\$ 2,263,447	\$ 2,307,061	\$ 2,186,974	\$ 9,753,101	\$ 1,625,517
Member	UCSC	\$ 444,286	\$ 457,457	\$ 569,320	\$ 1,111,514	\$ 1,132,932	\$ 1,073,960	\$ 4,789,469	\$ 798,245
Subscriber	AMR	\$ 11,974	\$ 12,453	\$ 16,521	\$ 35,223	\$ 36,002	\$ 36,642	\$ 148,815	\$ 24,803
Subscriber	Ben Lommond FD	\$ 32,330	\$ 33,623	\$ 44,606	\$ 95,103	\$ 97,206	\$ 98,932	\$ 401,801	\$ 66,967
Subscriber	Boulder Creek FD	\$ 35,324	\$ 36,737	\$ 48,736	\$ 103,909	\$ 106,207	\$ 108,092	\$ 439,005	\$ 73,167
Subscriber	Central FD	\$ 244,761	\$ 252,017	\$ 313,644	\$ 612,343	\$ 624,142	\$ 591,654	\$ 2,638,562	\$ 439,760
Subscriber	Scotts Valley FD	\$ 29,337	\$ 30,510	\$ 40,476	\$ 86,297	\$ 88,206	\$ 89,772	\$ 364,597	\$ 60,766
Subscriber	Felton FD	\$ 29,337	\$ 30,510	\$ 40,476	\$ 86,297	\$ 88,206	\$ 89,772	\$ 364,597	\$ 60,766
Subscriber	Zayante FD	\$ 30,534	\$ 31,755	\$ 42,128	\$ 89,820	\$ 91,806	\$ 93,436	\$ 379,479	\$ 63,246
<b>Total</b>		<b>\$ 2,248,900</b>	<b>\$ 2,317,320</b>	<b>\$ 2,898,396</b>	<b>\$ 5,700,557</b>	<b>\$ 5,811,813</b>	<b>\$ 5,544,732</b>		

\* Proposed funding structure as of October 21, 2025. Funding strategy, member agency, master services agreement and subscriber agreement is still under discussion and development.

An avid bocce ball player, Jack celebrated his special day in the company of his teammates under blue skies, warm sunshine and an array of delicious treats. Congratulations Sir – we wish you continuing health and happiness!



### THANK YOU FOR OUR LIFE SAVING SKILLS

A big THANK YOU goes to **SVFD Firefighter, Patrick Shaughnessy**, seen here with **Chief Mark Correira**, for hosting the **Bystander CPR Class & Certification Test** in October. Some of our members are now ready to jump into action to help save lives if needed in various situations!



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