

# FINAL MUNICIPAL SERVICE REVIEW

## VOLUME I—PUBLIC SAFETY SERVICES

Report to the  
Alameda Local Agency Formation Commission



*Photo Courtesy of Alameda County Fire Department*

Prepared by Burr Consulting  
In association with Braitman & Associates and GIS/Trans

Received by the Commission on September 16, 2004

**FINAL MUNICIPAL SERVICE REVIEW**  
**VOLUME I—PUBLIC SAFETY SERVICES**

Report to the  
Alameda Local Agency Formation Commission

Submitted to:

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# P R E F A C E

This report includes analyses of municipal service delivery and policy options for the Commission to consider as it makes its determinations with respect to Municipal Service Reviews (MSRs) and Sphere of Influence (SOI) updates. The decision whether or not to approve or disapprove any policy options, with or without amendments, wholly, partially or conditionally, rests entirely with the Commission. This report is not a substitute for those discretionary decisions yet to be made by the Commission.

This report has been reviewed by the MSR Working Group, comprised of County, city and special district representatives. Affected agencies were given an opportunity to preview the Draft MSR and Appendix. LAFCo held a public hearing on July 8, 2004 to consider the Draft MSR and its contents and to receive testimony, received comments on the Draft Final MSR during the 21-day review period, and received additional testimony at a public hearing held on September 16, 2004. Comments have been considered and incorporated into the Final MSR as appropriate. On September 16, 2004, the Commission received the report, and adopted a resolution making MSR determinations.

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## **GUIDE TO DOCUMENT**

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- The Executive Summary provides an overview of the report including conclusions and factors affecting services reviewed;
- Chapter 1 provides the policy context and the purpose of the report;
- Chapter 2 provides an overview of the service providers, local government agencies responsible for public safety services, growth projections and growth areas in Alameda County;
- Chapter 3 reviews the most critical health care services—emergency room services, surgery, and inpatient hospital care—provided by the health care districts in Alameda County and the other acute-care hospitals with emergency rooms;
- Chapter 4 reviews fire and pre-hospital emergency medical services (EMS) provided by the cities, fire protection districts, regional parks district and the local EMS authority;
- Chapter 5 reviews police services provided by the cities, the Alameda County Sheriff, the Police Protection CSA, and the regional parks district;
- Chapter 6 provides a description and analysis of each agency’s SOI, and sets forth policy options with respect to SOI updates;
- Chapter 7 provides determinations on each of the nine required evaluation categories;
- The data sources, documents, and interviews are chronicled in the references at the end

of this report;

- Appendix A provides a detailed summary of each agency; and
- Appendix B provides maps of the agencies and overview maps relating to each of the services covered in this report.

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## **DATA SOURCES**

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The local agencies providing public safety service have provided a substantial portion of the information included in this report. Each local agency provided budgets, financial statements, bonded debt statements, various plans, and responded to questionnaires. The police and fire service providers participated in interviews covering workload, staffing, facilities, regional collaboration, and service challenges. We extend our thanks and recognition for their substantial contributions to this effort.

In order to minimize the burden on the agencies and maximize the comparability of the data across providers, the report relies whenever possible on standard, central data sources, including the Association of Bay Area Governments, the State Controller, the Office of Statewide Health Planning, California Attorney General, U.S. Census Bureau, and the following Alameda County departments: Registrar of Voters, Auditor/Controller, Community Development Agency, Assessor, Surveyor, and Information Technology.

For a more detailed listing of data sources, please refer to the references section at the end of this report.

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## **CREDITS**

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Beverly Burr, Bob Braitman and Cecelia Griego are the primary authors of this report. Michelle Brusuelas of GIS/Trans prepared all maps. Alameda LAFCo Executive Officer Lou Ann Teixeira oversaw preparation of the report and provided technical assistance and input. Barbara Graichen of Graichen Consulting provided technical assistance and input in all phases of report development. Legal Counsel Eric Chambliss also provided guidance as needed.

Guidance was also provided by the MSR Working Group: Hayward City Manager Jesus Armas, Alameda County Fire District Finance Manager Don Graff, Principal Analyst of the County Administrator's Office Ken Gross, Dublin San Ramon Services District General Manager Bert Michalczyk, and Mosquito Abatement District General Manager John Rusmisl.

# EXECUTIVE SUMMARY

This report is the first in a series of Municipal Service Review (MSR) reports for the Alameda Local Agency Formation Commission (LAFCo). An MSR is a State-required comprehensive study of services within a designated geographic area, in this case, Alameda County. The MSR requirement is codified in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 et seq.), which took effect on January 1, 2001.<sup>1</sup>

MSRs are required before LAFCo creates or updates spheres of influence (SOIs) for public agencies. LAFCo only reviews services provided by public agencies that have, or are required to have, SOIs, and focuses review on those agencies. In this MSR, public safety service providers within the boundaries of Alameda County, including fire, emergency service, health care, Sheriff and police services are the focus of the review. Other public and private providers of the same or similar services in the County are included in an MSR, but are not generally subjected to in-depth review.

This MSR contains general information including land use, service provider and population data which has been used to support analyses and conclusions. State-required evaluations of nine specific service evaluation categories are also included. Service issues are evaluated and practices compared with consideration of local conditions, circumstances and resources. Government structure options, such as mergers or consolidations, which might enhance government functions, are described and evaluated. MSR options, conclusions, and recommendations are used by LAFCo when rendering the State-required MSR determinations.

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## BACKGROUND

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### LAFCO SERVICE REVIEW REQUIREMENTS

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires that each LAFCo conduct MSRs prior to or in conjunction with SOI updates. These reviews must be conducted at least every five years. As part of the service review, LAFCo must prepare an analysis and written statement of determinations regarding each of the following nine evaluation categories. The category descriptions are pursuant to the Alameda LAFCo Guidelines, Policies and Procedures.

- 1) **Infrastructure needs and deficiencies** – This evaluation category focuses on the adequacy of existing and planned public facilities in accommodating future growth and the efficient delivery of public services.
- 2) **Growth and population projections for the affected area** – This evaluation category focuses on projected short and long term demand for services within the particular area, as measured by current and future population and their relationship to land use plans and programs.

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<sup>1</sup> A detailed description of the history, purpose and process for conducting MSRs is included in Chapter 1.

- 3) **Financing constraints and opportunities** – Under this evaluation category, LAFCo must identify service financing conditions and practices and weigh a community’s public service needs against the resources available to fund the services.
- 4) **Cost avoidance opportunities** – This evaluation category relates to service duplication, inefficiencies related to overlapping boundaries and other practices or circumstances, which may increase service costs. Cost reduction opportunities related to economies of scale, shared facilities, transferring service obligations, financing opportunities and infrastructure upgrades and other practices are identified.
- 5) **Opportunities for rate restructuring** – This evaluation category relates to rate review (e.g., rate setting methodologies, conditions that could impact future rates, variances among rates, fees, taxes, charges, etc.) and identifies, if applicable, opportunities to modify rates through governmental reorganizations or intergovernmental cooperation without adversely affecting service quality or other factors.
- 6) **Opportunities for shared facilities** – Under this evaluation category, LAFCo identifies and evaluates capacity, staff and infrastructure needs to identify opportunities for agencies to reduce costs by sharing facilities and eliminating duplications.
- 7) **Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers** – LAFCo must adopt written determinations with respect to government structure options that could improve service conditions. The objective is to provide LAFCo with sufficient information to render informed decisions. Although service reviews are required to review and update SOIs, LAFCo is directed to study a variety of feasible and reasonable options. LAFCo is empowered following studies to initiate certain reorganizations such as district consolidation, dissolution, mergers and establishment of subsidiary districts (§56375(a)). Alameda LAFCo’s policies also encourage service providers to consider alternative structures that improve service provision.
- 8) **Evaluation of management efficiencies** – The term, “management efficiency,” refers to the organized provision of public services with the lowest necessary expenditure of public funds. Among items considered are adequate training, advance planning, implementation of effective strategies for budgeting, managing costs, utilizing personnel, and customer service and involvement, ability to provide service over the short and long term, resource management, compliance with accepted standards considering local conditions, circumstances and resources, and maintenance of adequate contingency reserves.
- 9) **Local accountability and governance** – This evaluation category focuses on the visibility and accessibility of the decision-making body, staff and the decision-making process, public participation in elections, publicly disclosed agency budgets, programs, and plans, and public participation in the consideration of work and infrastructure plans.

The service reviews are intended as an informational tool to help LAFCo, other agencies, and the public better understand the public service structure. The service review will serve as a tool to help LAFCo achieve its goals of ensuring efficient municipal services, logical boundaries, and protection of open space and agricultural lands. LAFCo is not required to initiate boundary changes based on service reviews. However, LAFCO, local agencies and/or the public may use the service

review, together with additional research and analysis, to pursue changes in jurisdictional boundaries or SOIs.

## **AGENCIES INCLUDED IN THIS SERVICE REVIEW**

This service review has been conducted on a countywide basis and includes agencies involved in the provision of emergency services, including health care, fire and emergency medical, and police services. It focuses on eight special districts, including two County Service Areas, and emergency services provided by the 14 cities in Alameda County.

<b>Special Districts</b>	<b>County Service Areas</b>	<b>Cities</b>
City of Alameda Health Care	Extended Police Protection	Alameda
Eden Health Care	Emergency Medical Services	Albany
Washington Health Care		Berkeley
Fairview Fire Protection		Dublin
East Bay Regional Parks		Emeryville
Alameda County Fire		Fremont
		Hayward
		Livermore
		Newark
		Oakland
		Piedmont
		Pleasanton
		San Leandro
		Union City

The report also includes information on private service providers, volunteer companies, and other governmental service providers to the extent necessary to establish relationships, quantify services, and provide a comprehensive overview of emergency services in Alameda County, recognizing that LAFCo has no authority over these types of agencies.

## **HOW THE REPORT WILL BE USED**

The report and the data collected through the service review process will be used by LAFCo to review and update SOIs of cities and special districts, including expansion or reductions in SOI boundaries, or creation of new SOIs. This report will be used exclusively to update the SOIs of limited purpose agencies, including the three health care districts, two fire protection districts, and two county service areas (Public Protection and Emergency Medical Services). With regard to the multi-purpose agencies, including the 14 cities and regional park district, LAFCo will use this information along with the information gathered in subsequent service reviews relating to these agencies.

Government Code section 56375(a) gives LAFCo the power to initiate certain types of boundary changes consistent with service reviews and SOI studies. These boundary changes include:

- Consolidation of districts (joining two or more districts into a single new successor district);
- Dissolution (termination of the existence of a district and its corporate powers);
- Merger (termination of the existence of a district by merging that district with a city);
- Establishment of a subsidiary district (where a city council becomes the board of directors of the district); or
- A reorganization that includes any of the above.

Any local agency (cities and special districts which contain, or would contain, or whose sphere of influence contains, any territory within the proposal to be reviewed by LAFCo and the County may apply to LAFCo for a boundary change by resolution of the affected agency. Also, registered voters or property owners within the proposed area may petition LAFCo for a boundary change. The following types of boundary changes may be proposed to LAFCo:

- Formation of a new district or city;
- Annexation to or detachment from a city or district; or
- A reorganization that includes any of the above.

LAFCo may also use the information presented in the MSR report in reviewing future proposals for extension of service beyond an agency's jurisdictional boundaries or for amendment of urban service area boundaries of a city.

## **COUNTYWIDE GROWTH AND POPULATION PROJECTIONS**

- ABAG projects that the countywide population will increase from approximately 1.52 million in 2004 to 1.58 million in 2009 and to 1.71 million in 2019.
- The cities of Dublin, Emeryville, Livermore and Pleasanton residential populations are expected to grow most quickly over the next 5-15 years.
- The cities of Union City, Dublin, Livermore and Alameda are expected to experience the highest job growth rates in the short-term and the long-term among Alameda County communities.
- Within the County, projected future growth areas include:
  - Eastern Dublin;
  - Oakland;
  - Emeryville near 36<sup>th</sup> and San Pablo Avenue, the former King Midas Card Club site and the Bay Street area;
  - Southern Livermore;
  - Pleasanton;
  
  - Union City near the BART station, the Alvarado Technology Center and the Union Landing development; and
  - Alameda Point, Bay Farm Island and Marina Village.

## HEALTH CARE SERVICES

The report reviews health care services provided by three local agencies in Alameda County: City of Alameda Health Care District (HCD), Washington Township HCD, and Eden Township HCD. The report focuses on the most critical health care services provided by public and private hospitals including emergency room (ER) services, surgery, and inpatient hospital care. Conclusions are grouped by State-required MSR evaluation categories as follows:

### **Growth and Population Projections and Effects on Service Demand:**

- The number of ER visits in Alameda County is projected to increase from 452,000 to at least 472,000 over the next five years and 509,000 over the next 15 years, as a result of population growth.
- The number of surgeries in Alameda County is expected to increase from 72,000 to at least 76,000 in the next five years and 82,000 in the next 15 years. The trend toward greater reliance on outpatient surgery is expected to continue over the long-term.
- The number of inpatient bed days in Alameda County is projected to increase from 598,000 to at least 624,000 over the next five years and 673,000 over the next 15 years.
- The County's senior population aged 65 and older is projected to increase by nearly 75 percent by 2019 as the baby boom generation ages. As a result, actual growth in demand for health care may exceed these projections.

### **Infrastructure Needs and Deficiencies:**

- The County is expected to need another acute-care hospital within 15 years in order to meet the growth in demand. Alternatively, existing facilities could potentially increase emergency room, operating room and bed capacity.
- The Tri-Valley area has inadequate hospital resources to meet current demand. The majority of Tri-Valley residents' needs for hospital services are met outside the sub-region, particularly by hospitals in Contra Costa County.
- The ValleyCare Medical Center in Pleasanton experienced ER closures and a high inpatient occupancy rate.
- The City of Alameda and the Tri-Valley sub-region had peak deficiencies in ER resources in 2002 as measured by ER closures when ambulances were diverted to other facilities.
- Southern Alameda County may have deficient ER resources. The Washington Hospital ER faced difficulty in accommodating peak demand in 2001 and 2002, when it experienced the highest number of visits per treatment station and closed two percent of the time. The 2003 opening of the Kaiser Hospital in Fremont may alleviate this deficiency.
- Greater hospital capacity in the Tri-Valley sub-region could potentially lead to rate reductions by increasing competition among providers.
- Pediatric operating rooms at Children's Hospital appear to have been strained in 2001 by surgical needs. Operating rooms were used for surgery 80 percent of the time in 2001, including graveyard-shift hours.
- The majority of the general acute care hospitals in Alameda County must be

retrofitted or replaced to meet seismic standards by 2013.

### **Financing Constraints and Opportunities:**

- Private insurance and County indigent coverage paid more revenue per inpatient day than Medicare, Medi-Cal, self-pay or other sources.
- Medicare and County indigent coverage paid more revenue per outpatient visit than private insurance, Medi-Cal or other sources.
- ValleyCare Health and Eden Medical Center had relatively high amounts of long-term debt as a share of operating revenues, and may face expansion financing constraints.

### **Cost Avoidance Opportunities:**

Health care costs are escalating throughout our society but there may be opportunities to reduce or avoid some expenses.

- Eden Township HCD no longer operates a hospital (although its Directors are seated on the Eden Medical Center Board). Presently, Eden Township HCD's operating expenses are approximately \$300,000 to 600,000 annually. There may be opportunities to avoid duplication of cost if another service provider assumes District responsibilities, especially one which provides similar services. Further study of this agency may be appropriate.
- Demand management strategies, like increased insurance co-payments, patient education, and availability of alternative services like primary care and telephone-based service, may reduce the future number of non-urgent ER visits.

### **Opportunities for Rate Restructuring:**

- Greater hospital capacity in the Tri-Valley sub-region could potentially lead to rate reductions due to increased competition.
- Comparison of specific rates for hospital services/procedures is not provided; however, the report does provide data on average revenue per patient for each hospital.

### **Opportunities for Shared Facilities:**

- The three Kaiser-affiliated hospitals and the four Sutter-affiliated hospitals have opportunities to share facilities amongst affiliated hospitals.
- Publicly-owned hospitals are not located in close proximity to each other. Therefore, opportunities to share facilities are limited. Sharing space for training, human resources and other functions could be explored further.
- Alameda Hospital and St. Rose Hospital had excess operating room and inpatient bed capacity in 2001, which could be made available to other providers. Doctors and insurers could be notified and encouraged to use the public facilities, especially if associated costs could be contained. However, other hospitals are unlikely to use this excess capacity because their own facilities are more convenient, and are under their control.
- There may be opportunities for concentration of specialized services as an option for utilizing excess capacity.

### **Evaluation of Management Efficiencies:**

- Insufficient time has elapsed since the City of Alameda HCD's formation to permit a thorough evaluation of efficiency factors. However, prior to District formation, the Alameda Hospital had more excess operating room and inpatient bed capacity than any other hospital in Alameda County. Administrative expenses were also above average.
- The efficiency of Eden Township HCD was challenging to assess because the District has discontinued direct operation of Eden Medical Center, and does not provide health care services directly. The District's operations are not comparable to hospital operations. Further study of this agency may be appropriate.
- The Washington Township HCD appears to be managed effectively, despite relatively high costs compared with other hospitals. Evaluation of data and receipt of management awards supports this conclusion.

### **Local Accountability and Governance:**

- Decreased competition could reduce the accountability of private hospitals.
- The City of Alameda HCD is currently governed by an appointed board; its first directly elected board members will be elected in 2004 and 2006. The District updates constituents, solicits patient input, discloses its finances, and was responsive to LAFCo inquiries. The District could improve accountability by broadcasting its meetings and posting public documents on its website.
- The Eden Township HCD's most recent board election in 2002 was uncontested. At its most recent contested election in 2000, the voter turnout was comparable to the countywide voter turnout rate. The District updates constituents, discloses its finances, and was responsive to LAFCo inquiries. The District could improve accountability by continuing recent efforts to broadcast its meetings and by posting public documents on its website. Further study of this agency may be appropriate.
- The Washington Township HCD provides hospital services directly, and does not tax constituents. The District is governed by an elected board. There have been no recent uncontested elections. Voter turnout at the most recent election was comparable to the countywide voter turnout rate. The District updates constituents, broadcasts its meetings, solicits constituent input, discloses its finances, and posts public documents on its website. The District cooperated with LAFCo inquiries.

### **Government Structure Options:**

- Various reorganization options identified for Eden Township HCD could create a more streamlined government structure and improved accountability. On the other hand, changes in the existing relationship with Eden Medical Center could result in less public oversight of the facilities. Further study of this agency may be appropriate.
- Alignment of Washington Township HCD boundaries with its service area is an option, which may warrant a future study. There are several issues that would need to be evaluated. For example, some Hayward residents served by the District live within the boundaries of the Eden Township HCD; the Sunol community is within the District's boundaries, yet its residents are more likely to use hospitals other than Washington Hospital; and the recent

opening of a Kaiser hospital in the District's service area will likely affect use patterns.

- Expansion of Tri-Valley hospital capacity could potentially reduce travel time and the number of ambulance diversions in the area. However, Tri-Valley residents' reliance on hospitals in Contra Costa County is, in part, a result of residents' insurance requirements and the lack of cardiac surgery services at the ValleyCare Medical Center. Options to expand emergency room capacity and surgery techniques in the area include reliance on private sector hospitals, and formation of a health care district. Health care district formation is a long-term consideration, because there is not sufficient unserved demand in the short-term to warrant construction of a new hospital in this area.

## **FIRE AND EMERGENCY MEDICAL SERVICES**

The report reviews the fire, paramedic and ambulance transport services provided by the Alameda County Fire Protection District (FPD), the Fairview FPD, the East Bay Regional Park District (EBRPD), the 14 cities, the Emergency Services County Service Area (EMS CSA), and the California Department of Forestry in Alameda County. It also identifies other public and private providers of such services including American Medical Response (AMR), the major provider of ambulance transport services in the County. The review focuses on public providers for whom SOI boundaries must be created or updated by LAFCo. Conclusions are grouped by State-required MSR evaluation categories as follows:

### **Growth and Population Projections and Effects on Service Demand:**

- The number of ambulance responses and fire department service calls in Alameda County is projected to increase from 114,000 to at least 119,000 over the next five years and to 128,000 over the next 15 years, as a result of population growth.
- The number of fire department service calls in Alameda County is projected to increase from 154,000 to about 161,000 over the next five years and to 174,000 in the next 15 years, as a result of population growth.

### **Infrastructure Needs and Deficiencies:**

- Future needs will be determined by such factors as the aging of the population, the availability of alternative services like primary care and telephone-based service, and demand management practices, such as better fire prevention training, fire code improvements, building rehabilitation and upgrades especially in redevelopment and blighted areas.
- The cities of Emeryville, Newark and Fremont have training facility needs.
- The cities of Alameda, Oakland, Union City and the ACFD have fire stations that need to be replaced. The cities of Newark and Fremont have deficient fire drill towers; but none of these jurisdictions has identified funding to finance replacement of these facilities.
- The cities of Alameda and Oakland, EBRPD and the ACFD have deficient fire stations, but do not have funding for replacement facilities in their most recent Capital Improvement Plans (CIPs).
- The cities of Berkeley, Fremont, Newark, and Pleasanton have deficient fire stations that are

in the process of being replaced.

- Fire and EMS dispatch is increasingly becoming regionalized with a growing number of agencies using the Lawrence Livermore National Laboratory (LLNL) Dispatch Center. 911 callers in most jurisdictions receive medical procedure instructions while the paramedics and ambulances are en route. However, the cities of Albany, Berkeley and Piedmont Fire Departments (FDs) do not provide this service. Albany and Berkeley expressed interest in joining a regional collaboration.
- There are as many as two call transfers required during dispatch for 911 calls placed from cellular phones, adding delay to response time. Most service calls on the freeway and in the EBRPD are made via cellular phone. Calls from cellular phones are difficult to locate and are received by the California Highway Patrol rather than local agencies. By 2006, new cellular telephones are expected to be equipped with GPS, allowing most 911 calls from cellular phones to be dispatched directly to the locale.
- There are at least six communications systems in use by the various fire providers in Alameda County. Major obstacles to an integrated system include technology, funding, competing priorities, and jurisdictional preferences. Continued efforts toward connectivity should be encouraged.
- Dispatch services and response times could be improved if neighboring agencies were to link their Computer Aided Dispatch (CAD) systems together.

### **Financing Constraints and Opportunities:**

Cities and districts in Alameda County have varying degrees and types of financing constraints and opportunities. While State and local governmental finances are in a state of flux and uncertainty, the research for this report reveals that:

- Among the 14 cities, 94 percent of fire department (FD) budgets are financed by general fund sources. Fire and EMS costs accounted for 21 percent of general fund revenues for the 14 cities combined.
- The cities of Piedmont, Emeryville and Oakland generate the highest amounts of general fund revenues per capita among the cities in Alameda County. Piedmont relies heavily on property taxes and property transfer taxes. Emeryville's general fund receives little property tax, because of size and redevelopment tax increment financing; and receives relatively high levels of sales tax, business tax, utility tax, and transient occupancy tax (TOT) revenues. Oakland receives relatively low sales tax revenues on a per capita basis, and relies heavily on business license, utility users and property transfer taxes.
- The cities of Fremont, Newark and Union City generate the lowest amounts of general fund revenues per capita among the cities in Alameda County. None of these cities levy a utility users tax.
- The cities of Fremont and Union City are most dependent on vehicle license fee (VLF) revenues.
- The City of Newark generates relatively high TOT revenues, and is less dependent on VLF.
- Contract service fees, ambulance fees, parcel taxes, and first-responder ALS (FRALS) payments collectively finance 14 percent of city fire department budgets countywide.

- The four cities providing ambulance transport services (Alameda, Albany, Berkeley, and Oakland) receive ambulance fees.
- Agencies providing fire services are heavily dependent on State funding. Past and proposed preemption of certain revenue sources (i.e., VLF and property tax) has made major revenue streams vulnerable.
- In FY 2002-03, \$4.9 billion statewide was shifted from local agencies to local schools due to the State Education Revenue Augmentation Fund (ERAF) created in the 1990s. As a result, city property tax shares are an average of 25% lower.
- Proposition 172 & Citizens' Options for Public Safety (COPS) grants provide some ERAF relief, although these funds are restricted and not discretionary. The combined revenue of these sources replaces only about 28% of lost revenue.
- Cities rely heavily on a portion of the State-collected VLF. Since 1998, these revenues have been steadily reduced and backfilled by the State. Some State-proposed changes to VLF, and to VLF related revenue programs might further reduce this critical revenue source.
- Fire service providers are constrained in their capacity to finance services by the inability to increase property taxes, requirements for voter approval for new or increased taxes, and requirements of voter approval for parcel taxes and assessments used to finance fire and EMS services.
- Financing opportunities that do not require voter approval include imposition of or increases in fees to more fully recover the costs of providing services, including false alarm fees, development plan review fees, development impact fees, land dedications for fire station sites and fire infrastructure construction, 911 fees, EMS subscription fees, accident cleanup cost recovery fees, arson cost recovery fees, fire inspection fees, weed abatement fees, and other fees to recover the actual cost of services provided.
- Agencies could enhance revenues by taking advantage of such opportunities and charging fees, such as development plan review fees, to recover actual costs of services. Agencies may also finance many types of facility improvements through bond instruments that do not require voter approval.
- Financing opportunities that require voter approval include special taxes such as parcel taxes, increases in general taxes such as utility taxes, sales and use taxes, business license taxes, and TOT. Agencies may finance facilities with voter-approved (general obligation) bonded indebtedness. Communities may elect to form business improvement districts to finance supplemental services, or Mello-Roos districts to finance development-related infrastructure extension, facilities and supplemental services.
- The ACFD reported that it lacks direct access to capital markets due to the complexity of accessing bond markets resulting from its dependent district status. The ACFD has thus far been unable to borrow to finance the replacement of three deficient stations and the seismic retrofit of three other stations. ACFD could borrow capital through bond markets or private banks.
- The Fairview FPD and City of Piedmont have been able to finance facilities on a pay-as-you-go basis.
- The City of Piedmont is not currently charging the usual and customary rates for recovering

the costs of ambulance service and could take advantage of this financing opportunity. The cities of Albany and Berkeley could increase these charges.

### **Cost Avoidance Opportunities:**

- Even though Hayward and the Livermore-Pleasanton FD provide fire and EMS service to unincorporated islands, the annexation of these unincorporated islands would promote service efficiency.
- Regionalized training and sharing of training facilities would be more cost-effective than the current fragmented approach.
- The cities of Albany, Berkeley, and Piedmont provide ambulance service directly and collectively received \$1 million in subsidies last fiscal year. The rest of the County is served by AMR and the City of Alameda, which do not receive these subsidies. The EMS CSA reports that the subsidies are being discontinued this fiscal year. Hence, ambulance subsidies made from countywide parcel taxes will be avoided in the future.
- Demand management strategies, such as false alarm fees, 911 call response fees, enhanced fire prevention education, and public outreach could be used to control unnecessary service calls.
- Demand management strategies like increased insurance co-payments, patient education, and availability of alternative services like primary care and telephone-based service may reduce the future number of ambulance transports for non-urgent ER visits.
- Agencies could provide incentives for managers to implement innovative ways to reduce the ongoing cost of doing business.
- The Fairview FPD is a single purpose agency which contracts with the City of Hayward for fire services. Modest savings of less than \$75,000 annually might be achieved in administrative/management costs if a management layer was eliminated through consolidation or some other type of government reorganization. The Commission may determine that further study is warranted.

### **Opportunities for Rate Restructuring:**

- Traditional rate charges are not a major revenue source for fire and EMS service providers. However, service providers may set fee rates for a variety of services including development plan review, development impact, ambulance transport, fire prevention classes, false alarms, etc.
- The authors reviewed the rates at which service providers levy **significant** taxes and fees, and identified several opportunities for agencies to increase revenue by restructuring the rates at which taxes and fees are levied.
  - Subject to voter approval, there are opportunities for agencies to restructure certain general fund tax rates in order to increase the financing available for fire and EMS services.
  - Subject to voter approval, there are opportunities for agencies to impose parcel taxes to increase the financing available for fire and EMS services.
  - Piedmont could restructure ambulance charges so that non-residents pay the

usual and customary charges, and so that residents pay these charges.

- Fire-related development impact fees may be imposed in the nine cities that do not currently have such fees. The cities of Alameda, Dublin, Fremont, Pleasanton, and Union City may potentially increase fire-related development impact fees.
- Due to the limited revenue potential, the authors did not collect data on the rates at which all fees are charged.

### **Opportunities for Shared Facilities:**

- A consortium for sharing fire and emergency medical dispatch facilities has been formed and currently includes the ACFD, the cities of Alameda, Fremont, Union City and the U.S. Army. There are opportunities for additional service providers to join the consortium.
- The cities of Albany, Berkeley and Newark reported that regional approaches to dispatch were under consideration.
- Training facilities are already shared among some fire departments. The cities of Emeryville, Newark and Fremont currently have unfunded training facility needs, and would benefit from facility sharing.
- The cities of Hayward and San Leandro currently share radio repeater sites. Other agencies might benefit from sharing radio repeater sites.

### **Evaluation of Management Efficiencies:**

There are a number of indicators of management efficiencies including cost per unit of service, service level indicators (response times and staffing), training practices, budgeting and reserve practices, etc. Indicators must be assessed with consideration of local conditions and circumstances.

- All service providers use accepted budgeting procedures, balance their budgets, and maintain contingency reserves that meet or exceed Government Finance Officers Association (GFOA) guidelines.
- Most agencies may improve management practices by benchmarking (i.e. comparing their basic performance indicators to those in comparable jurisdictions) and implementing improvements where indicated. The City of Oakland participates in service benchmark studies, is developing performance-based budgeting and monitors workload. The ACFD and the cities of Albany, Emeryville and Piedmont also monitor workload as part of their budget process. Although the other service providers indicated that they make efforts to monitor productivity, the agencies' budgets often track accomplishments rather than workload indicators/performance.
- Staffing levels per capita are relatively low in the cities of Fremont, Union City, Livermore and Pleasanton compared with the countywide fire department median. Staffing levels per capita are relatively high in the smaller cities, such as Piedmont, Emeryville and Albany. Not enough information was available to determine whether extra staffing corresponded to a commitment to provide higher service levels, was a sign of inefficiency or was related to other factors.

- The trend toward enhanced retirement benefits, including early retirement, may significantly increase officer training and orientation needs for some providers.
- The cities of Piedmont and Alameda had relatively high fire and EMS expenses per capita, even though the number of service calls per capita is comparable to the median.
- Although the cities of Oakland and Emeryville had relatively high fire and EMS expenses per capita, the number of service calls per capita in these cities was significantly higher than the median.
- The service area and population served by the Emeryville and Piedmont fire stations are significantly lower than the countywide median. Emeryville's fire stations serve on average 8,820 people compared with a median of 14,561. Piedmont's fire station serves a residential population of 11,150, compared with the median of 15,050. The small size of Piedmont and Emeryville contributes to high per capita service costs because of economy of scale factors.
- All of the fire departments in Alameda County have response times that are on average six minutes or less, except in rural and difficult-to-serve areas. The industry standard is a response time of six minutes or less 90 percent of the time. The agencies did not all have response time data comparable to the standard, but did all anticipate having such data for the next MSR cycle.
- The fire providers' Insurance Services Organization (ISO) ratings were all favorable (2-3). These rates reflect insurance industry perspectives on the overall effectiveness of their operations.

#### **Local Accountability and Governance:**

- All agencies hold open elections for their governing bodies, prepare meeting agendas and minutes, and have accessible staff and elected officials.
- The ACFD is governed by the Alameda County Board of Supervisors. There have been no recent uncontested elections, and voter turnout at the most recent election was comparable to the countywide voter turnout rate. The Board updates constituents, broadcasts its meetings, solicits constituent input, discloses its finances, and posts public documents on its website. The ACFD cooperated with the LAFCo MSR process.
- The EMS CSA is also governed by the Board of Supervisors. It might improve local accountability if the EMS CSA updated the EMS system plan regularly and included each provider's service calls, response times, and basic benchmarks.
- It might improve local accountability if the PSAPs were required to report statistics on dispatch response times, hold times and busy signals to a central agency, such as the EMS CSA.
- The Fairview FPD is governed by its own directly elected board. Its most recent uncontested election occurred in 2002. At the 2000 election, voter turnout was comparable to the countywide voter turnout rate. The District discloses its finances, is audited annually, and cooperated with the LAFCo MSR process. The District could improve accountability by broadcasting its meetings and posting public documents on its website.
- The EBRPD and the 14 cities are multi-purpose agencies. Generally, these agencies demonstrated local accountability. A final assessment of local accountability and governance

for these agencies will be provided with the third MSR.

- To the extent that cooperation with the MSR reflects local accountability, there were agencies that did not provide requested information. Most fire and EMS providers did not disclose information on service complaints. Some providers did not provide response times, the types of service calls, or facility conditions.

### **Government Structure Options:**

- Reorganization options identified for the Fairview FPD include (1) consolidation with another provider, such as the ACFD, or (2) a reorganization, including annexation of the subject territory to the ACFD or the City of Hayward, which currently provides service to the District and uses district facilities and equipment. Advantages could include improved accountability; disadvantages could include a loss of local control over service levels and the service provider.

## **POLICE SERVICES**

The report reviews the police services provided by 14 cities in Alameda County, the East Bay Regional Park District (EBRPD) and the Police Protection County Service Area (PP CSA), which is governed by the Alameda County Board of Supervisors and is administered by the County Sheriff's Office. It also identifies other local and federal public providers including local universities and transit providers. The review focuses on public providers for whom SOI boundaries must be created or updated by LAFCo. Conclusions are grouped by State-required MSR evaluation categories as follows:

### **Growth and Population Projections and Effects on Service Demand:**

- As a result of population growth, the law enforcement agencies in Alameda County need to hire and train an additional 104 sworn officers by 2009 and 294 sworn offices by 2019 to maintain the FY 2002-03 service level.
- In addition to population growth, other factors are expected to affect the need for officers, such as the success of programs to revitalize blighted areas, changes in the crime rate, advances in policing strategies and police management, success and continuation of community oriented policing, growth in the crime-prone population, traffic congestion, and community preferences.

### **Infrastructure Needs and Deficiencies:**

- There are communications deficiencies in that some first responders (police and fire) are unable to communicate via radio with other police and fire departments, and currently rely on dispatch systems. The County and several cities are collaboratively seeking federal grant funds to finance communication upgrades.
- The County Sheriff reported that its facility at the Eden Township Substation requires upgrade or replacement to house the crime lab, coroner, station and dispatch operations.
- The City of Oakland Police Department (PD) reported that its crime lab needs to be replaced.
- The City of Oakland and the County reported a need to upgrade and augment training

facilities.

- The City of Hayward reported that it needs a small arms training range and training facilities. The City of Oakland reported that it needs a new firearms training range. The City of Fremont reported a need to acquire a firing range.
- The cities of Albany, Emeryville, Hayward, Oakland and the County reported police stations that need replacement or renovation, including the City of Oakland's main station and the Alameda County Sheriff's station in San Leandro. Only the City of Hayward improvements are funded, according to agency CIPs.
- The cities of Alameda, Berkeley, Fremont, Livermore, Newark, San Leandro, and Union City described their facilities as over-crowded and indicated that they need additional space. Only the cities of Newark and Union City have identified funding. The EBRPD described its facility as at capacity and unable to accommodate future growth.
- The cities of Piedmont and Dublin reported that their police stations were in good or excellent condition, currently adequate, and able to accommodate growth.
- Financing for most needed capital improvements has not been identified.
- Dispatch services and response times could be improved if neighboring agencies were to link their Computer Aided Dispatch (CAD) systems together.

#### **Financing Constraints and Opportunities:**

- Among the 14 cities, 97 percent of police department budgets are financed by general fund sources.
- In FY 2003-04, department budgets utilized 35 percent of general fund revenues available to the 14 cities.
- The cities of Piedmont, Emeryville and Oakland generate the highest amounts of general fund revenues per capita among the cities in Alameda County. The City of Piedmont relies heavily on property taxes and property transfer taxes. The City of Emeryville's general fund receives little property tax, because of tax increment financing for redevelopment areas; and the City of Emeryville receives relatively high levels of sales tax, business tax, utility tax, and TOT revenues. The City of Oakland receives relatively low sales tax revenues on a per capita basis, and relies heavily on business license, utility users and property transfer taxes.
- The cities of Fremont, Newark and Union City generate the lowest amounts of general fund revenues per capita among Alameda County, and do not levy a utility users tax. The cities of Fremont and Union City are most dependent on VLF. The City of Newark generates relatively high TOT revenues, and is less dependent on VLF.
- Agencies providing police services are dependent on State funding sources. Past and proposed preemption of certain revenue sources (e.g., VLF and property tax) has made major revenue streams vulnerable. (See previous fire services discussion).
- Police service providers are constrained in their ability to finance services by an inability to increase property taxes, requirements for voter approval for new or increased taxes, and requirements of ongoing voter approval for parcel taxes and assessments used to finance services.

- Financing opportunities that require voter approval include special taxes such as parcel taxes, increases in general taxes such as utility taxes, sales and use taxes, business license taxes, and TOT. Agencies may finance facilities with voter-approved (general obligation) bonded indebtedness. Communities may elect to form business improvement districts to finance supplemental services, Mello-Roos districts to finance development-related infrastructure extension, facilities and augmented services.
- Financing opportunities that do not require voter approval include fees such as false alarm fees, contract service fees, parking and traffic citations, fines, development plan review fees, development impact fees, towed vehicle fees, fees for extraordinary police services at special events, recovery of costs of DUI accidents and arrests, abandoned vehicle charges, police photos, nuisance and graffiti abatement fees, animal shelter fees, 911 fees, and other code enforcement fees to recover the actual cost of services provided.
- Several agencies could enhance revenues by acting to recover actual costs of services such as development plan review and code enforcement.
- The Alameda County PP CSA can be used as a financing mechanism for enhanced law enforcement services in the unincorporated areas through special taxes or assessments approved by voters.
- Piedmont has successfully financed facilities on a pay-as-you-go basis and did not report facility deficiencies.

#### **Cost Avoidance Opportunities:**

- There are several unincorporated islands within the City of Livermore, where the County Sheriff provides service. In order to reduce duplication, enhance service efficiency and promote local accountability, the City should consider annexing these small (75 acres or less) unincorporated islands.
- The County Sheriff also provides law enforcement services to unincorporated islands in the City of Hayward. For unincorporated islands in the City of Pleasanton, the City provides patrol services and the Sheriff provides investigations and documentation. Annexation of unincorporated islands would promote efficiency and cost savings.
- The County Sheriff provides special weapons and tactics (SWAT) services to local law enforcement agencies by contract and on an as-needed basis. Nevertheless, most police departments maintain their own SWAT teams. Consolidation of SWAT programs could reduce duplication of efforts and related costs, and could improve and standardize service quality.
- Regionalization of dispatch and training would reduce costs.
- Demand management strategies like false alarm fees, 911 call response fees, augmented community oriented policing, and public outreach could be used to reduce growth in unnecessary service calls.
- Continuation and augmentation of contract police service and functional consolidation of bomb squad, crime lab, training, long-term holding, animal control and helicopter services should be encouraged.
- Shared policing in overlapping jurisdictions, as is currently practiced by the City of Berkeley

and UCPD, may provide cost savings and/or enhance service effectiveness.

### **Opportunities for Rate Restructuring:**

- Traditional rate charges are not a major revenue source for law enforcement agencies.
- The MSR did not analyze data on the rates at which police-related fees are charged. However, service providers are setting rates for a variety of fees including development plan review, development impact, nuisance abatement, towing, citations, false alarms, etc.
- The MSR reviewed the rates at which service providers levy taxes with significant revenue yield. Subject to voter approval, there are opportunities for agencies to restructure certain general fund tax rates in order to increase the financing available for police services. (See Financing Opportunities).

### **Opportunities for Shared Facilities:**

- Cost savings could accrue from sharing temporary holding facilities with other agencies.
- Many law enforcement agencies in Alameda County share animal control, jailing, and crime lab facilities through contractual arrangements. These arrangements should be encouraged and augmented where feasible.
- There may be opportunities for agencies to share radio repeater sites as is the case with the cities of Hayward and San Leandro.
- Additional opportunities to share training facilities should be encouraged. Some agencies already share training facilities. The County Sheriff currently provides access to its training facility on a fee basis.
- There are opportunities for law enforcement agencies to develop a consortium arrangement for sharing dispatch facilities. Police departments with outdated communications equipment, such as the cities of Alameda and Albany, may benefit from shared dispatch facilities.

### **Evaluation of Management Efficiencies:**

There are a number of indicators of management efficiencies including cost per unit of service, service level indicators (staffing levels, response times and crime clearance rates), crime rates, service quality, organizational structure, training practices, budgeting and reserve practices. Indicators must be reviewed and assessed with consideration of local conditions and circumstances.

- It is difficult to fully assess agency management efficiencies due to the number of variables and service preferences, the lack of data, and service review constraints. Because this is the first round of compliance with a new State law, agencies are learning how to respond to LAFCo's service review requests. Many have pledged to track needed types of data, which are not currently gathered or evaluated. Feedback from the current process will enable better future reviews. Additional evaluation should occur before the next MSR cycle.
- The City of San Leandro had a relatively low number of sworn officers per capita in FY 2002-03, even though its crime rate was 19 percent higher than the median city crime rate.
- The trend toward enhanced retirement benefits, including early retirement, may significantly increase officer training and orientation needs for some providers.

- The cities of Albany, Hayward, and Livermore, EBRPD and the UC Berkeley PD had below-average serious crime (FBI Crime Index) clearance rates.
- The cities of Piedmont, Oakland, and Emeryville had relatively high policing costs and relatively high numbers of sworn officers per capita. The cities of Oakland and Emeryville have relatively high crime rates; whereas, the City of Piedmont's crime rate is significantly lower than the median.
- The County Sheriff has received accreditation by the Commission on Accreditation for Law Enforcement Agencies (CALEA). CALEA accreditation is an indicator of efficient management. CALEA accreditation requires the police service providers to pass inspection and meet dozens of requirements including regular review of staff allocation, staff location, crime patterns and location, and citizen attitudes, among other management practices. The Sheriff's bomb squad and crime lab are also accredited.
- All providers maintained contingency reserves that meet or exceed GFOA guidelines.
- The City of Oakland participates in service benchmark studies and is developing performance-based budgeting and monitoring workload. The cities of Albany, Emeryville, Piedmont and the County Sheriff monitor workload as part of the budget process. Although the other service providers indicated that they make efforts to monitor productivity, most budgets track soft accomplishments rather than hard workload indicators.
- Agencies may wish to consider providing incentives for managers to implement innovative ways to reduce the ongoing cost of doing business.

#### **Local Accountability and Governance:**

- All agencies conduct periodic elections for their governing bodies, prepare and post meeting agenda and minutes, receive and respond to customer complaints, and have accessible staff and elected officials.
- The PP CSA is governed by the Alameda County Board of Supervisors. The Board updates constituents, broadcasts its meetings, solicits constituent input, discloses its finances, and posts public documents on its website. The County Sheriff's Office is responsible for management of the CSA, and cooperated with LAFCo inquiries.
- The EBRPD and the 14 cities are multi-purpose agencies. These agencies generally demonstrated local accountability. A final assessment of local accountability and governance at these agencies will be provided in subsequent service reviews.

#### **Government Structure Options:**

- A special district or Joint Powers Authority could be formed to provide regionalized police services, such as SWAT or dispatch.
- Formation of Joint Powers Authorities for various regional services could be explored by local agencies desiring to implement regional approaches to various police functions. Forming JPAs would not require LAFCo action.
- Special district formation would require LAFCo review and approval.
- For small agencies and departments, regionalization and consolidation of services may provide greater efficiency in dispatch, investigative and supervisory functions

and other purchasing. Other advantages include cost savings and enhanced promotional opportunities for personnel. Disadvantages of regionalization through the formation of new local agencies include a potential loss of community identity and local perspective, rigidity in a larger bureaucracy, higher costs that sometimes occur in large police departments, and loss of control by the individual agencies.

## **SPHERE OF INFLUENCE OPTIONS**

The report describes each agency's SOI, discusses policy issues such as urban growth boundaries, and identifies policy options with respect to SOI updates. For limited purpose agencies exclusively providing public safety services, the Commission may update SOIs after adoption of this report. The report recommends that the following SOI options for these agencies:

- City of Alameda Health Care District: Retain existing coterminous SOI;
- Eden Township Health Care District: Initiate study and defer SOI update;
- Washington Township Health Care District: Retain existing coterminous SOI;
- Alameda County Fire Department: Reduce SOI to be coterminous with boundary;
- EMS County Service Area: Retain existing coterminous SOI;
- Fairview Fire Protection District: Retain existing coterminous SOI; and
- Extended Police Protection County Service Area: Adopt coterminous SOI.

For multi-purpose agencies, the Commission may update SOIs after adoption of MSR reports on utility and other services. The report identifies SOI options for these agencies relating to urban growth boundaries, boundary logic, annexable areas, and clean-up issues. Those options are described in Chapter 6.

# CHAPTER 1: INTRODUCTION

This report is prepared pursuant to legislation enacted in 2000 that requires LAFCo to conduct a comprehensive review of municipal service delivery and update the spheres of influence (SOIs) of all agencies under LAFCo's jurisdiction by January 1, 2006. This chapter provides an overview of LAFCo's history, powers and responsibilities. It discusses the origins and legal requirements for preparation of the municipal service review (MSR). This chapter also explains SOIs and the legal and procedural requirements for updating the SOIs. Finally, the chapter reviews the process for MSR review, MSR approval and SOI updates.

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## LAFCo OVERVIEW

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After World War II, California experienced dramatic growth in population and economic development. With this boom came a demand for housing, jobs, and public services. To accommodate this demand, many new local government agencies were formed, often with little forethought as to the ultimate governance structures in a given region, and existing agencies often competed for expansion areas. The lack of coordination and adequate planning led to a multitude of overlapping, inefficient jurisdictional and service boundaries, and the premature conversion of California's agricultural and open-space lands.

Recognizing this problem, in 1959, Governor Edmund G. Brown, Sr. appointed the Commission on Metropolitan Area Problems. The Commission's charge was to study and make recommendations on the "misuse of land resources" and the growing complexity of local governmental jurisdictions. The Commission's recommendations on local governmental reorganization were introduced in the Legislature in 1963, resulting in the creation of a Local Agency Formation Commission, or "LAFCo," operating in every county except San Francisco.

The Alameda LAFCo was formed as a countywide agency to discourage urban sprawl and encourage the orderly formation and development of local government agencies. LAFCo is responsible for coordinating logical and timely changes in local governmental boundaries, including annexations and detachments of territory, incorporations of cities, formations of special districts, and consolidations, mergers, and dissolutions of districts, as well as reviewing ways to reorganize, simplify, and streamline governmental structure. The Commission's efforts are directed toward seeing that services are provided efficiently and economically while agricultural and open-space lands are protected. To better inform itself and the community as it seeks to exercise its charge, LAFCo conducts service reviews to evaluate the provision of municipal services within the county.

LAFCo regulates, through approval, denial, conditions and modification, boundary changes proposed by public agencies or individuals. It also regulates the extension of public services by cities and special districts outside of their boundaries. LAFCo is empowered to initiate updates to the SOIs and proposals involving the dissolution or consolidation of special districts, mergers, establishment of subsidiary districts, and any reorganization including such actions. Otherwise, LAFCo actions must originate as petitions or resolutions from affected registered voters, landowners, cities or districts.

Alameda LAFCo consists of seven regular members: two members from the Alameda County

Board of Supervisors, two city council members, two special district board members and one public member. The public members are appointed by the other members of the Commission. There is an alternate in each category. All Commissioners are appointed to four-year terms.

*Table 1-1. Commission Members, 2004*

<b>Appointment Source</b>	<b>Members</b>	<b>Alternate Members</b>
Two members from the Board of Supervisors appointed by the Board of Supervisors.	Supervisor Nate Miley Supervisor Gail Steele	Supervisor Scott Haggerty
Two members representing the cities in the county. Must be a city officer and appointed by the City Selection Committee.	Mayor Tom Pico <i>City of Pleasanton</i> Mayor Janet Lockhart <i>City of Dublin</i>	Mayor Marshall Kamena <i>City of Livermore</i>
Two members appointed by the Independent Special District Selection Committee.	Jocelyn Combs <i>Alameda County Resource Conservation District</i> Katy Foulkes <i>East Bay Municipal Utility District</i>	Herbert Crowle <i>Oro Loma Sanitary District</i>
One member from the general public appointed by the other six Commissioners.	Bob Butler	Linda Sheehan

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## MUNICIPAL SERVICE REVIEW ORIGINS

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The MSR requirement was enacted by the State Legislature months after the release of two studies recommending that LAFCoS conduct reviews of local agencies. The “Little Hoover Commission” focused on the need for oversight and consolidation of special districts, whereas the “Commission on Local Governance for the 21st Century” focused on the need for regional planning to ensure adequate and efficient local governmental services as the California population continues to grow.

### LITTLE HOOVER COMMISSION

In May 2000, the Little Hoover Commission released a report entitled *Special Districts: Relics of the Past or Resources for the Future?* This report focused on governance and financial challenges among independent special districts, and the barriers to LAFCo’s pursuit of district consolidation and dissolution. The report raised the concern that “the underlying patchwork of special district governments has become unnecessarily redundant, inefficient and unaccountable.”<sup>2</sup>

In particular, the report raised concern about a lack of visibility and accountability among some independent special districts. The report indicated that many special districts hold excessive reserve funds and some receive questionable property tax revenue. The report expressed concern about the lack of financial oversight of the districts. It asserted that financial reporting by special districts is inadequate, that districts are not required to submit financial information to local elected officials,

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<sup>2</sup> Little Hoover Commission, 2000, page 12.

and concluded that district financial information is “largely meaningless as a tool to evaluate the effectiveness and efficiency of services provided by districts, or to make comparisons with neighboring districts or services provided through a city or county.”<sup>3</sup>

The report questioned the accountability and relevance of certain special districts with uncontested elections and without adequate notice of public meetings. In addition to concerns about the accountability and visibility of special districts, the report raised concerns about special districts with outdated boundaries and outdated missions. The report questioned the public benefit provided by health care districts that have sold, leased or closed their hospitals, and asserted that LAFCo consistently fail to examine whether they should be eliminated. The report pointed to service improvements and cost reductions associated with special district consolidations, but asserted that LAFCos have generally failed to pursue special district reorganizations.

The report called on the Legislature to increase the oversight of special districts by mandating that LAFCos identify service duplications and study reorganization alternatives when service duplications are identified, when a district appears insolvent, when district reserves are excessive, when rate inequities surface, when a district’s mission changes, when a new city incorporates and when service levels are unsatisfactory. To accomplish this, the report recommended that the State strengthen the independence and funding of LAFCos, require districts to report to their respective LAFCo, and require LAFCos to study service duplications.

## **COMMISSION ON LOCAL GOVERNANCE FOR THE 21ST CENTURY**

The Legislature formed the Commission on Local Governance for the 21st Century (“21st Century Commission”) in 1997 to review statutes on the policies, criteria, procedures and precedents for city, county and special district boundary changes. After conducting extensive research and holding 25 days of public hearings throughout the State at which it heard from over 160 organizations and individuals, the 21st Century Commission released its final report *Growth Within Bounds: Planning California Governance for the 21<sup>st</sup> Century* in January 2000.<sup>4</sup> The report examines the way that government is organized and operates, and establishes a vision of how the State will grow by “making better use of the often invisible LAFCos in each county.”

The report points to the expectation that California’s population will double over the first four decades of the 21st Century, and raises concern that our government institutions were designed when our population was much smaller and our society was less complex. The report warns that, without a strategy, open spaces will be swallowed up, expensive freeway extensions will be needed, job centers will become farther removed from housing, and this will lead to longer commutes, increased pollution and more stressful lives. *Growth Within Bounds* acknowledges that local governments face unprecedented challenges in their ability to finance service delivery since the voters cut property tax revenues in 1978 and the Legislature shifted property tax revenues from local government to the schools in 1993. The report asserts that these financial strains have created governmental entrepreneurship in which cities, counties and districts compete for sales tax revenue and market share.

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<sup>3</sup> Little Hoover Commission, 2000, page 24.

<sup>4</sup> The Commission on Local Governance for the 21<sup>st</sup> Century ceased to exist on July 1, 2000, pursuant to a statutory sunset provision

The 21st Century Commission recommended that effective, efficient and easily understandable government be encouraged. In accomplishing this, the 21st Century Commission recommended consolidation of small, inefficient or overlapping providers, transparency of municipal service delivery to the people, and accountability of municipal service providers. The sheer number of special districts, the report asserts, “has provoked controversy, including several legislative attempts to initiate district consolidations”<sup>5</sup> but cautions LAFCo that decisions to consolidate districts should focus on the adequacy of services, not on the number of districts.

*Growth Within Bounds* stated that LAFCos cannot achieve their fundamental purposes without a comprehensive knowledge of the services available within its county, the current efficiency of providing service within various areas of the county, future needs for each service, and expansion capacity of each service provider. Comprehensive knowledge of water and sanitary providers, the report argued, would promote consolidations of water and sanitary districts, reduce water costs and promote a more comprehensive approach to the use of water resources. Further, the report asserted that many LAFCos lack such knowledge, and should be required to conduct such a review to ensure that municipal services are logically extended to meet California’s future growth and development.

MSRs would require LAFCo to look broadly at all agencies within a geographic region that provide a particular municipal service and to examine consolidation or reorganization of service providers. The 21st Century Commission recommended that the review should include water, wastewater, garbage, and other municipal services that LAFCo judges to be important to future growth. The Commission recommended that the service review be followed by consolidation studies and be performed in conjunction with updates of SOIs. The recommendation indicated that service reviews be designed to make nine determinations, each of which was incorporated verbatim in the subsequently adopted legislation.

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## MUNICIPAL SERVICE REVIEW LEGISLATION

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The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires LAFCo review and update SOIs not less than every five years and to review municipal services before updating SOIs. The requirement for service reviews arises from the identified need for a more coordinated and efficient public service structure, which will support California’s anticipated growth. The service review provides LAFCo with a tool to comprehensively study existing and future public service conditions and to evaluate organizational options for accommodating growth, preventing urban sprawl, and ensuring that critical services are provided efficiently.

Effective January 1, 2001, Government Code Section 56430 requires LAFCo to conduct a review of municipal services provided in the county by region, sub-region or other designated geographic area, as appropriate, for the service or services to be reviewed, and prepare a written statement of determination with respect to each of the following topics:

- 1) Infrastructure needs or deficiencies;
- 2) Growth and population projections for the affected area;

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<sup>5</sup> Commission on Local Governance for the 21<sup>st</sup> Century, 2000, page 70.

- 3) Financing constraints and opportunities;
- 4) Cost avoidance opportunities;
- 5) Opportunities for rate restructuring;
- 6) Opportunities for shared facilities;
- 7) Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers;
- 8) Evaluation of management efficiencies; and
- 9) Local accountability and governance.

The MSR process does not require LAFCo to initiate changes of organization based on service review findings; it only requires that LAFCo identify potential government structure options and determine their advantages and disadvantages per Government Code Section 56430. However, LAFCo, other local agencies, and the public may subsequently use the determinations to analyze prospective changes of organization or reorganization or to establish or amend SOIs.

It is likely that the type of MSRs being conducted by the Alameda LAFCo are exempt from California Environmental Quality Act (CEQA) pursuant to §15262 (feasibility or planning studies) or §15306 (information collection) of the CEQA Guidelines. LAFCo's actions to adopt MSR determinations are not generally considered "projects" subject to CEQA.

It is expected that MSR determinations may be closely followed by LAFCo actions to update various SOIs. A CEQA determination will then be made on a case-by-case basis once the proposed project characteristics are clearly identified. The ultimate outcome of conducting a service review may result in LAFCo acting with respect to a recommended change of organization or reorganization on its own initiative, at the request of any agency, or in response to a petition.

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## SPHERE OF INFLUENCE UPDATES

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The Commission is charged with developing and updating the SOI for each city and special district within the county.<sup>6</sup> A SOI is a LAFCo approved plan that designates an agency's probable future boundary and service area. Spheres are planning tools used to provide guidance for individual boundary change proposals, and are intended to encourage efficient provision of organized community services and prevent duplication of service delivery. Territory cannot be annexed to a city or district unless it is within that agency's sphere.

The purposes of the SOI are to ensure the efficient provision of services, discourage urban sprawl and premature conversion of agricultural and open space lands, and prevent overlapping jurisdictions and duplication of services.

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<sup>6</sup> The initial statutory mandate, in 1971, imposed no deadline for completing sphere designations. When most LAFCos failed to act, 1984 legislation required all LAFCos to establish spheres of influence by 1985.

LAFCo cannot regulate land use, dictate how an agency should operate, or set rates. LAFCo can, however, make decisions and enact policies, which indirectly can affect land use decisions. On a regional level, LAFCo promotes logical and orderly development of a community through reconciling differences between agency plans so that the most efficient urban service arrangements are created for the benefit of area residents and property owners.

The Cortese-Knox-Hertzberg (CKH) Act requires LAFCo to develop and determine the SOI of each local governmental agency within the county, and to review and update the SOI every five years. LAFCos are empowered to adopt, update and amend the SOI. They may do so with or without an application, and any interested person may submit an application proposing an SOI amendment.

If a city submits an application to expand its SOI, it must first negotiate the boundaries, development standards, and zoning requirements within the annexable sphere area with the county. Questionnaire responses about desirable sphere changes are not considered formal applications; however, LAFCo will take into consideration any negotiated agreements between affected cities and the county. LAFCo reserves the right to require cities to negotiate such agreements with the county prior to approving the sphere update.

LAFCo may recommend government reorganizations to particular agencies in the county, using the SOIs as the basis for those recommendations. Based on review of the guidelines and practices of Alameda LAFCo as well as other LAFCo's in the State, six conceptual approaches have been identified from which to choose in designating an SOI.

- 1) **Coterminous Sphere:** The sphere for a city or special district that is the same as its existing boundaries.
- 2) **Annexable Sphere:** A sphere larger than the agency's boundaries identifies areas the agency is expected to annex. The annexable area is outside its boundaries and inside the sphere.
- 3) **Detachable Sphere:** A sphere that is smaller than the agency's boundaries identifies areas the agency is expected to detach. The detachable area is the area within the agency but is not within its sphere.
- 4) **Zero Sphere:** A zero sphere indicates the affected agency's public service functions should be reassigned to another agency and the agency should be dissolved or combined with one or more other agencies.
- 5) **Consolidated Sphere:** A consolidated sphere includes two or more local agencies and indicates the agencies should be consolidated into one agency.
- 6) **Limited Service Sphere:** A limited service sphere is the territory included within the SOI of a multi-service provider agency which is also within the boundary of a limited purpose district which provides the same service (e.g., fire protection), but not all needed services. Territory designated as a limited service SOI may be considered for annexation to the multi-service agency without detachment from the limited purpose district. This type of SOI is generally adopted when a) the limited service provider is providing adequate, cost effective and efficient services, b) the multi-service agency is the most logical provider of the other services, c) there is no feasible or logical SOI alternative, and d) inclusion of the territory is in

the best interests of local government organization and structure in the area.

In determining the SOI, LAFCo is required to conduct a MSR and adopt the nine determinations discussed in the next section.

In addition, in adopting or amending an SOI, LAFCo must make the following determinations:

- Present and planned land uses in the area, including agricultural and open-space lands;
- Present and probable need for public facilities and services in the area;
- Present capacity of public facilities and adequacy of public service that the agency provides or is authorized to provide;
- Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency; and
- The effects upon land under Williamson Act land conservation contracts.

The CKH Act stipulates several procedural requirements in updating SOIs. It requires that special districts file written statements on the class of services provided, and that LAFCo clearly establish the location, nature and extent of services provided by special districts.<sup>7</sup>

LAFCo must notify affected agencies 21 days before holding the public hearing to consider the SOI, and may not update the SOI until after that hearing. The LAFCo Executive Officer must issue a report including recommendations on the SOI amendments and updates under consideration at least five days before the public hearing.

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## MUNICIPAL SERVICE REVIEW PROCESS

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The Alameda LAFCo is charged with preparing MSRs and updating the SOIs of 56 local agencies. Given the enormity of this task, the project has been divided into three separate reports based on type of services delivered:

- Public Safety Services: Police, fire, EMS and health care
- Utility Services: Water, wastewater, flood control and recycling
- All Other Services: Streets, parks, resource conservation, mosquito abatement, lead abatement and vector control.

This MSR report focuses on public safety services. The report completes the MSR requirement for seven districts—two fire protection districts, three health care districts, a police protection district, and an emergency services district—that exclusively provide public safety services. The report provides partial review of the 14 cities providing other services to be covered in the second and third in this series of studies.

The MSR process involves agency review and public hearings prior to the Commission making the nine determinations and SOI updates. The process generally involves the following steps:

- 1) Phase 1 – Work Plan

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<sup>7</sup> In conducting the MSRs, the Commission has required written statements entitled Requests for Information on the nature of services from all agencies including special districts.

- 2) Phase 2 – Data Collection and Initial Service Review
- 3) Phase 3 – Policy Alternatives
- 4) Phase 4 – In-Depth Service Reviews
- 5) Phase 5 – Public Hearings
- 6) Phase 6 – Final Service Review Report Including SOI Updates

## CHAPTER 2: AGENCY OVERVIEW

This chapter reviews the agencies that provide public safety services, their respective populations, projected growth and growth areas. The report focuses on public safety services—police, fire, emergency medical, and health care services—in Alameda County. It addresses the nine categories mandated by the CKH Act for each service.<sup>8</sup>

To review services, the report assesses service providers. It focuses primarily on service providers that are local agencies under LAFCo’s jurisdiction. Three distinct groups of service providers are evaluated in this report:

- 1) **Limited purpose agencies** that exclusively provide public safety services, including two fire protection districts, three health care districts, a police protection district, and an emergency services district;
- 2) **Multipurpose agencies** that provide public safety services and other services, including 14 cities and a regional parks district; and
- 3) **Other agencies** that are not subject to LAFCo’s jurisdiction, including state and federal government agencies and private service providers.

The report reviews limited purpose agencies. Table 2-1 indicates which services are provided directly by these agencies or by another service provider.

*Table 2-1. Limited Purpose Agencies*

Service Provider	Fire and Paramedic	Ambulance	Police	Health Care
City of Alameda Health Care District				Direct
Eden Township Health Care District				Special <sup>9</sup>
Washington Township Health Care District				Direct
Alameda County Fire District (ACFD)	Direct and Contract	AMR		
Extended Police Protection CSA			Special <sup>10</sup>	
Emergency Medical Services CSA		Special <sup>11</sup>		
Fairview Fire Protection District	Contract (Hayward)	AMR		

<sup>8</sup> See Chapter 1 for a discussion of the MSR origins and requirements.

<sup>9</sup> Eden Township Health Care District (HCD) does not provide direct hospital services, but it does provide grant funding to health and social service providers serving the District’s residents, and serves its constituents through its affiliates. The HCD also funds capital improvements for the Eden Medical Center (EMC), and the HCD board sits on the EMC operating board.

<sup>10</sup> The Extended Police Protection CSA does not provide direct services; it is a financing mechanism for services provided by the Alameda County Sheriff. The Sheriff is the direct provider of law enforcement services.

<sup>11</sup> The Emergency Medical Services CSA does not provide direct services; it regulates and plans countywide emergency medical services, accredits paramedics, and administers the ambulance transport contract with American Medical Response.

The report reviews public safety services provided by multipurpose agencies, and partially reviews the agencies themselves. Subsequent reports will address other services provided by the multipurpose agencies. Table 2-2 indicates which services are provided directly by or under contract with the multipurpose agencies.

*Table 2-2. Multipurpose Agencies*

<b>Service Provider</b>	<b>Fire and Paramedic</b>	<b>Ambulance</b>	<b>Police</b>
East Bay Regional Parks District	Direct	Cities <sup>12</sup>	Direct
City of Alameda	Direct	Direct	Direct
City of Albany	Direct	Direct	Direct
City of Berkeley	Direct	Direct	Direct
City of Dublin	ACFD	AMR	Sheriff
City of Emeryville	Direct	AMR	Direct
City of Fremont	Direct	AMR	Direct
City of Hayward	Direct	AMR	Direct
City of Livermore	LPFD <sup>13</sup>	AMR	Direct
City of Newark	Direct	AMR	Direct
City of Oakland	Direct	AMR	Direct
City of Piedmont	Direct	Direct	Direct
City of Pleasanton	LPFD	AMR	Direct
City of San Leandro	ACFD	AMR	Direct
City of Union City	Direct	AMR	Direct

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<sup>12</sup> The EBRPD relies on the ambulance transport provider in the particular city where a regional park is located. The District also directly provides air ambulance service via helicopter.

<sup>13</sup> The Livermore Pleasanton Fire Department (LPFD) is a joint powers authority with the cities of Livermore and Pleasanton as member agencies.

While LAFCo does not regulate all public safety services, the report includes reference to various State, federal and private agencies to provide a more complete picture of the region’s public safety services. Table 2-3 indicates which services are provided directly by or under contract for those service providers not under LAFCo’s purview.

*Table 2-3. Non-LAFCo Providers*

<b>Service Provider</b>	<b>Fire and Paramedic</b>	<b>Ambulance</b>	<b>Police</b>	<b>Health Care</b>
Alameda County Medical Center				Direct
Children’s Hospital Medical Center				Direct
Kaiser Foundation Hospitals				Direct
Kindred Hospital				Direct
St. Rose Hospital				Direct
San Leandro Hospital				Direct
Sutter Health				Direct
ValleyCare Medical Center				Direct
American Medical Response (AMR)		Direct		
California Department of Forestry	Direct	AMR		
San Ramon Valley Fire Protection District	Direct	AMR		
Lawrence Berkeley National Laboratory	ACFD	AMR	Berkeley	
Lawrence Livermore National Laboratory	Direct	Direct	Sheriff	
U.S. Army Parks Reserve Forces Training Area - Camp Parks	Direct		Direct	
Alameda County Sheriff			Direct	
Bay Area Rapid Transit			Direct	
Chabot College			Hayward	
CSU – Hayward			Direct	
Ohlone College			Direct	
UC Berkeley			Direct	

## GROWTH AND POPULATION PROJECTIONS

This section reviews the residential and daytime (i.e. working) population as well as projected residential and economic growth.<sup>14</sup> Using ABAG's 2003 projections, the section displays projected growth from 2004 to 2024. Although data covering a 20-year horizon is provided, the report generally defines the long-term as a 15-year period. Indeed, the agency SOIs will be established to accommodate growth within the next five to 15 years, because LAFCo must review SOIs every five years. The 20-year projections are provided as a courtesy for readers such as municipal planners who typically focus on a 20-year time horizon.

*Table 2-4. Projected Population, 2004-2019*

### RESIDENTIAL POPULATION

Over the next 15 years, the population in Alameda County is expected to increase 12 percent. By 2019, ABAG projects countywide population will increase by approximately 189,000. The most significant increases in population level are projected to occur in large cities like Oakland and Fremont and in fast-growing cities like Dublin.

As shown in Table 2-4, ABAG projects that the countywide population will increase from approximately 1.52 million in 2004 to 1.58 million by 2009 and to 1.71 million by 2019.

	2004	2009	2014	2019	2024
<b>COUNTYWIDE</b>	1,516,268	1,582,800	1,641,140	1,705,340	1,780,340
Alameda	75,252	77,360	80,020	82,600	86,300
Albany	16,889	17,240	17,460	17,900	18,560
Berkeley	105,429	106,980	109,440	112,480	115,500
Dublin	37,515	45,880	51,820	57,860	64,540
Emeryville	7,616	8,360	8,900	9,400	9,900
Fremont	212,363	220,200	227,280	235,100	243,740
Hayward	145,526	149,860	153,160	157,560	162,420
Livermore	77,789	84,580	88,480	93,100	99,380
Newark	44,734	46,660	48,200	49,700	51,360
Oakland	412,457	424,580	441,280	459,940	484,020
Piedmont	11,150	11,280	11,300	11,300	11,300
Pleasanton	69,451	75,940	79,520	82,500	85,340
San Leandro	82,210	84,420	87,120	90,660	94,280
Union City	72,254	76,480	80,640	85,100	90,080
Unincorporated	145,634	152,980	156,520	160,140	163,620
Alameda HCD	75,252	77,360	80,020	82,600	86,300
Eden HCD	361,127	371,574	380,180	391,011	402,301
Washington HCD	338,678	353,708	366,884	380,832	396,253
ACFD	132,359	139,052	142,361	145,806	149,085
ACFD Service	255,084	272,352	284,301	297,326	310,905
AMR Service	1,307,549	1,369,940	1,422,920	1,481,060	1,548,680
EBRPD	2,516,591	2,642,800	2,758,920	2,879,360	2,990,500
EMS CSA	1,516,268	1,582,800	1,641,140	1,705,340	1,780,340
Fairview FPD	13,275	13,928	14,159	14,334	14,535
PP CSA	145,634	152,980	156,520	160,140	163,620
Sheriff Service	183,149	198,860	208,340	218,000	228,160

<sup>14</sup> As defined by the U.S. Census Bureau, the residential population includes institutional populations and group quarters populations, such as those in the military, prisons, and universities.

The population is expected to become older, as the baby boom generation ages. Currently, seniors aged 65 and older constitute 10 percent of the Alameda County population; in 15 years, seniors will make up 16 percent of the population. Among the cities, seniors compose the smallest share (five percent) of Dublin's population and the largest share (15 percent) of San Leandro's population.

**Table 2-5. Projected Annual Population Growth Rates, 2004-2024**

Population is projected to grow faster in Dublin, Emeryville, Pleasanton, Union City and Livermore than other areas of Alameda County over the next five to 15 years.<sup>15</sup> Projected annual population growth rates by city and district are shown in Table 2-5.

Piedmont, Albany, Berkeley, and Hayward are expected to grow more slowly than the countywide population over the next five to 15 years.

Three agencies do not agree with ABAG's projections.

In Livermore, the projections exceed the City's target growth rate of no more than 1.5 percent annually. Pleasanton anticipates growing more slowly than projected, and Albany anticipates more growth than as projected by ABAG as a result of UC Berkeley housing facilities.

	2004-09	2009-14	2014-19	2019-24
COUNTYWIDE	0.9%	0.7%	0.8%	0.9%
Alameda	0.6%	0.7%	0.6%	0.9%
Albany	0.4%	0.3%	0.5%	0.7%
Berkeley	0.3%	0.5%	0.5%	0.5%
Dublin	4.1%	2.5%	2.2%	2.2%
Emeryville	1.9%	1.3%	1.1%	1.0%
Fremont	0.7%	0.6%	0.7%	0.7%
Hayward	0.6%	0.4%	0.6%	0.6%
Livermore	1.7%	0.9%	1.0%	1.3%
Newark	0.8%	0.7%	0.6%	0.7%
Oakland	0.6%	0.8%	0.8%	1.0%
Piedmont	0.2%	0.0%	0.0%	0.0%
Pleasanton	1.8%	0.9%	0.7%	0.7%
San Leandro	0.5%	0.6%	0.8%	0.8%
Union City	1.1%	1.1%	1.1%	1.1%
Unincorporated	1.0%	0.5%	0.5%	0.4%
Alameda HCD	0.6%	0.7%	0.6%	0.9%
Eden HCD	0.6%	0.5%	0.6%	0.6%
Washington HCD	0.9%	0.7%	0.7%	0.8%
ACFD	1.0%	0.5%	0.5%	0.4%
ACFD Service	1.3%	0.9%	0.9%	0.9%
AMR Service	0.9%	0.8%	0.8%	0.9%
EBRPD	1.0%	0.9%	0.9%	0.8%
EMS CSA	0.9%	0.7%	0.8%	0.9%
Fairview FPD	1.0%	0.3%	0.2%	0.3%
PP CSA	1.0%	0.5%	0.5%	0.4%
Sheriff Service	1.7%	0.9%	0.9%	0.9%

<sup>15</sup> Note that the change in the population **level** refers to the actual change in the number of people, whereas the population **growth rate** refers to the rate of change in the population. For example, the Oakland population level is projected to increase by 12,123 people between 2004 and 2009 (the difference between 424,580 and 412,457) and is expected to grow at an annual rate of 0.6 percent. The higher the growth rate, the more quickly the population is growing in an area. The higher the change in population level, the more additional people are projected in a jurisdiction.

## DAYTIME POPULATION

This section reviews the daytime population (i.e. employment) and projected economic growth throughout Alameda County.

*Table 2-6. Projected Jobs, 2004-2024*

Over the next 15 years, the daytime population in Alameda County is expected to increase 23 percent—nearly double the rate of growth in the residential population. By 2019, the number of jobs is projected to increase by 182,000. The most significant increases in daytime population level are projected in large cities like Oakland and Fremont and fast-growing cities like Livermore and Pleasanton.<sup>16</sup>

ABAG projects that the number of jobs countywide will increase from approximately 783,000 in 2004 to 850,000 by 2009, and to 965,000 by 2019.

Service sector jobs are projected to increase slightly more rapidly than others. Service jobs currently constitute 36 percent of jobs in Alameda County. By 2019, service jobs are expected to make up 38 percent of the economic base.

	2004	2009	2014	2019	2024
COUNTYWIDE	782,657	850,143	910,101	964,606	1,017,972
Alameda	29,719	35,535	39,099	42,019	45,350
Albany	5,113	5,665	5,852	5,955	6,106
Berkeley	78,889	81,060	82,557	83,631	84,455
Dublin	22,741	27,151	31,170	34,323	38,232
Emeryville	19,454	20,726	21,190	21,360	21,526
Fremont	114,241	122,658	131,872	142,211	152,656
Hayward	89,627	95,652	99,967	103,849	107,248
Livermore	38,200	43,890	49,008	54,353	61,405
Newark	19,317	21,186	21,965	22,301	22,651
Oakland	200,454	215,832	228,654	241,436	251,986
Piedmont	1,676	1,696	1,716	1,736	1,756
Pleasanton	55,313	62,878	68,821	71,238	73,472
San Leandro	55,473	57,439	61,786	66,093	69,601
Union City	20,904	24,709	28,980	33,310	37,278
Unincorporated	31,538	34,067	37,463	40,793	44,249
Alameda HCD	29,719	35,535	39,099	42,019	45,350
Eden HCD	168,492	177,629	188,584	199,053	207,774
Washington HCD	156,364	170,953	185,513	200,653	215,547
ACFD	30,259	32,722	36,055	39,332	42,748
ACFD Service	111,473	120,312	132,010	142,747	153,581
AMR Service	667,261	726,188	780,877	831,265	880,305
EBRPD	1,162,918	1,262,258	1,352,376	1,435,456	1,517,638
EMS CSA	782,657	850,143	910,101	964,606	1,017,972
Fairview FPD	1,278	1,345	1,408	1,462	1,501
PP CSA	31,538	34,067	37,463	40,793	44,249
Sheriff Service	54,278	61,217	68,633	75,116	82,481

<sup>16</sup> Note that the change in the daytime population level refers to the actual change in the number of workers, whereas the daytime population growth rate refers to the rate of change in the daytime population. For example, the Union City daytime population level is projected to increase by 12,123 people between 2004 and 2009 (the difference between 424,580 and 412,457) and is expected to grow at an annual rate of 0.6 percent. The higher the growth rate, the more quickly the population is growing in an area. The higher the change in population level, the more additional people are projected in a jurisdiction

**Table 2-7. Projected Annual Job Growth Rates, 2004-2024**

ABAG projects that, Alameda, Dublin, Livermore and Union City will create jobs at faster rates than other areas over the next five to 15 years. Projected annual job growth rates by city and district are shown in Table 2-7.

In the short-term, job creation in Albany is expected to be unusually rapid in the next five years and to slow thereafter. Job creation in San Leandro is expected to be unusually slow in the next five years and to increase thereafter.

Service sector jobs are expected to grow most quickly with the 15-year expected growth rate of 29 percent. Manufacturing, wholesale and retail industries are expected to grow by approximately 18 percent over the next 15 years.

Generally, projected job growth rates exceed projected residential growth rates. ABAG is projecting the commercial population in Alameda County will grow more quickly than the residential population. Some portion of these jobs will be filled by residents of the County and others by commuters from other counties. Because projected growth in the ratio of jobs per resident in Alameda

County is higher than in the Bay Area as a whole, and higher than in neighboring Contra Costa and Santa Clara counties, it is reasonable to expect some increase in the portion of jobs will be filled by residents of other counties. In other words, the projections are consistent with an increase in commuting.

	2004-09	2009-14	2014-19	2019-24
COUNTYWIDE	1.7%	1.4%	1.2%	1.1%
Alameda	3.6%	1.9%	1.5%	1.5%
Albany	2.1%	0.7%	0.3%	0.5%
Berkeley	0.5%	0.4%	0.3%	0.2%
Dublin	3.6%	2.8%	1.9%	2.2%
Emeryville	1.3%	0.4%	0.2%	0.2%
Fremont	1.4%	1.5%	1.5%	1.4%
Hayward	1.3%	0.9%	0.8%	0.6%
Livermore	2.8%	2.2%	2.1%	2.5%
Newark	1.9%	0.7%	0.3%	0.3%
Oakland	1.5%	1.2%	1.1%	0.9%
Piedmont	0.2%	0.2%	0.2%	0.2%
Pleasanton	2.6%	1.8%	0.7%	0.6%
San Leandro	0.7%	1.5%	1.4%	1.0%
Union City	3.4%	3.2%	2.8%	2.3%
Unincorporated	1.6%	1.9%	1.7%	1.6%
Alameda HCD	3.6%	1.9%	1.5%	1.5%
Eden HCD	1.1%	1.2%	1.1%	0.9%
Washington HCD	1.8%	1.6%	1.6%	1.4%
ACFD	1.6%	2.0%	1.8%	1.7%
ACFD Service	1.5%	1.9%	1.6%	1.5%
AMR Service	1.7%	1.5%	1.3%	1.2%
EBRPD	1.7%	1.4%	1.2%	1.1%
EMS CSA	1.7%	1.4%	1.2%	1.1%
Fairview FPD	1.0%	0.9%	0.7%	0.5%
PP CSA	1.6%	1.9%	1.7%	1.6%
Sheriff Service	2.4%	2.3%	1.8%	1.9%

## 24-HOUR POPULATION

In addition to residential population and jobs, this report makes use of a concept called the 24-hour population in order to draw meaningful per capita comparisons.

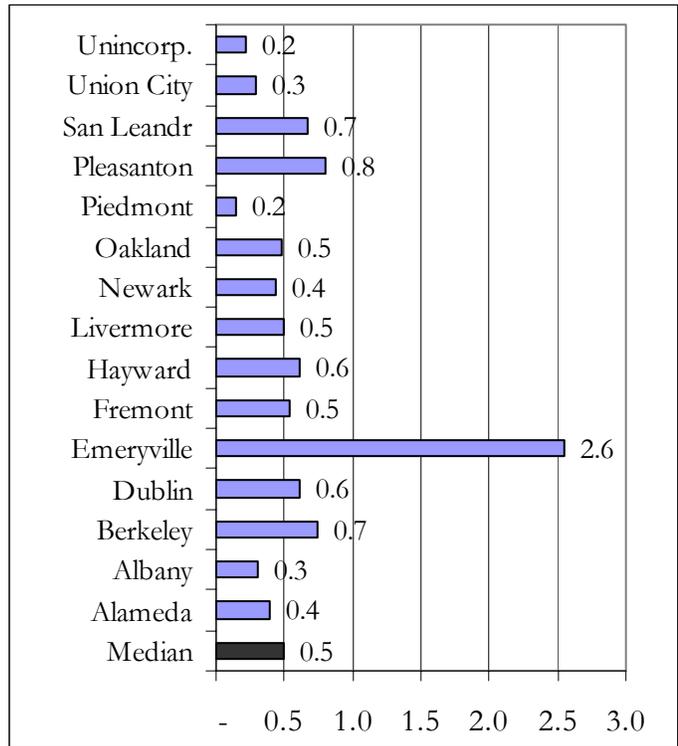
Car accidents, medical emergencies, fires, and crimes happen not only to residents, but also to businesses, workers, and commuters. Public safety services are provided to all without regard to their place of residence. All contribute to the municipal tax bases as well.

*Figure 2-8. Jobs per Resident, 2004*

The cities and communities in this study vary significantly in the relative size of their respective commercial populations. Figure 2-8 shows the ratio of jobs to residents in each of the areas. In a commercial center like Emeryville, the number of jobs per resident is more than five times higher than countywide. In Pleasanton, Berkeley, and San Leandro, the number of jobs per resident is significantly higher than countywide. In bedroom communities like Albany, Piedmont, and Union City, and in the unincorporated areas, there are relatively few jobs per resident.

### **Measurement**

In order to compare indicators like staffing level or service costs across jurisdictions, one needs to adjust the indicator in proportion to the size of the community. A common approach is to divide the indicator by the number of residents, yielding a per capita indicator. Unfortunately, this approach leads to overstating staffing and costs in a commercial center like Emeryville and understating staffing and costs in a bedroom community like Piedmont.



In order to draw meaningful comparisons across agencies, and specifically to include cities like Emeryville in comparisons, the 24-hour population metric was developed for each of the communities.<sup>17</sup> The metric is based on the number of residents and jobs in a community, but is calculated taking into consideration that workers spend less time in the jurisdiction than do residents. Because the metric is used only as a denominator for purposes of developing comparable

<sup>17</sup> The 24-hour population is calculated as the sum of a) 2/3 of the residential population, and b) 1/3 of the product of the commercial population multiplied by the countywide ratio of residents to jobs. For example, the Emeryville 24-hour population of 17,641 was computed as the sum of a) 5,078=2/3 of the residential population (7,616), and b) 12,563 which is 1/3 of the commercial population (19,454) multiplied by the countywide ratio of residents to jobs (1.94=1,516,268/782,657).

per capita indicators, it must simply be effective at measuring **differences** between communities in the population served. Hence, for convenience, the metric is calculated by normalizing countywide 24-hour population to the countywide residential population.

*Table 2-9. Population Measures, 2004*

Table 2-9 provides the three population measures—residents, jobs, and 24-hour population. For communities like Fremont, Livermore and Oakland with a (nearly) average balance of jobs and residents, the metric is not substantially different from the residential population. But for a community like Emeryville, the metric is closer to the daytime population for this community than to the residential population. Similarly, for a bedroom community like Piedmont, the metric is lower than the residential population, reflecting the reality that most working Piedmont residents are not in Piedmont much of the time.

	<b>Residents</b>	<b>Jobs</b>	<b>24-Hour</b>
<b>Countywide</b>	<b>1,516,268</b>	<b>782,657</b>	<b>1,516,268</b>
Alameda	75,252	29,719	69,359
Albany	16,889	5,113	14,561
Berkeley	105,429	78,889	121,230
Dublin	37,515	22,741	39,695
Emeryville	7,616	19,454	17,641
Fremont	212,363	114,241	215,350
Hayward	145,526	89,627	154,897
Livermore	77,789	38,200	76,528
Newark	44,734	19,317	42,297
Oakland	412,457	200,454	404,420
Piedmont	11,150	1,676	8,516
Pleasanton	69,451	55,313	82,021
San Leandro	82,210	55,473	90,630
Union City	72,254	20,904	61,668
Unincorporated	145,634	31,538	117,456
ACFD Bounds	132,359	30,259	107,780
ACFD Service Area	255,084	111,473	242,043
AMR Service	1,307,549	667,261	1,302,602
EBRPD	2,516,591	1,162,918	2,516,591
EMS CSA	1,516,268	782,657	1,516,268
Fairview FPD	13,275	1,278	9,675
Sheriff Bounds	145,634	31,538	117,456
Sheriff Service Area	183,149	54,278	157,151

**Growth**

Due to differences between communities in projected growth in jobs and residents, the number of jobs per resident will change over the coming years. Union City and the unincorporated areas are projected to produce significantly more jobs per resident, evolving from bedroom communities into more balanced communities. Similarly, Alameda and Livermore are projected to produce significantly more jobs per resident, evolving into more heavily commercial areas. Conversely, growth in Emeryville’s residential base will outstrip growth in its jobs, with the future city being somewhat more balanced than it is today.

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**GROWTH AREAS**

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This section reviews current, potential and projected growth in sub-regions of the County.

**Tri-Valley: Dublin, Livermore, Pleasanton**

The Tri-Valley sub-region continues to experience the most rapid growth in the County, and in this area Dublin is the most rapidly growing city.

Eastern Dublin is the largest growth area with over 4,000 undeveloped acres. Dublin’s 2002 General Plan anticipates that as many as 32,500 additional residents and 28,100 additional jobs may

be added in eastern Dublin in the next 30-40 years. In western Dublin, the City anticipates growth of 1,517 residents primarily in the Schaefer Ranch area.

Livermore's residential growth areas include southern areas of the City, where 1,600 additional residential units are permitted. Although various land uses are permitted in the southern growth area, the area is primarily designated for low density residential use. Though limited by the City's Urban Growth Boundary (UGB), there remains residential development potential north of North Livermore Park and south of Raymond Road.

Pleasanton's residential growth areas are located on Stoneridge Drive, in the Vineyard Avenue corridor, the Bernal property, and the Ruby Hill area. As of early 2002, Pleasanton had approved 4,505 new housing units, and was expecting commercial growth accommodating 2,200 to 2,800 new employees each year.

Alameda County's UGB limits available unincorporated land. There are development opportunities inside the UGB north of Dublin, three areas south of Pleasanton and various mixed use and industrial lands west of Pleasanton. Around Livermore, there are areas to the west and on the east side south of the Lawrence Livermore National Laboratory.

### **Southern: Fremont, Newark, Union City**

Union City is concentrating its redevelopment efforts in the vicinity of its BART station, where its recent general plan envisions constructing a transit village with multi-family residential, offices and further development at an industrial park. In addition, the general plan envisions industrial development at the Alvarado Technology Center in northwest Union City. The Union Landing development is expected to continue to attract retail and office investment until it is fully built out (by 2020).

Fremont's growth is expected to occur primarily through infill development, redevelopment, and conversion and intensification opportunities throughout the community. The City also retains a large supply of industrially designated land, primarily located westerly of I-880, but also between I-880 and I-680 south of Auto Mall Parkway. These industrial areas are expected to accommodate the majority of employment growth over the next twenty years.

Newark's General Plan identifies commercial development potential at six infill areas including the New Park Mall area and adjacent lands, mixed-use development at Cedar Boulevard and redevelopment in the Historic Newark area.

### **Central: Alameda, Hayward, San Leandro**

City of Alameda growth areas include Bay Farm Island, where recent residential development has occurred, and the Harbor Bay Business Park, where a golf complex and 205-acre Marina Village mixed-use project was successfully developed with office space, retail, townhouses and a marina. Future growth is expected to be most significantly affected by redevelopment of Alameda Point, formerly the Alameda Naval Air Station, where as many as 15,000 residents will be added during the next 20 years; in addition to clean light-industrial and office uses, resort and conference facilities, eco-tourism and historic attractions such as the Hornet, and new small and youth-operated businesses.

In Hayward, potential residential growth areas include the Highlands and Glen Eden

areas, redevelopment in the Downtown and Burbank areas, and the Mission-Foothills and Mission-Garin areas for redevelopment activity along Mission Boulevard and near the South Hayward BART station. There are 419 vacant acres in southwest Hayward, which is a potential commercial and industrial growth area.

There are scattered and relatively small potential residential growth areas in San Leandro. In San Leandro, there are formerly industrial sites that are available for mixed-use development. As of 2002, only 130 acres of vacant land remained, with the potential for residential development of 170 single-family and 230 multi-family units.

### **Northern: Albany, Berkeley, Emeryville, Oakland, and Piedmont**

Albany anticipates residential growth as a result of UC Berkeley housing facilities being built. The UC Village, located at Buchanan and San Pablo Avenues, is a 26-acre redevelopment project including retail commercial, campus housing, a community center, an infant-toddler day care facility, administrative offices and recreational facilities and open space. The City has changed its zoning ordinance to encourage mixed-use development and affordable housing, primarily on San Pablo Avenue, a state highway and transit corridor. The City is also encouraging commercial redevelopment adjacent to the freeway on the Eastshore Highway.

Berkeley growth areas identified by the City's General Plan include the downtown area as well as the Southside redevelopment area located along the west side of the UC Berkeley campus. In the Southside area, growth is projected to include increased housing opportunities for students, development of the two vacant sites left in the area, and redevelopment of under-utilized sites.

Growth areas in the City of Emeryville include redevelopment housing projects on 36<sup>th</sup> and San Pablo Avenue and mixed-use redevelopment on the former King Midas Card Club site. Bay Street is another growth area where five parcels are being redeveloped into a regional retail center with associated residential development.

Oakland growth areas include Chinatown, the airport area, West Oakland, and the hill areas. The Chinatown area is growing due to mixed-use housing development and various neighborhood improvements. In the airport vicinity, East Oakland is projected to experience high job growth from airport and related jobs. Another commercial development growth area is West Oakland. The main residential growth areas are in the North and South Hills areas. Oakland has a plan to attract 10,000 residents to the downtown area, is building a transit village at the Fruitvale BART station, and is exploring the idea of transit villages at other BART stations.

Piedmont is largely built out, does not anticipate significant growth, and did not identify any current or future growth areas.

## CHAPTER 3: HEALTH CARE SERVICES

This chapter reviews the most critical health care services—emergency room services, surgery, and inpatient hospital care—in Alameda County. It reviews how these services are provided by the health care districts and other acute-care hospitals with emergency rooms. The chapter addresses questions relating to growth and population projections, current and future service needs, infrastructure needs, and financing constraints and opportunities. Policy analysis including shared facilities, financing, cost avoidance, rate issues, government structure options, evaluation of management efficiencies, and local accountability and governance, is focused primarily on health care districts.

Although pre-hospital care by paramedics and ambulance transport services is related to the acute hospital care covered in this chapter, those services are typically provided by fire and ambulance service providers and are therefore reviewed in Chapter 4.

In addition to acute-care hospital services, the health care districts in Alameda County provide a broad array of other services, including primary care, outpatient care, long-term care, elective surgery, and grant-giving.<sup>18</sup> There are a large number of private sector entities involved in providing these types of less critical health care services. However, the focus of this review is on those service providers under LAFCo's purview.

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### PROVIDER OVERVIEW

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This section provides an overview of the three limited purpose agencies and all 13 acute-care hospitals in Alameda County.

#### LIMITED PURPOSE AGENCIES

The three health care districts are the City of Alameda Health Care District (HCD), the Eden Township HCD and the Washington Township HCD. These are independent special districts governed by the State's Local Health Care District Act.

The City of Alameda HCD owns and operates Alameda Hospital and encompasses the territory of the City of Alameda. On July 1, 2002, voters approved formation of the District, along with a \$298 parcel tax to repay the hospital's debt and to defray the hospital's operating losses. The hospital was in existence long before the District's formation, had experienced ongoing operating losses, and was transferred to the District upon its formation. The District provides general hospital and acute care, emergency room, surgery, physical therapy and long term care services. The District's community activities include health screening, CPR risk assessment, community health fairs, wellness and education programs, blood drives, outreach programs and charity care.

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<sup>18</sup> California law authorizes health care districts to provide hospital services, outpatient services, retirement programs, chemical dependency programs, nurse training programs, rehabilitation, ambulance transportation and any other health care services necessary to good health in the communities served (Health and Safety Code, §32121).

The Eden Township HCD owned the Eden Medical Center for 50 years and sold the medical center in 1998 to a Sutter Health affiliate. The District retains funds designated for future replacement of the hospital and sits on the medical center’s board. The District’s territory includes the City of San Leandro, most of the City of Hayward, and the unincorporated areas of Castro Valley and San Lorenzo. The District was formed in 1948. Since the 1998 sale of its assets, the District’s primary activities have been providing grants to health care and social service providers, hospital oversight through the Eden Medical Center Board, funding facility improvements, and purchase, lease and oversight of San Leandro Hospital. The Eden Medical Center provides emergency room, trauma center, surgical, birthing, acute psychiatric and long term care services at its main hospital, rehabilitation services at its Laurel Grove Hospital and additional long term care services at the Baywood Court retirement facility.

The Washington Township HCD owns and operates Washington Hospital in Fremont and, through its affiliates, outpatient clinics and other facilities. The District includes the cities of Fremont, Newark, Union City, the southern portion of Hayward, and the unincorporated community of Sunol. The District was formed in 1948. At its hospital, the District provides emergency room, cancer center, cardiovascular and other surgical services, sports medicine and birthing services. The District wholly controls an affiliate nonprofit—Washington Township Hospital Development Corporation (DEVCO)—which was formed in 1984 to train medical personnel, develop medical treatment programs, perform medical research and render medical services to the general public.<sup>19</sup> DEVCO has interests in the operation of a radiation oncology center affiliated with Stanford University School of Medicine, a surgery center adjacent to the hospital, an outpatient rehabilitation center, and outpatient primary care clinics in adjacent communities.

## HOSPITALS

There are 13 acute-care hospitals in Alameda County providing critical health care services. These hospitals collectively had 248 emergency room treatment stations, 99 operating rooms and 2,678 beds licensed for acute care in 2002. Table 3-1 lists the affiliations, locations and services provided by these hospitals. For a map of the facility locations, see Appendix B.

*Table 3-1. Acute-Care Hospitals with EMS*

<b>Hospital</b>	<b>Affiliation</b>	<b>Location</b>	<b>Services</b>
Alameda County Medical Center – Highland	Alameda County	Oakland	EMS, Trauma Center, Surgery, Births, Acute Psychiatric
Alameda Hospital	City of Alameda HCD	Alameda	EMS, Surgery, Long-Term Care
Alta Bates Medical Center – Ashby	Sutter Health	Berkeley	EMS, Surgery, Cardiac Surgery, Births
Children’s Hospital Medical Center	Children’s Hospital Medical Center	Oakland	EMS, Trauma Center, Surgery, Cardiac Surgery, Rehabilitation
Eden Medical Center	Sutter Health and Eden HCD	Castro Valley	EMS, Trauma Center, Surgery, Births, Acute Psychiatric, Long-Term Care

<sup>19</sup> California Health and Safety Code §32121(o) authorizes a health care district “to establish, maintain, and carry on its activities through one or more corporations, joint ventures, or partnerships for the benefit of the health care district.”

Kaiser Hospital – Fremont	Kaiser Foundation	Fremont	EMS, Surgery
Kaiser Hospital – Hayward	Kaiser Foundation	Hayward	EMS, Surgery, Births, Hospice
Kaiser Hospital – Oakland	Kaiser Foundation	Oakland	EMS, Surgery, Births
San Leandro Hospital	Sutter Health and Eden HCD	San Leandro	EMS, Surgery, Long-Term Care
St. Rose Hospital	Via Christi Health Systems	Hayward	EMS, Surgery, Births, Long-Term Care
Summit Medical Center – North Pavilion	Sutter Health	Oakland	EMS, Surgery, Cardiac Surgery, Births
ValleyCare Medical Center	ValleyCare Health	Pleasanton	EMS, Surgery, Births
Washington Hospital	Washington Township HCD	Fremont	EMS, Surgery, Cardiac Surgery, Births

Nine of the hospitals are privately owned. Three are owned and operated by local governments. Two are owned and operated by health care districts while Alameda County owns and operates the Highland campus of the Alameda County Medical Center (ACMC).<sup>20</sup> San Leandro Hospital is owned by a local agency—the Eden Township Health Care District—and is operated as a Sutter Health affiliate by the private Eden Medical Center.

Services vary between the hospitals. Three of the 13 hospitals treat trauma patients. Four are licensed to perform cardiac surgery. Some hospitals do not provide birthing services while new mothers constitute as much as 40 percent of admitted patients at other hospitals. The percent of admitted patients receiving surgery varies from 34 percent to 12 percent.

The hospitals differ in other ways. They vary in size from Kaiser Hospital in Oakland with 346 acute-care beds to San Leandro Hospital with 93 acute-care beds. They vary in age; with Kaiser Hospital in Fremont being the newest facility, having opened in 2002 and having opened its emergency room in 2003.<sup>21</sup>

## SERVICE AREA

Most of the acute care hospitals in Alameda County primarily serve residents of the sub-region in which the hospital is located. On average, 84 percent of patients are Alameda County residents and 16 percent reside outside the County. Table 3-2 shows the proportion of each facility’s patients residing both within and outside the County.

<sup>20</sup> Alameda County Medical Center is a Public Hospital Authority governed by a Board of Trustees. Trustees are appointed by the Alameda County Board of Supervisors.

<sup>21</sup> Due to its recent opening, the utilization data for this facility is limited and is not comparable to the other hospitals. Available utilization data for this facility includes only a partial year of inpatient service in 2002 and pre-dates the 2003 opening of the emergency room.

Several of the northern hospitals serve niche markets and attract patients from throughout the County and region. The Children's Hospital is specialized in pediatric care, and attracts patients from throughout the metropolitan area. The Kaiser Hospital in Oakland serves enrollees in the Kaiser HMO plan, many of whom are located in Contra Costa County. The Alta Bates Medical Center-Ashby provides cardiac and complex surgery services that are not provided at most other hospitals in the County. The APMC Highland Hospital is specialized in indigent care, and attracts patients from throughout the County with relatively high patronization by Oakland residents.

*Table 3-2. Acute Care Hospital Patient Origin, 2001*

Facility	Share of Facility's Patients by Patient Origin								
	Patients Residing in Alameda County					Patients Residing Outside Alameda			
	Total	North	Central	South	Tri-Valley	Total	Contra Costa	San Joaquin	Other
<b>ALL ALAMEDA FACILITIES</b>	<b>84%</b>	<b>37%</b>	<b>25%</b>	<b>16%</b>	<b>6%</b>	<b>16%</b>	<b>11%</b>	<b>1%</b>	<b>4%</b>
<b>Northern</b>	<b>77%</b>	<b>61%</b>	<b>13%</b>	<b>2%</b>	<b>1%</b>	<b>23%</b>	<b>17%</b>	<b>1%</b>	<b>5%</b>
ACMC-Highland	97%	73%	18%	4%	2%	3%	1%	0%	2%
Alta Bates Med Ctr-Ashby	67%	57%	8%	1%	1%	33%	30%	0%	3%
Children's Hospital	58%	36%	15%	4%	2%	42%	23%	3%	15%
Kaiser Hospital Oakland	76%	62%	12%	1%	1%	24%	16%	0%	7%
Summit Medical Center	87%	70%	14%	1%	1%	13%	9%	0%	4%
<b>Central</b>	<b>96%</b>	<b>9%</b>	<b>64%</b>	<b>22%</b>	<b>1%</b>	<b>4%</b>	<b>1%</b>	<b>1%</b>	<b>2%</b>
Alameda Hospital	95%	13%	81%	0%	0%	5%	2%	0%	4%
Eden Medical Center	92%	8%	74%	6%	4%	8%	3%	1%	5%
Kaiser Hospital Hayward	96%	5%	54%	35%	1%	4%	1%	1%	2%
San Leandro Hospital	97%	25%	69%	1%	1%	3%	1%	0%	2%
St. Rose Hospital	98%	3%	72%	23%	1%	2%	0%	0%	1%
<b>Southern</b>	<b>93%</b>	<b>1%</b>	<b>10%</b>	<b>80%</b>	<b>2%</b>	<b>7%</b>	<b>1%</b>	<b>1%</b>	<b>5%</b>
Washington Hospital	93%	1%	10%	80%	2%	7%	1%	1%	5%
<b>Tri-Valley</b>	<b>82%</b>	<b>1%</b>	<b>4%</b>	<b>2%</b>	<b>75%</b>	<b>18%</b>	<b>10%</b>	<b>4%</b>	<b>5%</b>
ValleyCare Medical Center	82%	1%	4%	2%	75%	18%	10%	4%	5%

The central Alameda County hospitals primarily attract residents of the central and southern sub-regions. The hospitals in the central sub-region do not attract a significant share of patients from Contra Costa County or the eastern part of Alameda County.

Washington Hospital primarily attracts residents of the southern sub-region. The Washington Hospital is also patronized by a significant number of southern Hayward residents.

The ValleyCare Medical Center primarily attracts residents of the Tri-Valley sub-region and Contra Costa County.

## SERVICE DEMAND

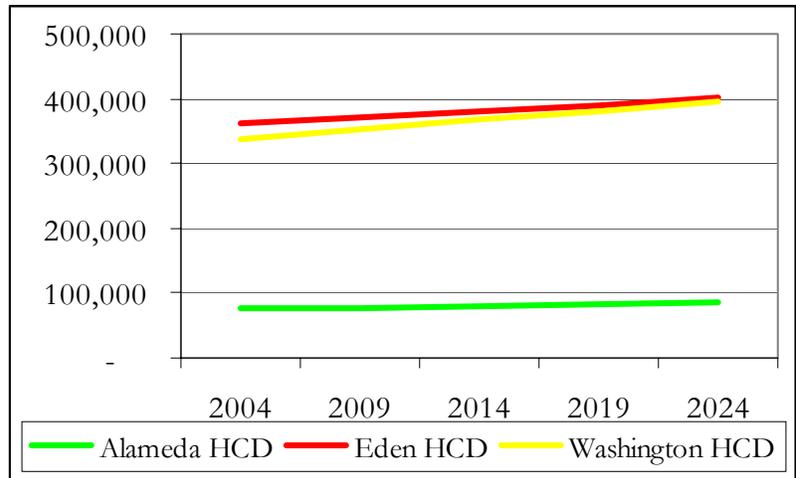
This section provides population levels, projected population growth, other indicators of service demand such as hospital visits, and projected growth in service demand.

### GROWTH AND POPULATION PROJECTIONS

*Figure 3-3. Health Care District Population, 2004-2024*

The City of Alameda Health Care District (HCD) population is expected to increase from its current level of 75,000 to 83,000 over the next 15 years.

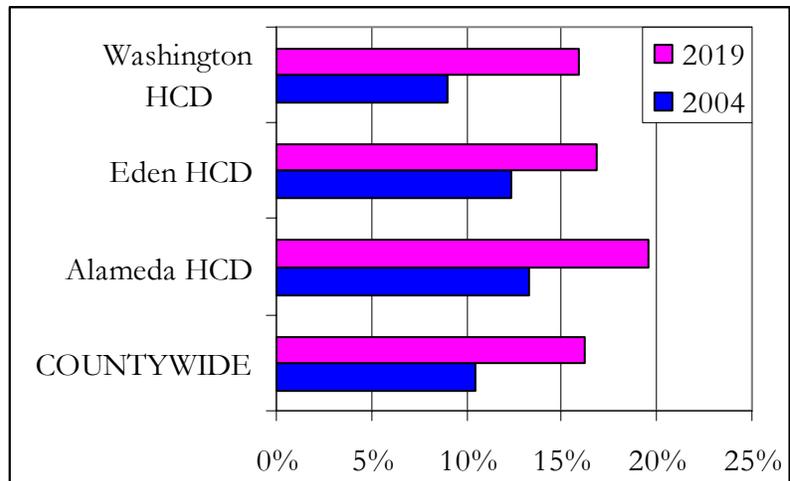
Over the next 15 years, the Eden HCD population is projected to increase from 361,000 to 391,000, and the Washington HCD population is expected to increase from 339,000 to 381,000.



The Washington HCD population is expected to grow at a rate comparable to the countywide rate, while Eden and Alameda HCDs are expected to grow at rates below the countywide average.

*Figure 3-4. Percent of Population Age 65 and Over, 2004 and 2019*

The population is expected to become older, as the baby-boom generation ages. Currently, seniors aged 65 and older constitute 10 percent of the Alameda County population; by 2019, seniors will make up 16 percent of the County's population. By 2019, seniors are expected to make up 20 percent of the Alameda HCD population and 17 percent of the Eden HCD and Washington HCD populations, as shown in Figure 3-4.

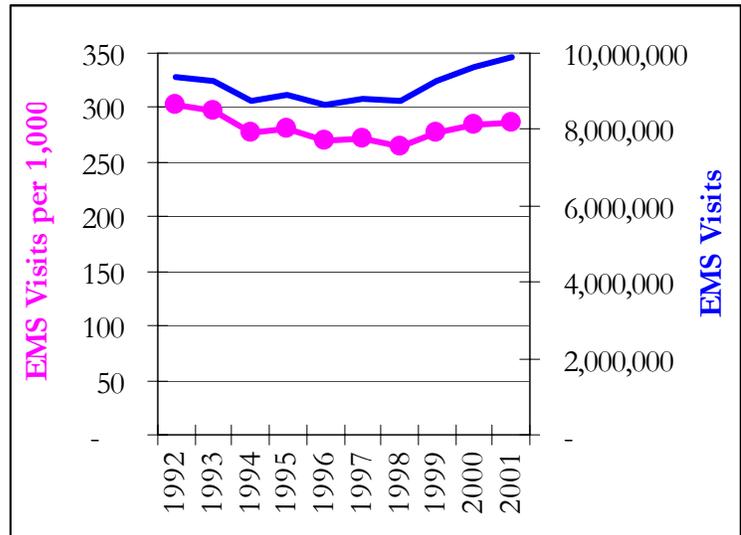


## EMERGENCY ROOM VISITS

Alameda County residents use less emergency room services than do U.S. residents as a whole, but use more than the average Californian. In 2001, for each 1,000 residents, Alameda County residents made 298 visits, Californians made 287 visits, and U.S. residents made 371 visits.<sup>22</sup>

*Figure 3-5. California EMS Visits, 1992-2001*

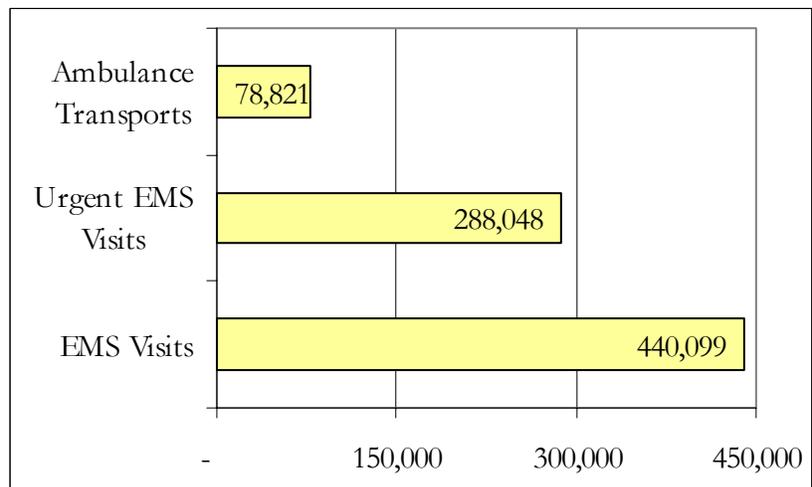
Emergency demand for hospital services fluctuated in the past decade, generally declining in California over the 1990s and increasing from 1998 to 2001. In Figure 3-5, the trend in California emergency room visits is depicted with a solid blue line and the number of visits per 1,000 residents is depicted with a dotted pink line.



The number of emergency room visits per 1,000 residents declined by 13 percent from 1992 to 1998, but then increased by eight percent from 1998 to 2001. Overall, emergency room visits per 1,000 residents decreased by five percent from 1992 to 2001 in California. Over the same period in the U.S. as a whole, emergency room visits per capita increased by five percent.

*Figure 3-6. Alameda County EMS Visits, 2001*

Many emergency room visits are not considered urgent cases. In Alameda County, 65 percent of visits were classified as urgent, but only 18 percent arrived by ambulance in 2001. By comparison, 14 percent of ER patients nationwide arrived by ambulance. The number of visits, urgent visits and patients arriving by ambulance in Alameda County in 2001 is depicted in Figure 3-6.



A national survey conducted by the Centers for Disease Control and Prevention in 2001 indicates certain patterns to use of emergency room services:

<sup>22</sup> California emergency room visits from California OSHPD; U.S. visits from American Hospital Association.

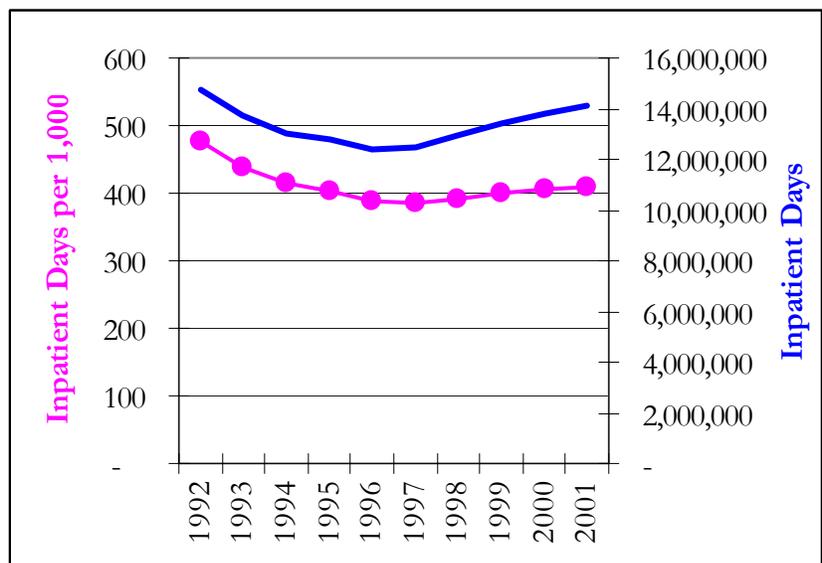
- The majority of visits (63 percent) were illness-related and 37 percent injury-related;
- People 75 years of age or older were nearly twice as likely to make emergency room visits than younger people;
- People 65 years of age or older were much more likely to arrive by ambulance than younger people; younger people were more likely to walk in than older people;
- People with Medicaid insurance were most likely to make emergency room visits (643 visits per 1,000), followed by Medicare (426 visits), no insurance (404), and private insurance (205); and
- The volume of visits was fairly constant between 8 a.m. and midnight, with a peak occurring during the late afternoon and early evening hours.<sup>23</sup>

Emergency room demand is affected not only by population but also by other factors such as availability of primary care, the size of the uninsured population, insurance practices and co-pays, and public policy.<sup>24</sup>

## INPATIENT ACUTE CARE

*Figure 3-7. California Acute-Care Inpatient Days, 1992-2001*

Although the number of patients per capita was five percent higher in Alameda County than in California, the average length of stay was eight percent shorter in Alameda County (4.2 days) than California (4.6 days). Due to relatively shorter hospital stays, County residents used five percent fewer inpatient acute care days on a per capita basis than Californians as a whole in 2001.



Demand for acute care inpatient days decreased from 1992 to 1998 in California, and increased from 1998 to 2001, according to OSHPD data. As shown in Figure 3-7, inpatient days increased in the last several years although the number of inpatient days used per 1,000 residents did not increase significantly. Most of the growth in demand for inpatient care is related to population growth particularly among the senior population, with some of the recent growth explained by a recent trend toward increased lengths of stay in the hospital.

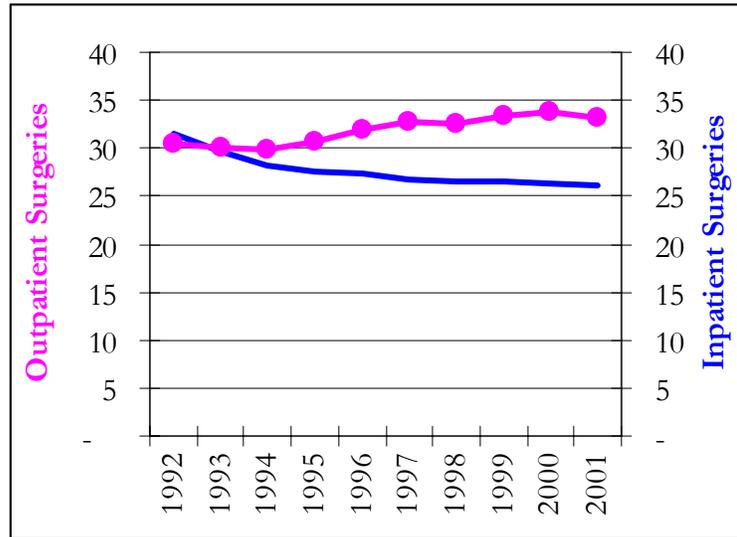
<sup>23</sup> McCaig and Burt, 2001.

<sup>24</sup> Brewster, Rudell and Lesser, 2001. The 1986 federal Emergency Medical Treatment and Labor Act requires all hospitals that receive Medicare reimbursement to provide screening for an emergency condition, necessary stabilizing treatment and appropriate transfers for patients, regardless of their ability to pay. In 1998, the U.S. Department of Health and Human Services issued a special advisory bulletin clarifying implications of the law and stepped-up enforcement.

Alameda County residents used fewer surgical services—both inpatient and outpatient—on a per capita basis than Californians as a whole in 2001, according to OSHPD data. There were 21 inpatient surgeries per 1,000 residents in Alameda County, compared with 26 statewide. Similarly, there were 27 outpatient surgeries per 1,000 residents in Alameda County, compared with 31 statewide.

**Figure 3-8. California Surgery Demand per 1000 residents, 1992-2001**

Although the number of surgeries performed has generally been increasing over the past decade, the type of surgeries performed has been changing. Despite advances in outpatient treatment, there is simply a greater need for treatment of all types. The demand for outpatient surgery has risen while the demand for inpatient surgery has declined in California, as shown in Figure 3-9. The increase in outpatient surgeries could be partially attributable to insurance requirements and cost containment. The same trend occurred in Alameda County over the period of 1997 to 2001, according to OSHPD data.



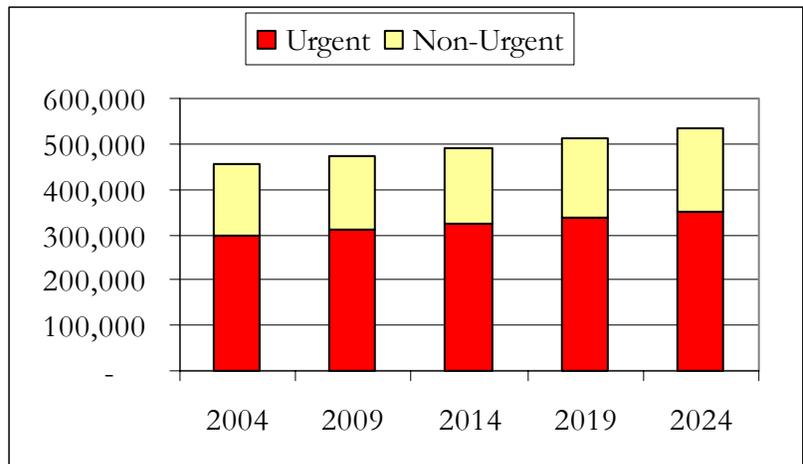
Alameda County residents used more birthing services on a per capita basis than Californians as a whole in 2001. There were 153 live births per 1,000 residents in Alameda County, compared with 146 statewide. Both the number of births and births per capita declined in California from 1992 to 2001. In Alameda County, the number of births did not decline significantly, but births per capita did decline.<sup>25</sup>

<sup>25</sup> Statement based on a combination of OSHPD facility reports on number of live births and Census data on population.

## PROJECTED SERVICE DEMAND

*Figure 3-9. Projected Alameda County EMS Visits, 2004-2024*

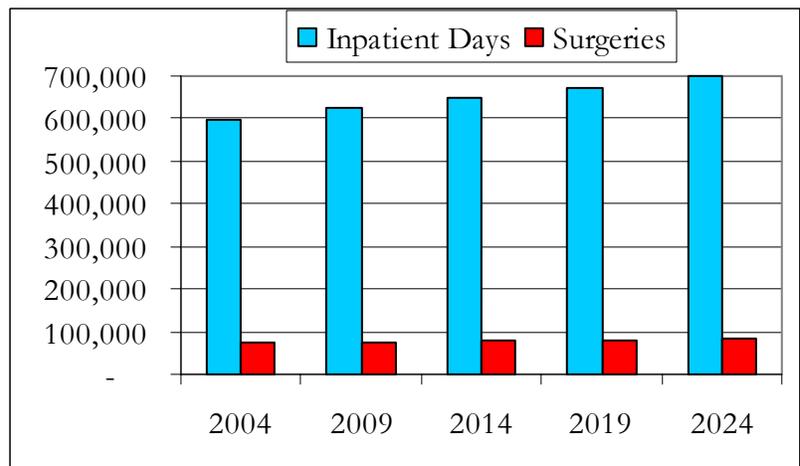
The number of emergency room visits in Alameda County is projected to increase from 452,000 to 472,000 by 2009 and to 509,000 by 2019 under the assumption that future service demand per capita will remain the same (Figure 3-9). This estimate is conservative, because the aging of the population is expected to contribute to a larger number of urgent cases. Demand management strategies



like increased insurance co-payments, patient education, and availability of alternative services like primary care and telephone-based service may reduce the number of future EMS visits.

*Figure 3-10. Projected Alameda County Inpatient Days and Surgeries, 2004-2024*

The number of inpatient bed days in Alameda County is projected to increase from 598,000 to 624,000 by 2009 and to 673,000 by 2019 assuming that future service demand per capita will remain the same (Figure 3-10). This estimate is conservative in that the aging of the population will contribute to an increase in demand for bed days; however, the estimate may be over-stated to the extent that new medical technology reduces the need for inpatient bed days.



The number of surgeries in Alameda County is expected to increase from 72,500 to 76,000 in the next five years and to 82,000 in the next 15 years under the assumption that future service demand per capita will remain the same (Figure 3-10). Actual demand will most likely be higher due to the aging of the population and advances in medical knowledge contributing a greater array of available surgical procedures.

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## INFRASTRUCTURE NEEDS OR DEFICIENCIES

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In the context of emergency health service, infrastructure needs signify facilities that do not provide adequate capacity to accommodate current or projected demand for service for the region as a whole or for sub-regions within the County.

### REGIONAL

This section reviews the region’s health care infrastructure, capacity, and projected needs.

*Table 3-11. Hospital Capacity per 1,000 Residents, 2002*

Alameda County has greater emergency room capacity as measured by EMS stations per capita than does the State as a whole, as shown in Table 3-11. The 13 acute-care hospitals in Alameda County operated 248 EMS stations in 2002, or 0.17 per 1,000 residents. Alameda County had 12 percent more EMS stations per capita than California as a whole in 2002.

	Acute Beds	EMS Stations	Operating Rooms
Alameda County	1.8	0.17	0.067
California	2.1	0.15	0.073
% Difference	-17%	12%	-8%

The County has less inpatient surgical capacity based on the number of operating rooms per capita compared with the State as a whole. Alameda County has 99 inpatient operating rooms, or 0.067 per 1,000 residents. Alameda County’s inpatient surgical capacity per capita is eight percent lower than California’s per capita capacity.

The County has 17 percent fewer acute-care hospital beds per capita than the State as a whole. Alameda County has 2,678 acute-care beds for inpatients in its hospitals, or 1.8 per 1,000 residents.

In order to maintain the 2002 hospital service level into the future, Alameda County hospitals would need to expand the number of inpatient beds, EMS stations and operating rooms as the population grows. Under the assumption that service demand per capita will not change in the future, the following capacity expansions would be required to maintain service levels:

- 186 additional acute-care beds by the year 2009, 292 beds by the year 2014, and 470 beds by the year 2019;
- Seven additional operating rooms by the year 2009, 11 by the year 2014 and 17 by the year 2019; and
- 17 emergency room treatment stations by the year 2009, 27 by the year 2014, and 38 by the year 2019 in order to maintain the number of treatment stations per capita.<sup>26</sup>

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<sup>26</sup> The projected need for emergency room treatment stations would not be met by the additional 16 stations added at Kaiser Hospital in Fremont in 2003, as these were included in the existing service level.

The County would need another acute-care hospital by the year 2019 in order to maintain service levels.

## FACILITY CAPACITY AND CONDITION

*Table 3-12. Acute Care Hospital Capacity, 2003*

In this section, the report reviews the capacity and condition of available facilities.

The County's hospital capacity by facility is listed in Table 3-12. The Kaiser Hospital in Oakland, Alta Bates Medical Center, and Summit Medical Center have the greatest capacity for inpatients, emergency room visits and surgery. Washington Hospital has high inpatient capacity and Alameda County Medical Center-Highland has high emergency room capacity.

	Acute Care Beds	EMS Stations	Operating Rooms
COUNTY TOTAL	2,678	248	99
ACMC-Highland	236	29	6
Alameda Hospital	100	12	8
Alta Bates Med Ctr-Ashby	342	22	13
Summit Medical Center	342	31	12
Children's Hospital	205	14	5
Eden Medical Center	135	16	7
Kaiser Hospital Fremont	106	16	6
Kaiser Hospital Hayward	210	20	7
Kaiser Hospital Oakland	346	30	12
San Leandro Hospital	93	12	5
St. Rose Hospital	129	17	4
ValleyCare Medical Center	97	12	7
Washington Hospital	337	17	7

Although hospital capacity is distributed throughout the County (see map B-1 in Appendix B), it is most concentrated in the northern sub-region and least concentrated in the Tri-Valley area.

In the northern sub-region including Oakland, Berkeley, Albany, Emeryville and Piedmont, there are five hospitals including two trauma centers and three hospitals licensed to perform cardiac surgery. About 37 percent of the County population is located in the northern sub-region, although 58 percent of inpatient days and 59 percent of EMS visits occur at these hospitals.

In the central sub-region including San Leandro, Hayward, Castro Valley and Alameda, there are five hospitals including one trauma center. There are no hospitals in this sub-region licensed to perform cardiac surgery.

In the southern sub-region including Fremont, Newark and Union City, there are two hospitals and there is no trauma center. Washington Hospital is licensed to perform cardiac surgery. About 22 percent of the County's population is located in the southern sub-region, roughly twice the sub-region's share of 2001 countywide demand.

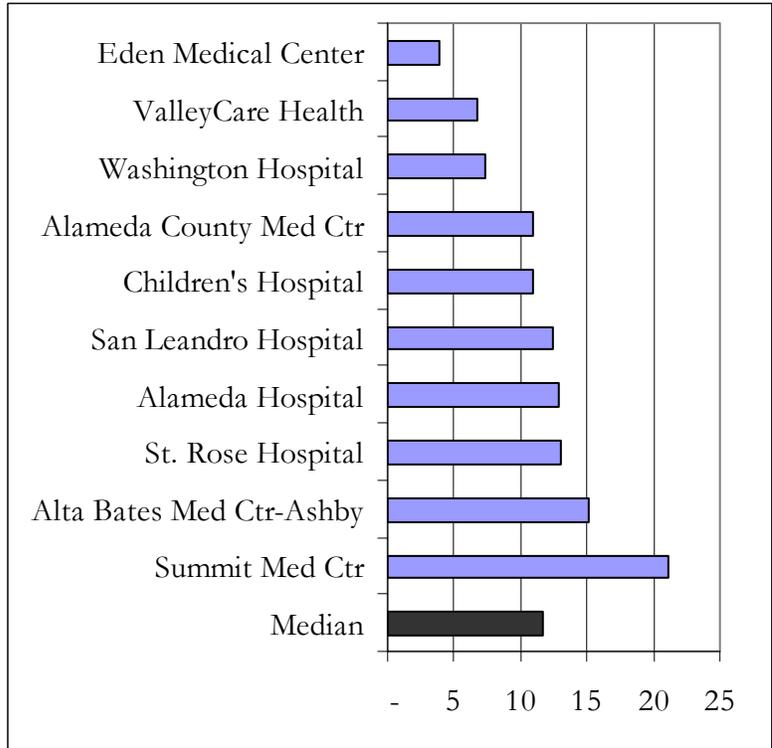
In the Tri-Valley sub-region including Dublin, Pleasanton, Livermore and Sunol, there is one hospital with an emergency room and there is no trauma center. About 12 percent of the County's population resides in the Tri-Valley sub-region, over twice as much as the share of countywide demand accommodated in this sub-region in 2001.

**Figure 3-13. Average Age of Plant (years), FY 2001-02**

The condition of hospital facilities can be gauged in part by the average plant age and investment in new facilities.

The average (and median) plant age countywide was 12 years in FY 2001-02.<sup>27</sup> ValleyCare Health and Washington Hospital had below-average plant age, while the Alta Bates Medical Center and Summit Medical Center had above-average plant age, as indicated in Figure 3-13.

The hospitals collectively invested \$75 million in newly constructed or renovated facilities in FY 2001-02, constituting 12 percent of net physical plant value. ValleyCare Health and Washington Hospital had above-



average rates of investment in new or renovated facilities. San Leandro and Alameda Hospitals had below-average rates of investment in new or renovated facilities.<sup>28</sup>

OSHPD found that several hospitals in Alameda County do not meet new seismic safety requirements (SB 1953) enacted in 1994 after the Northridge earthquake. SB 1953 requires California hospitals to either be retrofitted or rebuilt to meet earthquake safety standards by 2008, and more stringent earthquake conformance mandates by 2030. The following hospitals include buildings that were found to pose a significant risk of collapse after a strong earthquake, and are required to be retrofitted or replaced by 2013: Alameda County Medical Center, Children’s Hospital, Eden Medical Center, Kaiser Hospital Hayward, Kaiser Hospital Oakland, St. Rose Hospital, and Summit Medical Center.<sup>29</sup> The Alameda Hospital, Alta Bates Medical Center, Summit Medical Center, and Washington Hospital must be seismically upgraded by 2030 to ensure that they would function following a strong earthquake.

<sup>27</sup> OSHPD computes average age of plant as accumulated depreciation expense relative to current year depreciation expense. For hospitals with recent ownership changes such as Eden Medical Center, this calculation approach understates the average age of plant.

<sup>28</sup> Alameda Hospital has subsequently begun construction of a new cosmetic surgery and sports medicine center.

<sup>29</sup> Although SB 1953 requires compliance by 2008, most of the hospitals have applied for or received extensions through 2013 on the SB 1953 requirements.

## ADEQUACY

In order to assess infrastructure deficiencies and needs, it is necessary to analyze the adequacy of the facilities and related services in meeting the needs of the populace. Adequacy can be gauged by such measures as analyzing emergency room closures and workload, operating room use, inpatient occupancy rates, and the extent to which residents travel to other hospitals for service.

### Emergency Rooms

Emergency room adequacy can be gauged by emergency room closures, the number of patients treated at each station, and emergency room waiting times.<sup>30</sup>

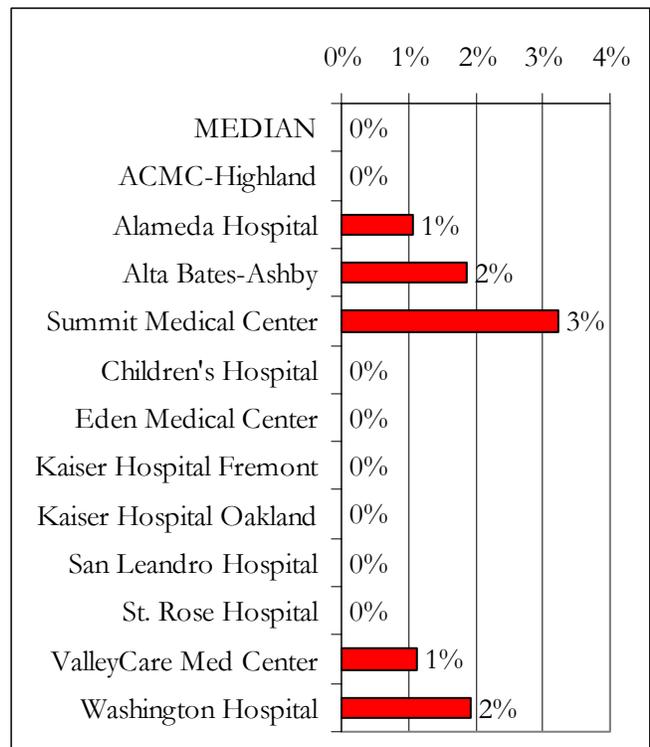
When hospital emergency rooms (ERs) are filled beyond capacity with urgent cases, hospitals close the ER for a period of time to incoming patients, and ambulances are diverted to other hospitals. Although January and July are the most common times of the year when ER closures occur, ER closures occur year-round.

On average, emergency rooms in Alameda County were closed one percent of the time in 2002,<sup>31</sup> Summit Medical Center closed its ER three percent of the time in 2002, as shown in Figure 3-14. The Alta Bates Medical Center – Ashby closed two percent of the time. The three relatively isolated hospitals—Alameda Hospital, ValleyCare Medical Center and Washington Hospital—experienced closures in 2002 as well.

In 2002, seven of the hospitals reported never closing their ERs and never diverting ambulances to other hospitals. The three hospitals with trauma centers never closed their ERs in 2002.

According to a 2004 survey by the American Hospital Association of urban hospitals throughout the nation, 42 percent of urban hospitals did not experience ER closures, 41 percent were closed less than 10 percent of the time, and 17 percent were closed more than ten percent of the time.

*Figure 3-14. ER Closed (% of Time), 2002*



<sup>30</sup> Comparable data on emergency room waiting times were not available.

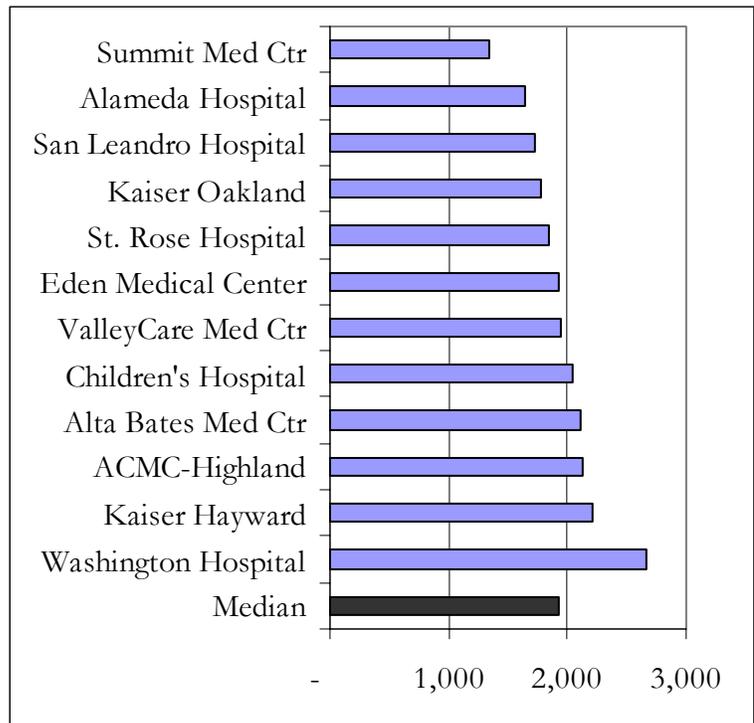
<sup>31</sup> The average is calculated as a weighted average (weighted on number of EMS treatment stations) of the hospitals reporting the number of hours the ER was closed. Kaiser Hospital – Hayward had no completed its 2002 report at the time this report was prepared.

**Figure 3-15. Emergency Room Visits per Station, 2001**

In 2001, there were 440,099 emergency room visits at Alameda County hospitals, and a total of 228 emergency room treatment stations. Hence, a median of 1,934 patients were treated per station in 2001, as shown in Figure 3-15.

Washington Hospital treated 2,659 emergency room visitors per stations, 38 percent more than the median of 1,934. Washington Hospital treated a relatively large number of patients per station even though its emergency room was closed two percent of the time.<sup>32</sup>

The Alta Bates Medical Center, Children’s Hospital, and ValleyCare Medical Center had average productivity levels (as measured by visits per station) at its emergency rooms stations, and had above-average rates of urgent patients treated.



Kaiser Hospital-Hayward and ACMC-Highland Hospital treated an above-average share of patients, but also have a relatively high share of emergency room visits that are not considered urgent.

By comparison, Summit Medical Center and Alameda Hospital had a below-average number of patients treated at their emergency room stations. These two facilities had an above-average share of urgent emergency room visits.

The hospitals have invested recently in expansion of emergency room capacity. In 2002, Alameda Hospital, Eden Medical Center, Kaiser Hospital – Oakland and Kaiser Hospital – Hayward each added an additional emergency room treatment station. In 2003, Kaiser Hospital – Fremont opened its emergency room, adding 16 treatment stations.

**Operating Rooms**

There were a total of 95 operating rooms in addition to five operating rooms used exclusively for outpatient surgery in Alameda County in 2001. Operating room capacity in Alameda County has expanded since 2001. Kaiser opened six operating rooms at its hospital in Fremont and closed five at its hospital in Hayward. San Leandro Hospital added two operating rooms and Washington

<sup>32</sup> The relatively high volume of visits per station at Washington Hospital in 2001 reflects relatively high usage compared with available resources. The 2003 opening of the Kaiser Hospital in Fremont has added 16 more EMS stations to this area.

Hospital added one operating room in 2002. ValleyCare Health opened seven operating rooms at an outpatient surgery center in Livermore in 2003.

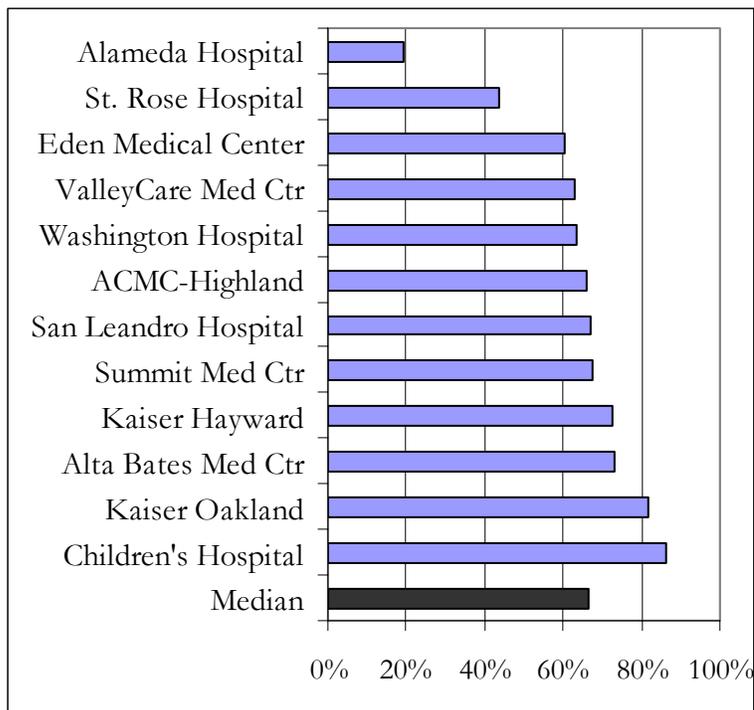
Operating rooms were being used for surgery 66 percent of the time (median) in 2001, as shown in Figure 3-16.<sup>33</sup> Approximately 60 percent of operating rooms used countywide was for inpatient surgery, with 40 percent used for outpatient surgery.

**Figure 3-16. Operating Room Use Rates, 2001**

The five operating rooms at Children’s Hospital received the greatest use in 2001, being used for surgery 86 percent of the time. The operating rooms were mostly (85 percent of the time) used for inpatient surgery.

Kaiser Hospital in Oakland used its 12 operating rooms for surgery 81 percent of the time. The operating rooms were mostly (60 percent of the time) used for outpatient surgery.

The eight operating rooms at Alameda Hospital received the least amount of use in 2001, being used for surgery 19 percent of the time. The operating rooms were used about equally for inpatient and outpatient surgery.



The four operating rooms at St. Rose Hospital also received relatively low use in 2001, being used for surgery 43 percent of the time. The operating rooms were used about equally for inpatient and outpatient surgery.

<sup>33</sup> Operating room use rates are calculated as the number of surgery-minutes divided by the annual capacity of the operating rooms (i.e., number of minutes in a year based on 24-hour use).

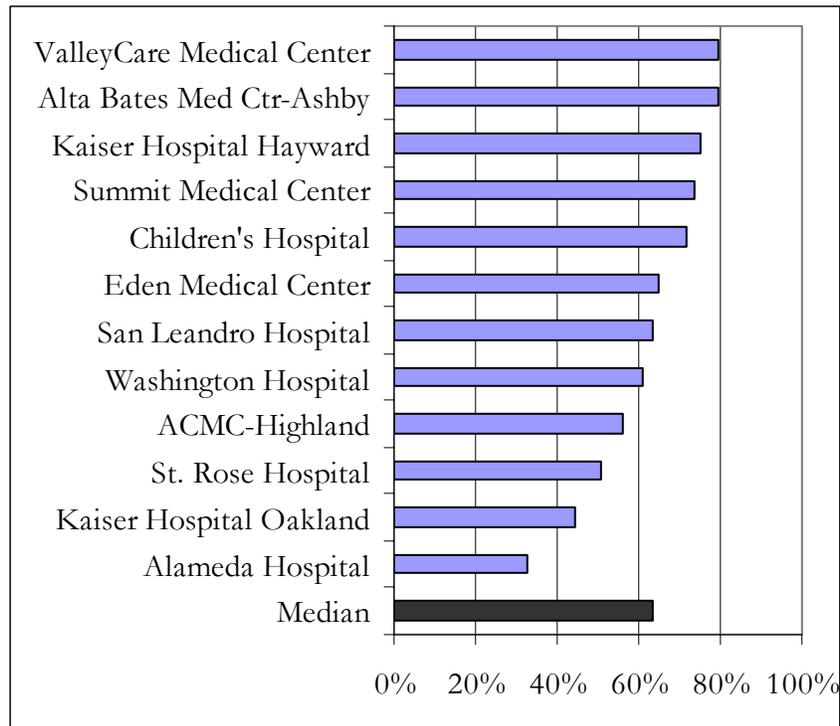
## Inpatient Care

The adequacy of inpatient treatment can be gauged by occupancy rates, patient outcomes, and patient turnover rates.

*Figure 3-17. Acute Inpatient Bed Occupancy Rates, 2001*

Hospital occupancy rates reflect the percent of licensed acute-care hospital beds occupied on average in 2001. Hospitals with relatively low occupancy rates have underutilized capacity for accommodating inpatients. Such hospitals may face less demand for service due to location, perceived quality of care, the nearby location of more popular hospitals, and insurance provider restrictions.

As indicated in Figure 3-17, Alameda Hospital, the Kaiser Hospital in Oakland and St. Rose Hospital had the lowest occupancy rates in 2001 and the greatest underutilized inpatient capacity. The ValleyCare Medical Center, Alta Bates Ashby hospital and the Kaiser facility in Hayward had the highest occupancy rates in 2001. The Eden and Washington Hospitals had average occupancy rates in 2001.



The heart attack death rate reflects service effectiveness, and was lower in Alameda County than in California over the 1996-98 period. In California, the 1996-98 heart attack death rate was 12.1 percent. In Alameda County, the risk-adjusted heart attack death rate was 10.9-11.3 percent.<sup>34</sup> The facilities with above-average death rates were San Leandro Hospital, Summit Medical Center, Eden Medical Center, and ValleyCare Medical Center. The facilities with below-average death rates were Alta Bates Medical Center – Ashby, Kaiser Hospital Oakland, Kaiser Hospital Hayward, St. Rose Hospital and Washington Hospital.

Other than heart attack outcomes, the research did not identify any published studies comparing measures of patient outcomes.

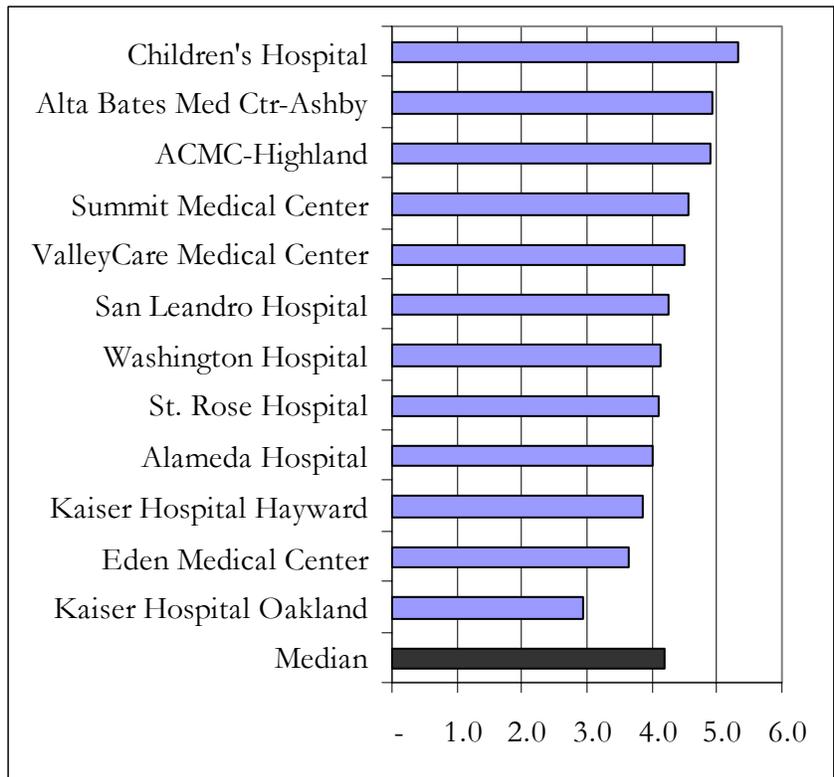
<sup>34</sup> Healthcare Quality and Analysis Division, 2002.

**Figure 3-18. Emergency Hospital Average Patient Stay (Days), 2001**

Inpatient turnover reflects the number of individuals treated, and is measured by the average length of stay in a hospital. The average length of stay also reflects the quality of care, the hospital's efficiency in treating patients, the level of need of the patients, and insurance restrictions.

The median length of stay countywide was 4.2 days in 2001.

The Kaiser facilities and Eden Medical Center have higher patient turnover, sending the average patient home in less than four days, as shown in Figure 3-18.



By comparison, patient turnover was lower at Children's Hospital, the Alta Bates Medical Center and the ACMC Highland Hospital, where the average length of stay was above-average.

**Patient Travel**

The adequacy of hospital facilities and services in meeting the needs of Alameda County residents can be gauged by the extent to which residents travel outside their sub-region or outside the County to receive hospital services.

Among Alameda County residents who were admitted to hospitals in California in 2001, 82 percent patronized hospitals in Alameda County and 18 percent patronized hospitals outside Alameda County. The capacity to serve residents varies between areas, with Tri-Valley residents most likely to travel outside the County for hospital services. The hospital selection choices by hospital location are shown for Alameda County residents in Table 3-19.

Residents of northern Alameda County were most likely to patronize hospitals within Alameda County (87 percent) and within their sub-region of the County (82 percent). A substantial portion of residents of the northern area patronize the Alta Bates Medical Center-Ashby and the Summit Medical Center. Northern residents are more than twice as likely to patronize the Kaiser Hospital in Oakland and the ACMC Highland Hospital as are County residents as a whole.<sup>35</sup> The northern

<sup>35</sup> Resident visits by hospital in 2001 are estimated from the OSHPD patient discharge database that tracks hospital visits by the zip code of the patient's residence. Patronage estimates are approximate because zip code boundaries do not coincide with local agency boundaries.

residents' tendency to remain within their sub-region reflects relatively high hospital supply in this sub-region.

*Table 3-19. Facility Selection by Patient Residence, 2001*

Share of Patients Patronizing Hospital Facilities by Facility Location						
Patient Residence	Alameda County Facility Patient Share					Outside
	Total	North	Central	South	Tri-Valley	Total
ALL ALAMEDA PATIENTS	82%	42%	24%	11%	5%	18%
Northern	87%	82%	5%	0%	0%	13%
Albany	78%	77%	0%	0%	0%	22%
Berkeley	80%	79%	1%	0%	0%	20%
Emeryville	88%	87%	1%	0%	0%	12%
Oakland	90%	82%	7%	0%	0%	10%
Piedmont	79%	77%	1%	0%	0%	21%
Central	85%	24%	56%	4%	1%	15%
Alameda	86%	49%	37%	0%	0%	14%
Castro Valley	73%	18%	49%	3%	3%	27%
Hayward	86%	15%	64%	7%	1%	14%
San Leandro	88%	28%	57%	2%	1%	12%
Southern	79%	5%	27%	47%	1%	21%
Fremont	78%	4%	22%	51%	1%	22%
Newark	79%	5%	32%	41%	0%	21%
Union City	83%	7%	38%	37%	0%	17%
Tri-Valley	57%	8%	3%	2%	44%	43%
Dublin	44%	9%	4%	1%	30%	56%
Pleasanton	58%	7%	2%	2%	47%	42%
Livermore	61%	9%	2%	2%	48%	39%
Sunol	50%	9%	10%	6%	25%	50%

Source: California OSHPD Patient Discharge Database, 2001  
*Note: Residential location approximated by zip code.*

A substantial number of central Alameda County residents patronize hospitals within this sub-region. About 34 percent of City of Alameda residents patronize the Alameda Hospital, compared with two percent countywide; San Leandro residents also tend to use this hospital. Castro Valley residents are ten times more likely, while Hayward and San Leandro residents are three times more likely to patronize the Eden Medical Center than are County residents as a whole. Hayward residents are likely to use the Kaiser Hospital in Hayward and the St. Rose Hospital. San Leandro residents most frequently use the San Leandro Hospital and the Kaiser Hospital in Hayward.

Southern (Tri-City) residents are nearly five times more likely to patronize Washington Hospital than the countywide average. In 2001, a substantial number of southern residents patronized the Kaiser Hospital in Hayward. The Kaiser Hospital in Fremont opened toward the end of 2002, and opened its emergency room in 2003, and was not yet open in 2001 when the most recent data on patient utilization were gathered by OSHPD. Most likely, many of the Tri-City residents are now

patronizing the more convenient Kaiser Hospital in Fremont.

Tri-Valley residents were least likely to patronize hospitals within Alameda County (57 percent) and least likely to patronize hospitals within their sub-region (44 percent). Table 3-5 indicates the share of residents selecting hospital facilities by facility location in 2001.<sup>36</sup> Although nearly half of Tri-Valley residents rely on ValleyCare Medical Center, the remainder relies on hospitals located in Contra Costa County, particularly the San Ramon Regional Medical Center and the Kaiser Hospital in Walnut Creek. Tri-Valley residents also patronize the John Muir Medical Center in Walnut Creek. ValleyCare Health offered several explanations for Tri-Valley residents' use of facilities in Contra Costa County. First, residents insured by Kaiser are required to use the Kaiser Hospital in Walnut Creek. Second, enrollees of some other health plans are not authorized to use the ValleyCare Medical Center. Third, the ValleyCare Medical Center's cardiac services are limited to emergency surgery only; residents with planned cardiac surgery travel to the John Muir Medical Center and other facilities.

## **OPPORTUNITIES FOR SHARED FACILITIES**

Private health care systems compete with each other. Although they have no incentive to share facilities between systems, within systems the hospitals may benefit by sharing facilities and resources. Sutter Health and Kaiser Foundation each owns three hospitals in Alameda County, hence each is well-situated to share facilities and surgeons amongst its facilities. Otherwise, no opportunities for shared hospital facilities were identified.

Alameda Hospital and St. Rose Hospital had excess capacity in their operating rooms as well as excess inpatient bed capacity in 2001. It does not appear, however, that neighboring hospitals have incentives to share these facilities.

The three publicly-owned hospitals are geographically separated from each other, limiting opportunities to share resources. Their geographic isolation from each other renders them unlikely partners for shared facilities.

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<sup>36</sup> The number of patients reflects the number of in-patient discharges and does not include out-patients never admitted to the hospital. The source is OSHPD patient discharge data by facility location for 2001.

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## FINANCING CONSTRAINTS AND OPPORTUNITIES

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Service-related financing constraints and opportunities are discussed in this section. This section identifies the revenue sources currently available to the service providers, as well as administrative expenses, long-term debt and net income. The section discusses innovations for contending with financing constraints, cost-avoidance opportunities, and opportunities for rate restructuring.

### FINANCING CONSTRAINTS

Patient insurance plays a major role in the revenues received by each hospital. Private insurance and County indigent coverage paid more revenue per visit on average than Medicare, Medi-Cal, self-pay or other sources.

Among the 13 acute care hospitals with emergency rooms, there are wide differences in the overall revenue sources. On average, 33 percent of gross patient revenue is paid by Medicare, 22 percent by Medi-Cal, 39 percent by private health insurance, 2 percent by the County for indigent care,<sup>37</sup> and 4 percent by other sources like self-pay and grant funds. The share of patient revenue from the different insurance sources by hospital is shown in Table 3-20.<sup>38</sup>

**Table 3-20. Gross Patient Revenue Share by Insurance Payer, FY 2001-02**

	Medicare	Medi-Cal	Private	County	Other
Countywide	33%	22%	39%	2%	4%
Alameda County Med Ctr	12%	53%	5%	17%	6%
Alameda Hospital	53%	11%	33%	0%	3%
Alta Bates Med Ctr-Ashby	22%	21%	55%	0%	2%
Children's Hospital	0%	49%	45%	0%	5%
Eden Medical Center	41%	9%	39%	0%	12%
San Leandro Hospital	65%	6%	25%	0%	3%
St. Rose Hospital	48%	30%	17%	2%	3%
Summit Med Ctr	45%	20%	34%	0%	1%
ValleyCare Health	41%	4%	53%	0%	3%
Washington Hospital	45%	15%	36%	0%	2%

*Source: CA OSHPD Annual Financial Data, FY 2001-02*

The Alameda County Medical Center is most dependent on Medi-Cal and County indigent payment sources. St. Rose and Children's Hospital have above-average Medi-Cal caseloads. As

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<sup>37</sup> Although the County indigent coverage is a relatively minor source of financing for the hospitals, the average amount paid for the patients who are covered by County indigent coverage tends to be higher on a per-patient basis than Medicare, Medi-Cal, self-pay or other sources.

<sup>38</sup> Hospital occupancy and financial statistics' source is the California Office of Statewide Health Planning and Development (OSHPD). OSHPD has determined that financial statistics for health maintenance organization (HMO) owned facilities are not comparable because the hospital is financed from insurance premium payments to the regional HMO organization rather than benefit payments. Kaiser's facilities in Alameda County are HMO-owned.

indicated in the table, ValleyCare Medical Center, San Leandro Hospital and Eden Medical Center treat the lowest share of Medi-Cal patients.

The Alta Bates Medical Center, ValleyCare Health and Children’s Hospital are most reliant on privately insured patient revenues.

The net in-patient revenue for each patient-day spent in the hospital and for each outpatient visit are indicators of the cost of service at the various hospitals. Table 3-21 shows net revenue per inpatient bed-day and per outpatient visit.

**Table 3-21. Net Revenue per Visit, FY 2001-02**

Patient revenue may be relatively high at hospitals providing more complex surgical procedures. Hospitals where reimbursable surgery is performed more frequently will tend to have higher costs per patient day than facilities where less expensive procedures are performed. Nonetheless, this indicator provides a sense as to the revenue available to the various hospitals.

The net inpatient revenue is below-average at Alameda Hospital, San Leandro Hospital and St. Rose Hospital, and above-average at Washington Hospital, ValleyCare Health, and Children’s Hospital. Net outpatient revenue per visit is below-average at Alameda Hospital, Alta Bates Medical Center – Ashby, Eden Medical Center, and ValleyCare Health. Net outpatient revenue per visit is above-average at ACMC-Highland, Children’s Hospital, San Leandro Hospital and Summit Medical Center.

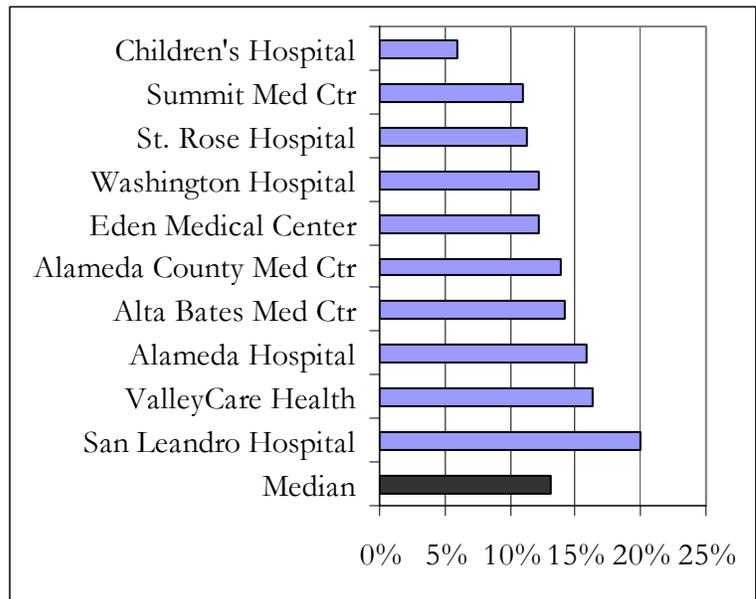
	Inpatient Revenue per Day	Outpatient Revenue Per Visit
Countywide	\$1,710	\$ 219
Alameda County Med Ctr	\$1,595	\$ 246
Alameda Hospital	\$1,385	\$ 138
Alta Bates Med Ctr-Ashby	\$1,580	\$ 166
Children's Hospital	\$2,286	\$ 319
Eden Medical Center	\$1,535	\$ 193
San Leandro Hospital	\$1,302	\$ 283
St. Rose Hospital	\$1,317	\$ 191
Summit Med Ctr	\$1,618	\$ 318
ValleyCare Health	\$2,179	\$ 181
Washington Hospital	\$2,435	\$ 224
<i>Source: OSHPD</i>		

The hospitals with emergency room service face dramatically different costs related to servicing emergency medical cases. The primary reason is that certain hospitals receive a relatively high share of non-urgent cases in their emergency rooms. Predictably, over two-thirds of emergency medical patients received at St. Rose and Highland hospitals are not considered urgent cases, compared with a countywide average of only 35 percent. The Kaiser hospitals also receive above-average shares of non-urgent emergency cases. Presumably the non-urgent cases consist largely of individuals with difficulty accessing routine care.

**Figure 3-22. Administrative Expenses as % of Operating Expenses, FY 2001-02**

Hospital expenditures on administrative costs reflect in part the cost and efficiency of management. The median hospital spent 13 percent of their operating expenses on administration in FY 2001-02, as shown in Figure 3-22.<sup>39</sup>

The Children’s Hospital spent the least on administration (five percent). San Leandro Hospital, ValleyCare Health, and Alameda Hospital had above-average expenses for hospital administration.



The acute-care hospitals in Alameda County on average earned negative net income in FY 2001-02, with an average net income margin of negative three percent.<sup>40</sup> The hospitals with positive net income were Washington Hospital, Eden Medical Center, and ValleyCare Health. The remaining hospitals had net losses, as shown in Table 3-23. ACMC is facing a deficit of more than \$65 million; in 2003, 66 employees were laid off and two clinics were closed due to financing constraints.

**Table 3-23. Financial Ratios, FY 2001-02**

The hospitals as a whole carried long-term debt of \$545 million, constituting 34 percent of operating revenue in FY 2001-02. The Eden Medical Center, ValleyCare Health and Summit Medical Center had above-average long-term debt in that fiscal year. By comparison, Alameda Hospital and San Leandro Hospital had inconsequential long-term debt in that fiscal year.

	Net Income Margin	Debt as % of Operating Revenue	Cash as % of Operating Revenue
Countywide	-3%	34%	2%
Alameda County Med Ctr	-8%	5%	-3%
Alameda Hospital	-2%	0%	5%
Alta Bates Med Ctr-Ashby	-8%	40%	1%
Children's Hospital	-2%	42%	6%
Eden Medical Center	5%	59%	0%
San Leandro Hospital	-3%	0%	-18%
St. Rose Hospital	-3%	19%	-14%
Summit Med Ctr	-13%	45%	8%
ValleyCare Health	5%	52%	11%
Washington Hospital	10%	44%	1%

The countywide hospital

<sup>39</sup> Administrative expenses are calculated as a percent of allocable operating expenses. A modest portion of operating expenses were not allocated to a specific cost center.

<sup>40</sup> The net income margin is the ratio of net income to the sum of operating revenue and non-operating revenue.

reserve ratio was two percent in FY 2001-02.<sup>41</sup> ValleyCare Health, Summit Medical Center, Children’s Hospital, and Alameda Hospital had above-average reserves at the end of FY 2001-02. The San Leandro and St. Rose hospitals had negative reserves due to significant accounts payable at the end of FY 2001-02.

## **FINANCING OPPORTUNITIES**

The three hospitals operating trauma centers—ACMC-Highland Hospital, Children’s Hospital and Eden Medical Center—receive supplemental revenues for operation of these centers. There were 3,914 trauma victims in the County in 2001. In FY 2002-03, the Emergency Medical Services County Service Area (CSA) paid these hospitals \$8 million of the \$13 million received in Measure C parcel assessment revenues. As growth in the Tri-Valley area continues over the next 15 years, this revenue stream may potentially be able to provide for another trauma center in southern or eastern Alameda County.

There are several creative financing approaches used by health care districts in Alameda County.

- The City of Alameda HCD relies on a special parcel tax to defray financial losses at the hospital. This tax was approved by the voters when the District was formed.
- The Eden HCD holds substantial funds received in compensation for its sale of Eden Medical Center. The funds are used for purposes of providing grants to health care and social service agencies that primarily serve District residents, and funding capital improvements.
- The Washington HCD and City of Alameda HCD both hold charitable fund-raising events to supplement the hospital’s budget for providing charity health care.

One financing opportunity available for ACMC is a sales tax increase. In March 2004, voters approved Measure A—a half-cent sales tax increase that would provide an estimated \$90 million in revenue to the medical center.

## **OPPORTUNITIES FOR RATE RESTRUCTURING**

Greater hospital capacity in the Tri-Valley sub-region could potentially reduce service costs in that sub-region. The sole emergency hospital in the Tri-Valley area had the highest occupancy rate and experienced emergency room closures. Tri-Valley residents were most likely to commute outside the sub-region for medical care among Alameda County residents. Net revenue received by ValleyCare Health per patient is relatively high among all patients and also among privately-insured patients. Expansion of hospital supply in this sub-region could potentially lead to rate reductions.

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<sup>41</sup> The cash held by the hospitals at the end of the year in addition to the net accounts receivable are defined here as available reserves. The reserve ratio is the ratio of reserves to operating revenue. The hospitals’ reserves are not reported in the same fashion as the reserves of cities.

Although average patient charges per visit were presented above in Table 3-21, these data do not actually provide a comparison of each hospital's charges for comparable medical procedures.<sup>42</sup>

No opportunities for rate restructuring were identified. Subject to the Commission's discretion, additional evaluation of rates may be warranted.

## **COST AVOIDANCE OPPORTUNITIES**

Although the hospitals do provide some comparable services and the service areas of the hospitals overlap, the service duplication is not considered a cost avoidance opportunity. Hospital service is primarily provided by privately-owned hospitals. Competition between hospital owners promotes higher quality care and more affordable pricing of health care services.

The Eden HCD day-to-day operations are managed by the Eden Medical Center, a Sutter Health affiliate. The Eden HCD no longer owns and operates the hospital. The HCD provides grants to health and social service providers from interest revenue accruing to a fund largely comprised of the proceeds from the sale of the hospital. There could be cost avoidance opportunities if Eden HCD were to dissolve and the County or some other agency were able to administer the grant funds. This issue is discussed further in the section on management efficiencies.

Otherwise, no cost avoidance opportunities were identified.

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## **POLICY ANALYSIS**

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This section provides policy analysis that is primarily focused on the three health care districts under LAFCo's purview. The policy analysis includes assessment of local accountability and governance, evaluation of management efficiencies, as well as identifying government structure options that may be considered by LAFCo.

## **LOCAL ACCOUNTABILITY AND GOVERNANCE**

The three publicly-operated hospitals collectively own 21 percent of the County's operating rooms and 25 percent of licensed acute-care beds in Alameda County.<sup>43</sup>

The health care districts are governed by boards elected by the public and their meetings are open. They therefore have greater accountability to the public than private hospitals. Table 3-24 summarizes various indicators of local accountability.

The City of Alameda HCD continues to provide hospital services—the primary purpose for which it was formed. Most (75 percent) of the hospital patients in 2001 resided in the District. Constituents make use of the hospital, with 35 percent of constituents visiting a California hospital

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<sup>42</sup> The California Public Employees' Retirement System (CalPERS) has excluded Eden Medical Center, Washington Hospital, and 36 other hospitals from its Blue Shield HMO network in 2005 due to high health care costs, according to CalPERS press releases dated May 19, 2004 and July 15, 2004.

<sup>43</sup> Publicly-operated hospitals exclude Eden Medical Center (EMC) and San Leandro Hospital, which are operated as Sutter Health affiliates.

in 2001 choosing Alameda Hospital.<sup>44</sup> The only election held thus far was the District formation election in April 2002. The voter turnout rate at that special election was 22 percent. The first election of directors is scheduled for November 2004. Although the District does not broadcast its meetings, it does post meeting and subcommittee agendas on the Internet. Constituents are updated on District issues through an annual community report. Constituent input is solicited through comment cards in the hospital waiting areas. The agency discloses its finances regularly to California OSHPD, and disclosed its budget to LAFCo. The District cooperated with all inquiries related to this MSR process.

**Table 3-24. Health Care District Accountability Indicators**

The Eden Township HCD no longer provides direct hospital services. Since its affiliation with Sutter Health, the District shares governance of the medical center and San Leandro Hospital, and oversees the Community Health Fund, a permanent endowment established as a result of the affiliation. The Community Health Fund provides grants to benefit the health needs of residents of the District, which comprises San Leandro, San Lorenzo, Hayward and Castro Valley.

There was an uncontested election in 2002. The voter turnout rate at the

District's most recent contested election in 2000 was comparable to the countywide voter turnout rate. The District does not broadcast its meetings on television or radio, but has recently begun posting board meeting minutes on its website. The District reported that it updates constituents by issuing press releases and cooperating with reporters. The District does not actively solicit constituent input. The District disclosed its financial arrangements with Eden Medical Center, and its financial statements. The District does not post public documents on its website. The District cooperated with the MSR process.

The Washington HCD continues to provide hospital services — the purpose for which it was formed. Most (84 percent) of the hospital patients in 2001 resided in the District. Constituents make use of the hospital, with 35 percent of constituents visiting a California hospital in 2001 choosing Washington Hospital.

	Alameda HCD	Eden HCD	Washington HCD
Direct service provider	Yes	No	Yes
Patients are constituents	75%	(1)	84%
Constituents using facility	34%	(2)	35%
Uncontested elections since 1994	None	Nov-02	None
Latest contested election	Apr-02	Nov-00	Nov-02
Latest voter turnout rate	22%	74%	50%
Countywide turnout rate	22%	75%	53%
Efforts to broadcast meetings	No	Partially	Yes
Constituents updated via outreach	Yes	No	Yes
Solicits constituent input	Yes	No	Yes
Discloses finances	Yes	Yes	Yes
Posts public documents on web	No	No	Yes
Responsive to LAFCo Inquiries	Yes	Yes	Partially
<i>Notes:</i>			
<i>(1) HCD requires that service providers receiving grant funds provide at least 50 percent of service to HCD residents.</i>			
<i>(2) Constituent use of grantee services is unknown.</i>			

<sup>44</sup> The data is based on information supplied to the Office of Statewide Health Planning and Development for hospital discharges between January 1 and December 31, 2001.

There have been no uncontested elections for board members in recent years (1996 through the present). The voter turnout rate at the most recent election in November 2002 was comparable to the countywide turnout rate. The District broadcasts its board meetings by video on the Internet. Constituents are updated on District issues through a quarterly newsletter, seminars, and the hospital website. Constituent input is solicited through complaint cards in the hospital and a patient post-discharge survey. The agency discloses its finances regularly to California OSHPD and to constituents through mailings and the hospital website. The District posts annual reports on its website. The District cooperated with most inquiries related to the MSR process, but did not respond to questions about loans made to its non-profit affiliate.

## **EVALUATION OF MANAGEMENT EFFICIENCIES**

This section provides analysis of management efficiencies at the three health care districts. This section considers the effectiveness of each agency in providing efficient, quality public services. Efficiently managed agencies are deemed those which consistently implement plans to improve service delivery, reduce waste, eliminate duplications of effort, contain costs, maintain qualified employees, and build and maintain adequate contingency reserves.

### **City of Alameda HCD**

The City of Alameda HCD was formed in 2002, after voters approved both its formation and a special parcel tax to supplement the hospital's revenue. The District evaluates its performance through ongoing quality assurance and patient safety reports, annual personnel performance evaluations, monthly financial reports and annual financial audits.

The District is accredited for hospital services by the Joint Commission on Accreditation of Health Care Organizations. This voluntary accreditation signifies that the hospital engages in performance measurement and evaluation, follows standards on safety, infection control, quality of care and ethics.

Prior to the District's formation in 2002, the hospital faced the lowest inpatient bed occupancy rate and the lowest operating room use rate among hospitals in Alameda County. Prior to the District's formation in 2002, the hospital closed its emergency room one percent of the time, but experienced the second-lowest number of emergency room visits per treatment station.

The District's financial performance is unknown, because financial indicators relate to the hospital prior to formation of the District. Prior to the District's formation, the hospital received below-average revenues per visit as discussed in the section on financial constraints and opportunities. The hospital had above-average expenses on administration, above-average net income, below-average long-term debt, and above-average reserves.

The hospital has received various awards from the community, including the ANG Newspapers Best of Alameda Health Care Provider and the 2001 Alameda Chamber of Commerce Business of the Year. Alameda Hospital's emergency room consistently ranks in the top ten for patient satisfaction among all California emergency rooms, and was voted number three in patient satisfaction in the entire Bay Area.

In conclusion, management efficiencies at the District should be evaluated in the 2009 MSR when adequate time has elapsed since the formation of the District.

## **Eden Township HCD**

Eden Township HCD is unique among Alameda County healthcare districts in that it no longer directly operates a hospital. Its primary activities involve providing oversight of two hospitals, grant funding and funding capital improvements and building projects.

In the spring of 1997, a majority (55 percent) of District voters approved Measure A allowing the District's assets to be transferred to a new non-profit corporation jointly organized and operated by the District and Sutter Health.<sup>45</sup> On January 14, 1998, the District transferred substantially all of the net operating assets and operations of the hospital to Eden Medical Center (EMC), a California nonprofit. EMC is governed by an 11-member board, with the District's five elected directors holding a voting position on the EMC board.<sup>46</sup> The affiliation terms allowed the District to retain the \$57 million building fund—"historically designated by the Board for future replacement, expansion and improvement of the District's operating property"<sup>47</sup>—and a community grants fund valued at \$34 million in 2003.

In its affiliation with Sutter Health, the District agreed not to own or operate a hospital or other health service facility through 2008. Although the District owns San Leandro Hospital, the Hospital is leased to EMC and EMC is responsible for capital improvements and related planning at the facility. The District has agreed not to provide services at this hospital when the lease expires, unless EMC agrees otherwise. Further, the lease agreement extends to EMC the option to purchase the San Leandro Surgery Center when the lease expires.<sup>48</sup>

EMC manages the District's day-to-day operations. In FY 2000-01, the District incurred \$315,000 in operating expenses, \$3.3 million in capital payments to EMC, and \$875,000 in grant awards. Its budgeted operating expenses in FY 2002-03 were \$600,000 due to election costs and the consulting services of a healthcare investment banking firm.

The District reports that it does not engage in performance evaluation or productivity monitoring. The District reported no long-term debt; its available reserves at the end of FY 2000-01 exceeded the District's annual revenue.

The District did not report any awards, honors or other accomplishments received in the last five years.

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<sup>45</sup> By state law, a health care district requires voter approval for a sale of a majority interest in its assets or for its dissolution.

<sup>46</sup> The District representatives hold block-voting privileges in which a majority vote of the District representatives is required for the approval of budgets, unbudgeted capital expenditures, new programs, closure of programs, strategic plans, and CEO appointment; for such decisions, a majority vote of the Sutter representatives is also required. Both the District and Sutter have the right to approve or veto significant organizational changes to the Eden Medical Center such as merger, dissolution, sale, or changes to the bylaws or articles of incorporation.

<sup>47</sup> Excerpted from the Eden Township Healthcare District, Notes to Financial Statements, June 30, 2000 and 1999.

<sup>48</sup> The San Leandro Surgery Center is a partnership of physicians and Triad Hospitals. The Center is a separate operation in the City of San Leandro. The Triad Hospital share of the Center could potentially transfer to the District, subject to the approval of the physician partners.

Eden Township HCD is not comparable to the other health care districts in Alameda County, because the District no longer provides health care services directly. The District has continued to exist primarily to provide oversight of the Sutter-affiliated hospitals, and secondarily to disburse proceeds from the transfer of the hospital to the community. The Commission may require further evaluation of this issue to determine what government structure options, if any, would be appropriate.

### **Washington Township HCD**

Washington Township HCD performance evaluation is conducted through patient, community, staff and physician satisfaction surveys and quality management processes. The HCD monitors productivity by comparison to other hospitals through benchmark studies.

The District is accredited for hospital services by the Joint Commission on Accreditation of Health Care Organizations. This voluntary accreditation signifies that the hospital engages in performance measurement and evaluation, follows standards on safety, infection control, quality of care and ethics.

The District's annual management report reveals consistently increasing patient volume, dedication to community service and charitable care, and responsible approaches to cost savings. The hospital bed occupancy is consistently higher than the county average.<sup>49</sup>

The District's financial performance in FY 2001-02 was healthy, with the highest net income margin of the hospitals in Alameda County. The District's long-term debt was somewhat higher than the countywide average, and its reserves were above-average.

For the most part, service adequacy and workload indicators at the District reveal an average operation. The District's emergency room experienced an unusually high workload and closures in 2002, but this capacity problem is expected to be relieved by the recent opening of another hospital in the District's service area. The District's net revenue per inpatient visit was significantly higher than the countywide average in FY 2001-02, which may indicate that the District charges relatively high fees for inpatient service.<sup>50</sup>

Washington Hospital has received several times the Bay Area Best Award for Hospitals by ANG Newspaper. The hospital was listed in the Top 100 Community Heart Hospitals by Solucient. The CEO was awarded the Woman of Distinction award in Health Care by the East Bay Business Times in 2003. UNICEF awarded the hospital with a Baby Friendly facility distinction.

In conclusion, the District appears to be a well-managed entity based on analysis factors other than cost. Although Washington Hospital is not a low-cost provider, the hospital is financed primarily by insurance payments, not by tax revenue.

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<sup>49</sup> Author analysis of OSHPD occupancy report data.

<sup>50</sup> Indeed, CalPERS has discontinued use of the hospital in 2005 for its HMO enrollees due to high costs.

## GOVERNMENT STRUCTURE OPTIONS

Four government structure options were identified, and are discussed in this section. The MSR identifies the options, advantages and disadvantages, and evaluation issues. The Commission or the affected agencies may or may not initiate studies on these options in the future, although LAFCo is required to update the agencies' SOIs by January 1, 2006.

### Dissolution of Eden Township HCD

The dissolution of Eden Township HCD is an option. Dissolution would involve LAFCo designating a successor agency to operate or divest of the District's assets—the San Leandro Hospital, grant endowment fund, building replacement fund, and other holdings.

As discussed in the Municipal Service Review Origins section of Chapter 1, the Little Hoover Commission asserted that LAFCos consistently fail to examine dissolution of health care districts that have sold, leased or closed their hospitals.

The District no longer directly operates a hospital. Sutter Health purchased the Eden and Laurel Grove hospitals from the District in 1998.<sup>51</sup> The District entered into an agreement with Sutter Health not to own or operate any hospital or health care facility through 2008. Although the District purchased the San Leandro Hospital in 2004, the District has leased the facility to the EMC through 2024 and is not entitled to operate the facility under the terms of its agreement with Sutter Health.<sup>52</sup>

Although the District does not provide health service directly, the District plays several indirect roles in health care service.

- 1) **Governance:** The District plays a unique governance role with its oversight of the privately-owned EMC. The District's entire Board is seated on the 11-member EMC Board. In this capacity, the District is empowered to veto EMC budgets and plans, and to participate in CEO selection. Further, the District is empowered to approve the closure of EMC programs, as well as the sale or reorganization of the hospital.
- 2) **Facilities:** The District plays a role in hospital facilities financing and control. The District owns the San Leandro Hospital and the land on which parking for the new hospital will be temporarily located, and leases these facilities to EMC. Further, the District intends to contribute a portion of the cost of replacing the Eden hospital campus. The District may, and has, recently used eminent domain powers.
- 3) **Charity:** The District distributes grant funds to community organizations for activities related to health care and benefiting District residents, including school nurses, health clinics, mental health services, meals on wheels, and other programs.

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<sup>51</sup> Sutter Health compensated the District for the hospital and other assets. Sutter Health is solely responsible for the financial risks and future capital requirements for EMC. The transaction was officially called an affiliation, because the District is involved in EMC governance.

<sup>52</sup> Under the Covenant Not To Compete, the District agreed that it would not own or operate a hospital, outpatient health facility, medical laboratory, or related facility. Further, any compensation received by the District from owning or operating such a facility must be paid to Sutter and EMC. The Covenant is effective for a 10-year period. The District agreed not to operate the San Leandro Hospital when the 20-year lease to EMC expires; Sutter Health waived the Covenant for this transaction because in fact the District did not want to operate the hospital.

There are several arguments that could be made in favor of and against dissolution, as shown in the table below.

*Table 3-25. Advantages and Disadvantages of Dissolution*

	Advantages of dissolution	Disadvantages of dissolution
Purpose	The District is no longer engaged in the purpose for which it was formed. The District is no longer a direct provider of health care services.	The District continues to finance hospital facilities for residents. The District could decide in the future (2008 or later) to provide direct services.
Electorate	The ballot measure approving affiliation may not have been clear to the voters.	The District's affiliation with Sutter Health was approved by voters. The voters affirmed the District's ongoing oversight role at EMC.
Facilities	Financing private hospital acquisition and replacement is a challenging role to fulfill without compromising the public interest.	EMC is a public-private partnership of the District and Sutter Health. The District does not levy any taxes.
Oversight	The District may be ineffective as a watchdog in that the District's affairs are managed by Sutter Health staff at EMC.	The District retains independent legal and financial advisers for transactions with EMC and/or Sutter. Dissolution would eliminate public oversight of EMC.
Accountability	The District's disclosures to its constituents are limited in that it does not conduct constituent outreach or post agenda or public documents on its website. The most recent election was uncontested.	Eden is the only Sutter-affiliated hospital with elected board members. The District's reserved powers are unprecedented within Sutter Health. Dissolution would reduce accountability to the community.
Cost Avoidance	District operating costs of \$300,000 to \$600,000 annually could be reduced through dissolution. Savings related to Board stipends and costs, and elections could be achieved.	The net savings under dissolution could be nominal, because a successor agency assuming the District's functions could face similar costs.

Potential advantages of dissolution include governance and accountability improvements, and cost avoidance opportunities. Cost avoidance opportunities would be no more than \$300,000 to \$600,000 annually, which represents the District's operating expenses, including management fees, board payments, elections, and consultants. To the extent that a successor was to assume the District's functions, a successor would also assume some additional costs; hence, the net savings from dissolution may be nominal. There may be potential to avoid duplication of effort and improve communications if an appropriate successor agency manages affiliates, issues grants, and manages investments.

Potential disadvantages of dissolution include loss of local control over the hospital, reduced oversight of EMC as well as election and transition costs. Further, dissolution would preclude the District from regaining control over the hospitals in the future. There are two instances involving California health care districts that attempted to regain control of a hospital leased to a private

provider as a result of perceived mis-management and conflicts of interest.<sup>53</sup> This consideration is time-limited due to the statute of limitations and hospital replacement/demolition plans at the Eden campus.

There are several logistical hurdles to dissolution. The process would involve an in-depth study, identification of an appropriate successor, development of terms and conditions, LAFCo approval, and voter approval. Dissolution may be complicated before 2008 when the District's Covenant Not to Compete sunsets; that agreement complicates transfer to a successor agency because it would preclude a successor agency from providing health care services. Replacing the District with a successor agency for hospital oversight purposes may also be complicated by agreements in place between the District and Sutter Health.<sup>54</sup>

The Commission may determine that evaluation of this option is warranted. If so, some potential areas on which evaluation might focus include (1) opportunities to streamline operations and reduce management costs; (2) potential to avoid duplication of effort and improve communications if a single district manages affiliates, issues grants, manages investments, and provides non hospital health care, and merge capital improvement planning; (3) potential accountability and communication benefit from use of the successor agency's website, human resources personnel and outreach programs; (4) potential disruptions or advantages of changes to Eden Medical Center Board arrangement with Sutter Health; and (5) disposition of assets to benefit residents who were initially taxed.

An alternative approach that may not require LAFCo action is for the District itself to take the initiative to enhance public awareness by making meeting notices, minutes and documents more readily available to the public. The District might also pursue direct provision of some health care services to District residents who lack access to health care.

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<sup>53</sup> The El Camino Health Care District leased its hospital to El Camino Healthcare in 1992, filed a complaint in 1995, and regained operational control in 1997. The Marin County Health Care District leased Marin General Hospital in 1985, and sued Sutter Health in 1997 to regain control, but was unsuccessful due to an expired statute of limitations. Sources include the Marin Healthcare District v. Sutter Health (California Supreme Court), County of Marin Civil Grand Jury reports 1998-99, the El Camino Health Care District, and the Marin County Health Care District.

<sup>54</sup> According to the District General Manager, the District's role as one of two corporate members of EMC (a separately incorporated non-profit) may not simply be replaced by another public agency.

## **Consolidation of Washington and Eden Township HCDs**

The consolidation of Washington and Eden Township HCDs is another option. Eden Township HCD and Washington Township HCD have contiguous boundaries on the northwest side and share some market area (albeit secondary) in the City of Hayward.

This option may not be likely because Washington HCD has expressed a preference for public management of hospitals, and may not wish to accept this responsibility.

Advantages and disadvantages of this option as well as evaluation study issues are those identified in the prior section on the dissolution option.

## **Tri-Valley Hospital Capacity**

Expansion of hospital capacity in the Tri-Valley area could potentially benefit residents by reducing travel time needed to reach a hospital, by reducing ambulance diversions, and by reducing service charges. Options to expand emergency room capacity and surgery techniques in the area include reliance on private sector hospitals, and formation of a health care district. Health care district formation is a long-term consideration.

Formation of a health care district is one option for financing a new hospital in this area; alternatively, the issue may be addressed by private health care providers. This option has not been proposed to LAFCo.

As discussed earlier in this chapter, there are inadequate hospital resources in the Tri-Valley area. ValleyCare Health is the only hospital with an emergency room in this area at present. Residents frequently rely on hospitals in Contra Costa County, and ambulances are diverted at times to hospitals in Contra Costa County. Tri-Valley residents' reliance on hospitals in Contra Costa County is, in part, a result of residents' insurance requirements and the lack of cardiac surgery services at the ValleyCare Medical Center. The rates charged for service may be high at this facility. Inpatient revenue per patient day was found to be significantly higher than the countywide average at this facility; however, a detailed study of rates for comparable medical procedures was not included in the scope of this report.

The ValleyCare Medical Center reported that it is not currently operating at capacity. With respect to Tri-Valley growth and expansion plans, ValleyCare views outpatient surgery as a growth area and added five operating rooms at its new surgery center in Livermore in 2003 to address this need. Although ValleyCare would consider facility expansion and providing cardiac surgery services, financing constraints are a deterrent at present.<sup>55</sup>

The most likely approach to addressing Tri-Valley needs would involve private hospital expansion in this area. Health care district formation is a long-term consideration, because there does not appear to be sufficient unserved demand in the short-term to warrant construction of a new hospital in this area. Potential advantages include expansion of hospital capacity, opportunities for rate restructuring, and opportunities for enhanced accountability. Potential disadvantages may include a lack of financial self-sufficiency.

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<sup>55</sup> Interview with ValleyCare Health System representative Kathy Campbell, July 27, 2004.

Tri-Valley residents may pursue this matter in the coming years. This issue may warrant a future study to determine when the Tri-Valley could feasibly support a new hospital and whether special district formation is the optimal approach to expanding hospital capacity in the Tri-Valley area.

### **Washington Township HCD Boundary Modification (Sunol)**

This option involves realigning the boundaries of the Washington Township HCD. The OSHPD patient origin data indicate that Sunol residents do not make significant use of Washington Hospital, but they are located within the District boundaries and vote for the District board. Further, the same data indicate that there are areas in Hayward outside the HCD boundaries with residents that use Washington Hospital more intensively than did Sunol residents. However, the most recent data on patient origin and hospital market share reflect 2001 hospital use patterns that predate the 2003 opening of the Kaiser Hospital in Fremont. The opening of this hospital in Washington Hospital's primary service area will undoubtedly affect hospital use patterns. Hence, analysis of this alternative appears to be premature.

The District indicated that it had not reviewed its boundaries but would consider a boundary change. The District may pursue this matter in the coming years. This issue may warrant a future study.

# CHAPTER 4: FIRE AND EMERGENCY MEDICAL SERVICES

This chapter reviews the fire, paramedic and ambulance transport services provided by local government agencies in Alameda County. The chapter reviews how these services are provided by the cities, special districts, state and federal agencies. The chapter addresses questions relating to growth and population projections, current and future service needs, infrastructure needs, and financing constraints and opportunities. Policy analysis including shared facilities, cost avoidance, rate issues, government structure options, evaluation of management efficiencies, and local accountability and governance, is focused on service providers under LAFCo's jurisdiction.

Although emergency room hospital care is related to the ambulance and paramedic services covered in this chapter, those services are typically provided by hospitals and health care districts and are reviewed in Chapter 3.

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## SERVICE OVERVIEW

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This section provides an overview of the three limited-purpose agencies, the multipurpose agencies, and the non-LAFCo service providers in Alameda County.

### LIMITED PURPOSE AGENCIES

The Emergency Medical Services (EMS) County Service Area (CSA) functions as Alameda County's lead agency responsible for local EMS system planning, paramedic training, paramedic service standards and EMS coordination. The CSA boundary and SOI are coterminous with the County boundaries. The dependent special district was created in 1983 to oversee and coordinate Alameda County's EMS system. The CSA contracts with American Medical Response (AMR) to provide ambulance transport services in the entire unincorporated area and every city in the County except for the cities of Albany, Alameda, Berkeley, and Piedmont.<sup>56</sup> The CSA accredits paramedics, certifies emergency medical technicians (EMTs), and investigates unusual occurrences in pre-hospital emergency medical care.

The Alameda County Fire Department (ACFD) provides direct fire and paramedic service to most unincorporated areas of Alameda County, and also provides service under contract to the cities of Dublin and San Leandro, the Lawrence Berkeley National Laboratory, and the U.S. Veteran's Hospital. LAFCo formed the ACFD as a dependent special district in 1993 as the consolidated successor to three fire districts.

The Fairview Fire Protection District (Fairview FPD) provided direct fire and paramedic service to the unincorporated Fairview community for 55 years, and has relied on contract service since 1993. The independent special district was formed in 1938. Since contracting with the City of Hayward for fire and paramedic services in 1993, the District has not provided direct fire services. In

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<sup>56</sup> The CSA is the contract service recipient and AMR is the provider. Hereafter, the phrase "contracts with" signifies a contract service recipient contracting with a contract service provider.

1996, LAFCo commissioned an independent study to review the Fairview Fire Protection District, along with various governmental structure options. That report found: 1) the two services providers (City of Hayward and ACFD) were generally comparable in terms of fire protection service capabilities in the Fairview area;<sup>57</sup> 2) the emergency medical service differential (in 1996) weighted the reorganization decision in favor of the ACFD;<sup>58</sup> 3) District dissolution would not significantly inhibit practical public access and input to decisions actually affecting service costs and service levels in the Fairview area;<sup>59</sup> and 4) the public service costs were substantially similar under either organization.<sup>60</sup> Subsequently, the issue of dissolution was submitted to the voters as an advisory measure. District voters rejected the dissolution measure in 1996.

## **MULTIPURPOSE AGENCIES**

The multipurpose agencies provide emergency services as well as other types of services that will be reviewed in subsequent MSR reports. For a quick guide to the services provided, please refer to Table 2-2 in Chapter 2.

The East Bay Regional Parks District (EBRPD) provides fire service in the regional parks and first-response paramedic service in regional parks not covered by the cities in which the parks are located. The boundary of the EBRPD is coterminous with Alameda and Contra Costa counties. This independent special district was formed in 1933, and provides fire prevention and suppression, response and management of hazardous materials incidents, search and rescue, and resource management services.

The cities of Livermore and Pleasanton merged fire services in December of 1996. As a Joint Powers Authority (JPA), the Livermore-Pleasanton Fire Department (LPFD) is administered by both cities. The JPA Board, consisting of elected officials from both cities, has limited independent power delegated by the two city councils and acts as an important sub-committee of both city councils. All major decisions by the Board require ratification by both city councils. Each city retains the right to set the number of fire stations and firefighters needed within its boundary.

The cities of Alameda, Albany, Berkeley and Piedmont provide ambulance transport services in addition to fire and paramedic services. The cities of Emeryville, Fremont, Hayward, Newark, Oakland, and Union City provide fire and paramedic services directly. These cities all contract with AMR for ambulance transport services. The cities of Dublin and San Leandro contract with ACFD for fire and paramedic service, but own the fire stations within their boundaries. AMR provides ambulance transport services.

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<sup>57</sup> David M. Griffith and Associates, April 22, 1996, page 5.

<sup>58</sup> Ibid., page 8. The Fairview FPD board disagrees with this conclusion and with the report, according to a September 1, 2004 letter from the Board President to the LAFCo Executive Officer.

<sup>59</sup> Ibid., page 12.

<sup>60</sup> Ibid., pages 42-43.

## NON-LAFCO-REGULATED PROVIDERS

A number of fire and emergency providers are not under LAFCo’s purview. American Medical Response (AMR), a private company, provides ambulance transport services to the entire County except the cities of Alameda, Albany, Berkeley and Piedmont (under contract with the EMS CSA) and Lawrence Livermore National Laboratory (LLNL).

The California Department of Forestry (CDF) provides fire and paramedic service in the Sunol and Kilkare unincorporated areas (under contract with ACFD) in addition to brush fire suppression on any open range land and wild lands outside incorporated areas in the eastern part of the County.

The San Ramon Valley Fire Protection District (FPD) in Contra Costa County provides first-response fire and paramedic service to a small area in northern Dublin under an automatic aid agreement with ACFD.

The LLNL operates two fire stations, and serves as the dispatch provider to the regional fire and medical dispatch consortium.

The Parks Reserve Forces Training Area (Camp Parks) operates a fire station at the U.S. Army facility near the City of Dublin.

### **Service Area**

Most of the fire and EMS service providers in Alameda County primarily serve residents of their own jurisdictions. Given the critical need for rapid response, however, there are extensive mutual aid efforts that cross jurisdictional boundaries. Mutual aid refers to reciprocal service provided under a mutual aid agreement, a pre-arranged plan and contract between agencies for reciprocal assistance upon request by the first-response agency. In addition the jurisdictions rely on automatic aid primarily for coverage of freeways. Automatic aid refers to reciprocal service provided under an automatic aid agreement, a prearranged plan or contract between agencies for an automatic response for service with no need for a request to be made. Table 4-1 describes the aid arrangements between agencies, including primary, automatic and mutual aid providers.

***Table 4-1. Primary, Automatic Aid and Mutual Aid Providers, 2004***

Area	Primary Provider	Automatic Aid Providers	Mutual Aid Structure Response <sup>61</sup>	Mutual Aid Wildland Response
Alameda	Alameda FD	Oakland (Bay Farm Island)	Oakland	Oakland
Albany	Albany FD	Berkeley (I-880)	Emeryville Oakland	Oakland
Berkeley	Berkeley FD	Oakland (I-880)	Albany ACFD (LBL) Oakland	ACFD, Oakland

<sup>61</sup> Mutual aid structure and wildland response engine providers for Alarm Level 1 are listed in the table. Under the Alameda County Mutual Aid Plan, additional providers respond to incidents with Alarm Levels of 2 or higher. For details, please refer to the Alameda County Mutual Aid Plan.

Dublin	ACFD	San Ramon Valley FPD (north Dublin)	LPFD	LPFD
Emeryville	Emeryville FD	Oakland & Berkeley (I-880)	Oakland	Oakland, Berkeley
Fremont	Fremont FD		ACFD, CDF, the cities of Milpitas and Menlo Park, Newark, Hayward, Union City	Union City, LPFD, Hayward, ACFD, Newark
Hayward	Hayward FD	Union City (I-880) and Foster City (Hayward-San Mateo Bridge)	ACFD, Fremont, Newark, Union City	ACFD, Union City, Fremont, Newark
Livermore	LPFD	LLNL	ACFD (I-580)	ACFD, LLNL
Newark	Newark FD	Union City	ACFD, Fremont	Union City, Fremont
Oakland	Oakland FD	ACFD (I-580, I-880)	ACFD (Oakland Hills), Berkeley, Emeryville, EBRPD, Piedmont, Albany, Alameda	ACFD
Piedmont	Piedmont FD		Oakland	Oakland
Pleasanton	LPFD		ACFD (I-580, I-680)	ACFD, LLNL, San Ramon Valley FPD
San Leandro	ACFD	Oakland (I-580, I-880)	Oakland	Oakland
Union City	Union City FD		Fremont, Newark	Fremont, Newark, Hayward
Ashland	ACFD	Oakland (I-580)	Oakland	Oakland
Castro Valley	ACFD	Oakland (I-580)	Hayward, Union City	Hayward, Union City, Fremont
Cherryland	ACFD	Oakland (I-580)	Hayward, Union City	Hayward, Union City, Fremont
East County	ACFD—structure fires CDF—brush fires	LPFD (I-580)	CDF	LPFD, EBRPD
Fairview	Hayward		ACFD	
Regional Parks	EBRPD		Oakland, Berkeley, El Cerrito	CDF
San Lorenzo	ACFD	Oakland (I-880)	Hayward, Union City	Hayward, Union City, Fremont
Sunol	CDF (for ACFD)		ACFD, Fremont, Newark	LPFD
Unincorp. Hayward	Hayward (for ACFD)		ACFD	ACFD

Unincorp. Pleasanton	LPFD (for ACFD)		ACFD	ACFD
Camp Parks	U.S. Army	ACFD	ACFD	LPFD
LBNL <sup>62</sup>	ACFD		Oakland	Oakland
LLNL	LLNL	ACFD and LPFD	LPFD	LPFD
U.S. Veterans Hospital	ACFD			LPFD

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## SERVICE DEMAND

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This section provides various indicators of service demand, such as ambulance responses and 911 calls, and projected service demand. Please refer to Chapter 2 for the residential population and job base in each agency, projected population and job growth rates, and a description of growth areas.

### AMBULANCE RESPONSES

*Table 4-2. Ambulance Service Demand, 2001*

There were a total of 109,503 calls for ambulance response in 2001 in Alameda County, as shown in Table 4-2. Most of the calls were serviced by AMR, which has an exclusive operating area covering the unincorporated areas and all cities except Alameda, Albany, Berkeley and Piedmont. In 72 percent of cases, the call resulted in a patient being transported to an emergency room. In 28 percent of cases, the patient was treated at the scene or had already departed from the scene once the ambulance arrived.

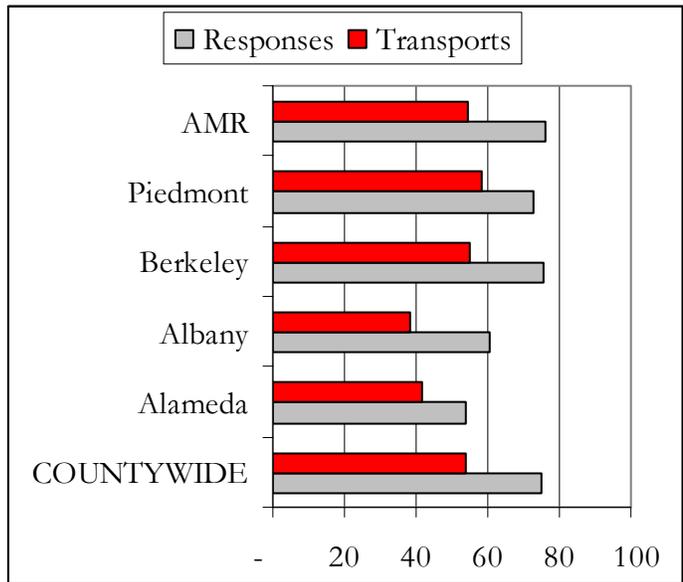
	Responses	Transports	% Transported
COUNTYWIDE	109,503	78,729	72%
Alameda	3,935	3,059	78%
Albany	1,000	632	63%
Berkeley	7,834	5,672	72%
Piedmont	801	640	80%
AMR	95,933	68,726	72%
Air Ambulance	356	92	26%
Source: EMS System Plan 2001			

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<sup>62</sup> Lawrence Berkeley National Lab

**Figure 4-3. Ambulance Service per 1,000 Residents, 2001**

There were 75 ambulance responses and 54 ambulance transports per 1,000 residents countywide in 2001. The number of ambulance responses and transports per 1,000 residents was lower in Albany and Alameda than the countywide average, as shown in Figure 4-3.

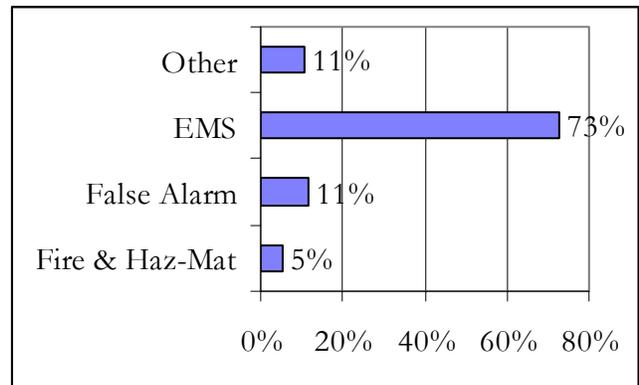


As discussed in the previous chapter, national studies indicate that elderly patients over age 65 are more likely to arrive at a hospital emergency room via ambulance than younger patients. Although 65 percent of ER visits in 2001 were classified as urgent, only 18 percent arrived by ambulance in 2001. Hence, the majority of ER patients and urgent ER cases use an alternate form of transportation such as driving or walking.

**FIRE AND PARAMEDIC SERVICE CALLS**

**Figure 4-4. Fire Department Service Calls, 2002**

Fire departments in Alameda County received approximately 151,000 calls for service in 2002.



The vast majority of calls for service (about 73 percent) were EMS calls, as shown in Figure 4-4.<sup>63</sup> Fire departments throughout the County provide first-response service to EMS calls, and typically arrive at the scene to assist the victim prior to arrival of an ambulance. For the four cities that provide their own ambulance service, the EMS response is also an ambulance response.

Fires, explosions and hazardous materials calls constituted five percent of service calls. False alarms constituted 11 percent of service calls; these calls primarily consist of calls by alarm companies, but also include calls by neighbors reporting alarms and calls reporting smoke or other odors that were not fire-related. Other calls constituted 11 percent of service calls; these

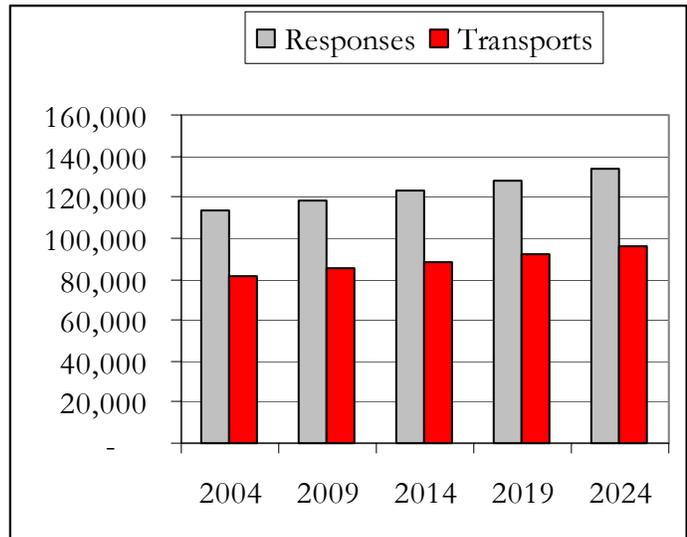
<sup>63</sup> Service calls by type were calculated based on the number of incidents by type reported by the providers. Seven of the 11 direct service providers reported comprehensive information on service calls by type; for the remaining four providers, the authors estimated the number of incidents by type as relevant based on the unique information reported by each agency and the known distribution reported by the seven agencies with comprehensive information.

miscellaneous calls are made by people who are lost, locked out of their homes, reporting water problems, and filing citizen’s complaints, among other reasons.

## PROJECTED SERVICE DEMAND

*Figure 4-5. Projected Ambulance Service Demand, 2004-2024*

The number of ambulance responses in Alameda County is projected to increase from 114,000 to at least 119,000 over the next five years and to 128,000 over the next 15 years under the assumption that future service demand per capita will remain the same (Figure 4-5).<sup>64</sup> The number of ambulance transports in Alameda County is projected to increase from 82,000 to 85,000 in the next five years and to 92,000 in the next 15 years. The aging of the population will contribute to a larger number of ambulance responses and transports for two reasons. First, seniors are more likely than younger people to visit emergency rooms. Second, seniors are more likely to travel to the emergency room by ambulance than to walk, drive, or use alternative transportation.



The number of fire department service calls<sup>65</sup> in Alameda County is projected to increase from 154,000 to at least 161,000 over the next five years and to 174,000 in the next 15 years under the assumption that future service demand per capita will remain the same.<sup>66</sup> The aging of the population will contribute to a larger number of EMS-related service calls for the reasons discussed in the prior paragraph. Given that 22 percent of service calls consist of false alarms and miscellaneous non-emergencies, there are opportunities for demand management strategies to be used to reduce growth in the non-emergency call volume. Potential demand management strategies include false alarm fees, 911 call response fees, and public outreach. False alarm and 911 call response fees are discussed in the section on financing opportunities.

<sup>64</sup> Projected ambulance responses in 2009 are calculated by taking current ambulance responses per capita and multiplying by the ABAG-projected residential population in 2009.

<sup>65</sup> Fire department service calls include 911 calls for fire and medical emergencies, non-emergency calls for assistance (e.g., person locked out of house), good-intent calls such as reports of smoke, and miscellaneous calls such as reports of water problems.

<sup>66</sup> Projected fire department service calls in 2009 are calculated by taking current service calls per capita and multiplying by the ABAG-projected residential population in 2009.

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## INFRASTRUCTURE NEEDS OR DEFICIENCIES

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In the context of fire, paramedic and ambulance service, infrastructure needs signify facilities that do not provide adequate capacity to accommodate current or projected demand for service for the region as a whole or for areas within the County.

### REGIONAL

The principal regional fire and EMS infrastructure needs involve dispatch and ambulance transport services. To the extent that service needs increase as the population grows, there will be an increased need for dispatch and ambulance transport services. Regional needs for hospital ER facilities are covered in Chapter 3.

#### Dispatch

Emergency 911 calls are initially routed to a Public Safety Answering Point (PSAP)—a facility equipped and staffed to receive 911 calls,<sup>67</sup> and may only be transferred one time.<sup>68</sup> The first-response dispatcher immediately determines whether a 911 call is related to a police, fire or medical emergency. Fire and medical 911 calls are routed to the appropriate fire/EMS dispatcher.

Dispatch for fire and medical calls is increasingly becoming regionalized and specialized, with most of the fire departments either involved in regional fire dispatch or interested in joining. This increased regionalization and specialization is motivated by the following factors:

- 1) Constituents increasingly expect emergency medical dispatching (EMD), which involves over-the-phone medical procedure instructions to the 911 caller and requires specialized staff;
- 2) Paramedics increasingly rely on EMD, which also involves preparing the paramedic en-route for the type of medical emergency and procedures;
- 3) Dispatch technology and protocols have become increasingly complex;
- 4) Modern technology has enabled better measurement and regulatory oversight of fire department (FD) response times, and increased pressure for FDs to meet response time guidelines;
- 5) Police department (PD) dispatch services are not subject to response time guidelines and have not adapted to FD response time needs;

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<sup>67</sup> The PSAP law (Government Code sections 53100 et seq) requires cities and districts to ensure that 911 calls in their jurisdictions are automatically directed to a PSAP. For now, all 911 calls from a cellular phone in the Bay Area are initially routed to the California Highway Patrol Answering Point in Vallejo. New cellular phone technology with global positioning (GPS) identifying the precise location of the cellular phone will allow for direct routing of GPS-equipped cellular 911 calls to the first-response dispatcher. By 2006, all new cellular phones will be equipped with GPS.

<sup>68</sup> The California 911 Manual mandates that 911 calls be transferred no more than one time, except 911 calls from cellular phones.

- 6) FDs need standard communication protocols due to their reliance on mutual aid; and
- 7) There are clear economies of scale in providing modern fire and medical dispatch services.<sup>69</sup>

In 2002, ACFD in conjunction with the Emergency Medical Services CSA established a regional fire and medical dispatch operation, called the Alameda County Emergency Dispatch Consortium, in order to improve dispatch efficiency and achieve cost savings. The regional operation is housed at LLNL where the ACFD communication center is also located.<sup>70</sup> The LLNL dispatch center simultaneously dispatches the first-response unit (ACFD or the municipal fire department) and AMR for ambulance transport services, and is EMD-equipped. The Consortium currently dispatches fire and medical calls for ACFD, the cities of Alameda, Dublin, Fremont, San Leandro and Union City, Fairview FPD, the U.S. Army at Camp Parks in Dublin, and the Lawrence Livermore National Laboratory (LLNL).<sup>71</sup> Newark FD indicated that joining the Consortium is under consideration.

Oakland provides dispatch services for Emeryville, and is EMD-equipped. According to the Emeryville FD, Oakland could improve its dispatch service for incidents near the City boundaries by routing calls to the first response unit closest to the emergency. Neighboring FDs in Albany and Berkeley lack EMD technology and indicated that they are interested in joining a dispatch collaboration effort, but did not indicate whether they would join Oakland or the Consortium.

The Livermore PD dispatches for the Livermore-Pleasanton FD, and reported that it is currently upgrading its dispatch facility. Piedmont, Hayward and EBRPD each rely on their own police departments for dispatch services, and did not express any plans to regionalize dispatch operations. Piedmont lacks EMD technology.

911 calls to the Fairview Fire Protection District are currently routed from the Sheriff to the City of Hayward Police/Fire Dispatch Center. For the caller to receive medical procedure instructions over the phone (EMD), Hayward transfers the caller to ACFD after enough information is gathered by Hayward to dispatch a first-response unit. According to the County Sheriff, by changing to the City of Hayward Police/Fire Dispatch Center providing medical procedure instructions out of their center rather than transferring the caller to Lawrence Livermore National Laboratory, response times might improve.

Linking the Alameda County Sheriff's and City of Hayward Police/Fire's two Computer Aided Dispatch (CAD) systems together would not only greatly increase communications between the two agencies, but would also improve response times to incidents in both the Fairview Fire Protection District and in the areas which the two law enforcement agencies border, according to the Sheriff dispatch supervisor. Linking CAD systems in other neighboring jurisdictions would also improve communications and response times.

Dispatch protocols typically involve the routing of medical and fire 911 calls to a second dispatch point. This approach cannot be streamlined unless there were separate emergency numbers for police and fire/medical emergencies.

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<sup>69</sup> The various reasons were explained in interviews with the EMS CSA, ACFD, Union City FD, and the Albany FD and PD.

<sup>70</sup> The Consortium is managed by a governing board made up of participating members; the Livermore Laboratory acts as the Consortium's fiscal agent. Each agency pays an annual amount with costs apportioned to each agency based on call volume.

<sup>71</sup> Fremont joined in January 2004, Union City in February 2004, and the U.S. Army at Camp Parks in Dublin in 2003.

## **Communications Connectivity**

Since the 1991 Oakland Hills fire, there has been marginal improvement in the fire communications system. The Emergency Dispatch Consortium participants operate under standardized communications, channel programming and procedures; participating agencies have realized financial and operational benefits from a regionalized dispatch and communications system. However, at the present time, there are at least six communications systems in use by the various fire providers in Alameda County. Major obstacles to an integrated system include technology, funding, competing priorities, and jurisdictional preferences. The technology obstacle involves significant system hardware and backbone issues.

## **Ambulance Transport**

Ambulance transport infrastructure consists of vehicles, staff and equipment. Ambulance transport service in most areas of the County is provided by AMR. AMR stations its vehicles at strategic points near areas where emergency incidents are expected to occur based on the time of day and day of the week. No infrastructure needs or deficiencies were identified by AMR or by the EMS CSA.

In the next sections, we discuss the condition and adequacy of the various fire facilities.

## **FACILITY CONDITIONS**

Most of the fire and EMS providers operate multiple facilities. Currently there are 104 fire stations in use in Alameda County. The fire departments provided the facility age and an assessment of each facility's condition and deficiencies. Table 4-6 provides a summary of conditions, deficiencies and needs only at those facilities where deficiencies or needs were reported. Facility conditions in Albany, Dublin, Hayward, Piedmont, San Leandro and Fairview FPD are not listed in Table 4-6 because there were no deficiencies or needs identified.<sup>72</sup>

One of the City of Alameda's five stations is in poor condition and needs to be replaced. The City plans to replace the station, and is currently leasing a temporary facility to meet short-term needs.

One of Berkeley's seven stations is in poor condition and needs to be replaced. The City is replacing the station, which it intends to share with EBRPD, with bond financing.

Emeryville needs a new training facility. The City's CIP does not identify this as a planned project.

Seven of Fremont's 10 stations require seismic retrofitting. Three facilities require replacement due to poor condition or inadequate space. The City has received voter approval for bond financing to replace and retrofit its stations, and is planning construction. The City has not identified funding to replace a deficient drill tower at the training facility.

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<sup>72</sup> For readers interested in the condition of all fire station facilities, please refer to Appendix A.

One of Pleasanton's five stations is inadequate, and is scheduled for replacement in 2004. The City is financing construction with general fund revenues, and relocating the facility to optimize response time.

One of Newark's three fire stations is inadequate. The City is currently constructing a replacement station. The City has not identified funding to replace a deficient drill tower at the training facility.

Four of Oakland's 25 fire stations were identified as deficient and in need of replacement. The Oakland CIP does not identify funding for facility replacement, and indicates that it needs funding for repairs and facility upgrades at its other fire stations.

*Table 4-6. Fire Stations with Facility Needs or Deficiencies*

Facilities & Staff	Date Built		Condition	Facility Deficiencies	Facility Needs
	Total Stations	or Acquired			
<b>ALAMEDA</b>					
Fire Station No. 3 (old)	5	1923	Poor	in bad condition	new station
<b>BERKELEY</b>					
Fire Station No. 7	7	1947	Poor	inadequate	new facility
<b>EMERYVILLE</b>					
Fire Station No. 2	2	1997	Good	old wooden training tower	new training facility at rear of station
<b>FREMONT</b>					
Fire Station No. 1	10	1963	Good	seismic deficiencies	retrofit
Fire Station No. 2	10	1952	Fair	inadequate	new facility
Fire Station No. 3	10	1978	Good	seismic deficiencies	retrofit
Fire Station No. 4	10	1990	Good	seismic deficiencies	retrofit
Fire Station No. 5	10	1992	Good	seismic deficiencies	retrofit
Fire Station No. 6	10	1954	Poor	inadequate	new facility
Fire Station No. 7	10	1964	Fair	seismic deficiencies	retrofit
Fire Station No. 8	10	1967	Good	inadequate	new facility
Fire Station No. 9	10	1992	Good	seismic deficiencies	retrofit
Fire Station No. 10	10	1992	Good	seismic deficiencies	retrofit
<b>LIVERMORE-PLEASANTON FIRE DEPARTMENT</b>					
Fire Station No. 4	10	NP	NP	inadequate	new facility
<b>NEWARK</b>					
Fire Station No. 1	3	NP	Good	inadequate for service provision	new facility
<b>OAKLAND</b>					
Fire Station No. 4	25	1906	Poor	outdated facility	new facility
Fire Station No. 18	25	1924	Poor	outdated facility	new facility
Fire Station No. 25	25	1953	Poor	outdated facility	new facility
Fire Station No. 29	25	1949	Poor	outdated facility	new facility
<b>UNION CITY</b>					
Fire Station No. 1	4	1976	Good	outdated facility	upgrade
Fire Station No. 2	4	1985	Good	inadequate space	upgrade
Fire Station No. 3	4	1959	Fair	bad location and old building	new facility
<b>ALAMEDA COUNTY FIRE DEPARTMENT</b>					
Fire Station No. 1	10	1963	Poor	inadequate	replacement
Fire Station No. 2	10	1979	Poor	inadequate	replacement
Fire Station No. 3	10	1962	Good	inadequate space for maintenance and central supply	expansion
Fire Station No. 4	10	1966	Fair	seismic deficiencies	retrofit
Fire Station No. 5	10	1963	Poor	inadequate	replacement
Fire Station No. 6	10	1978	Fair	seismic deficiencies	retrofit
Fire Station No. 7	10	1987	Fair	seismic deficiencies and inadequate space	retrofit/expansion
<b>EBRPD</b>					
Fire Station No. 1	10	1960s	Poor	in bad condition	remodel
Fire Station No. 2	10	1960s	Poor	in bad condition	roof, repairs
Fire Station No. 4	10	Unknown	Poor	in bad condition	NP
Fire Station No. 5	10	Unknown	Poor	in bad condition	apparatus storage
Fire Station No. 6	10	Unknown	Poor	in bad condition	apparatus storage
Fire Station No. 10	10	1978	Poor	in bad condition	NP
<i>Source: Agency Request for Information responses; Capital Improvement Plans</i>					

Two of Union City’s four stations require upgrade, and another requires replacement and relocation in order to optimize response time. The City’s CIP indicates that funding has been identified for the replacement facility, but indicates that the station upgrades are unfunded.

Three of the ACFD fire stations are inadequate and require replacement, according to the County’s CIP. The estimated total capital needs are approximately \$26-28 million. Sufficient funding for the three retrofitting and three other reconstruction projects has not been identified. The CIP indicates that the San Lorenzo fire station (No. 1) requires replacement, and will require another site as its existing site is too small for a replacement facility.<sup>73</sup> The Ashland Fire Station (No. 2) requires replacement as replacement is less expensive than seismic upgrade of the facility. The San Leandro Fire Station (No. 3) requires expansion to serve as a maintenance facility and central supply distribution center.

There are three ACFD fire stations in Castro Valley that require seismic retrofitting. The relocation of Station 8 in Livermore is also being considered, as well as construction of a maintenance facility.

Six of the EBRPD fire stations were described as in poor condition. EBRPD is in the process of renovating and repairing four of the six stations in poor repair. EBRPD is not currently addressing infrastructure deficiencies at its headquarters (Station No. 10) or its Sunol facility (Station No. 4) due to financing constraints.

## **ADEQUACY**

In order to assess infrastructure deficiencies and needs, it is necessary to analyze the adequacy of the facilities and related services in meeting the needs of the populace. Within the County, adequacy can be gauged by various factors including response times, mutual aid, and workload.

### **Response Times**

Fire and medical emergency response time guidelines are intended to increase the chances of victim survival and to reduce the chances of rapid fire spreading. Particularly in cases involving patients who have stopped breathing or are suffering from heart attacks, the chances of survival are related to how quickly the patient receives medical care. Similarly, a quick fire suppression response can potentially prevent a structure fire from reaching the “flashover” point at which very rapid spreading of the fire occurs—generally in less than 10 minutes.<sup>74</sup>

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<sup>73</sup> The current facility and site is owned by the San Lorenzo Village Homes Association.

<sup>74</sup> National Fire Protection Association, Standard 1710, 2004.

**Table 4-7. Fire and Medical Response Time Standards (minutes)**

Response Time Guideline 90% of the time					
Agency Providing Guideline	Fire	Full-Structure Fire	Basic Life Support	Advanced Life Support	Ambulance Transport
National Fire Protection Association	6	10	6	10	
Commission on Fire Accreditation	5:50		5:50		
CA EMS Agency					
Urban/Metro			5	8	8
Suburban/Rural			15	20	20
Wilderness (1)			AQAP	AQAP	AQAP
Alameda EMS Agency (2)				11:30	11:30
(1) AQAP means as quickly as possible.					
(2) One-minute dispatch time added for comparability.					

The guidelines established by the NFPA involve fire response times in six minutes at least 90 percent of the time, with response time measured from the 911 call time to the arrival time of the first-responder at the scene.<sup>75</sup> The Commission on Fire Accreditation International recommends a 50 second dispatch time and a five minute, 50 second overall response time at least 90 percent of the time.<sup>76</sup>

**Table 4-8. Fire and Medical Response Times (minutes)**

For medical response times, NFPA recommends a six-minute response time for basic life support (BLS) and 10 minutes for advanced life support (ALS) at least 90 percent of the time. The BLS medical response time guideline established by the California EMS Agency is five minutes in urban areas, 15 minutes in suburban areas, and as quickly as possible in wilderness areas; for ALS first-response, the guideline is eight minutes in urban areas and 20 minutes in suburban areas.

The time between the placement of the 911 call and the notification of the emergency responders is referred to as dispatch time or alarm-processing time. The NFPA recommends a 60-second standard for dispatch time; whereas the Commission on Fire Accreditation International recommends a 50-second benchmark for dispatch time.

Average response times are shown in Table

Service Area	Year of Annual Average	Average Response Time (minutes)
<b>Median</b>	<b>NA</b>	<b>4:53</b>
Alameda	NA	3:30
Albany	2001	4:00
Berkeley	2002	4:46
Emeryville	NA	5:00
Fremont	2002	4:37
Fairview FPD	NA	5:00
Hayward	NA	5:00
Livermore-Pleasanton	2002	5:00
Newark	2001	4:25
Oakland	NA	6:00
Piedmont	2001	4:00
Union City	2002	4:21
ACFD	NA	5:00
EBRPD	6-year	11:00
<i>Source: Agency questionnaire responses</i>		

<sup>75</sup> For a full structure fire, the guideline is response within ten minutes by a 12-15 person response team at least 90 percent of the time.

<sup>76</sup> Commission on Fire Accreditation International, 2000.

4-8. All agencies serving urban areas reported a six minute or less average response time. The agencies are all working on improving their response time data, and anticipate having data that is comparable to the standard measurement of the 90<sup>th</sup> percentile by the time LAFCo conducts its 2009 MSR. Although Oakland had the longest average response time, the FD reported that it responds within five minutes 75 percent of the time and within seven minutes 95 percent of the time.

AMR has consistently exceeded its response time standards. According to the AMR contract, ambulance response times in the urbanized portions of the County must be no more than 10½ minutes, while first-response typically provided by the municipal fire department must be within eight minutes 90 percent of the time. In the suburban southern and eastern areas of the county, response must be within 15 minutes 90 percent of the time for ambulance and first responder calls. There are lower standards (20-35 minutes) for response times in rural and wilderness areas.

A number of agencies described areas where prompt response is challenging due to lengthier travel time or access issues. These areas are listed in Table 4-9.

*Table 4-9. Difficult-to-Serve Areas*

<b>Agency</b>	<b>Area</b>	<b>Reason</b>
Alameda	Alameda Point	Growth in the size of service area by 1,676 acres and future growth with development.
Berkeley	UC Berkeley and Downtown	UC expansion and high-rise additions make firefighting more difficult because of congestion and specialized equipment needed for high-rise operations.
Fremont	Avalon Heights subdivision in the Warm Springs area	Isolated area creating longer response times.
LPFD	North Livermore	Residential development is occurring at a distance from Fire Station No. 10, which will need to be relocated north of I-580 to accommodate growth.
LPFD	Freeways and wild land areas	Longer response times and lack of automatic mutual aid.
LPFD	Pleasanton Ridge Park area	Longer response times due to isolation and access.
Newark	Northeast corner of the City	Getting a second rig to this freeway cloverleaf involves longer response times than other areas, because the area has not been developed and is not centrally located.
Oakland	Oakland Hills area	There are few fire stations in this area and fewer inhabitants. ACFD provides mutual aid coverage.
Union City	Hillside area off Mission Blvd	Difficult topography in the area.
ACFD	Hayward islands and fire zones near Pleasanton	ACFD has no stations in the vicinity of the unincorporated islands. The Hayward FD and LPFD provide service.
EBRPD	Regional parks	Remote areas are challenging due to access challenges, incidents reported without precise location, and need for expensive helicopter evacuation.

## Coverage Adequacy

In urban areas, fire stations must be located strategically within five minutes driving distance from potential victims. In rural areas, fire stations must be located strategically within 15 minutes driving distance. The driving distance is affected not only by service area size, but also by congestion, topography, and street layouts.

As indicated in Table 4-10, the service area size for each fire station varies significantly between FDs. Although Berkeley FD has a relatively small service area of 1.5 square miles per station, its stations are each serving 17,319 people on average, which is significantly higher than the median of 14,561. ACFD and EBRPD fire stations serve the largest geographic areas of 14.8 and 27.9 square miles respectively, because their service areas include rural and wilderness areas.<sup>77</sup>

Among the cities, Fremont FD and Hayward FD serve the largest service areas and populations at their respective fire stations. The average Fremont FD fire station service area is 7.7 square miles compared with a FD median of 3.7 square miles, and the average 24-hour population served is 21,535 compared with a FD median of 14,561.<sup>78</sup> The average Hayward FD fire station service area is 6.3 square miles compared with a FD median of 3.7 square miles, and the average 24-hour population served is 19,362 compared with a FD median of 14,561.

**Table 4-10. Fire Station Service Area and Population, 2004**

Provider	Stations	Square Miles per Station	24-Hour Population per Station	Residential Population per Station
<b>Countywide</b>	<b>104</b>	<b>7.1</b>	<b>14,580</b>	<b>14,580</b>
<b>Median</b>		<b>3.7</b>	<b>14,561</b>	<b>15,050</b>
Alameda	5	2.2	13,872	15,050
Albany	1	1.7	14,561	16,889
Berkeley	7	1.5	17,319	15,061
Emeryville	2	0.6	8,820	3,808
Fremont	10	7.7	21,535	21,236
Hayward	7	6.3	19,362	18,191
LPFD	10	4.6	15,855	14,724
Newark	3	4.7	14,099	14,911
Oakland	25	2.2	16,177	16,498
Piedmont	1	1.7	8,516	11,150
Union City	4	4.8	15,417	18,063
EBRPD	10	14.8	NA	NA
Fairview FPD	1	2.8	9,675	13,275
ACFD	18	27.9	13,395	14,171
Dublin	3	4.8	13,232	12,505
San Leandro	5	2.6	18,126	16,442
Unincorporated	8	59.2	13,473	16,545
LBNL	1	NA	3,000	NA
Sunol (CDF)	1	NA	NA	NA
<i>Sources: Agency responses to Requests for Information, Census, ABAG</i>				

<sup>77</sup> In Table 4-11, the ACFD total reflects its entire service area including the Sunol station operated by CDF and the station located at Lawrence Berkeley National Laboratory. The EBRPD service area includes regional parks throughout Alameda and Contra Costa counties.

<sup>78</sup> For a discussion of the 24-hour population metric, please refer to Chapter 2.

The service area and population served by the Emeryville and Piedmont fire stations are significantly lower than the FD median. Emeryville’s fire stations serve on average 8,820 people compared with a FD median of 14,561. Piedmont’s fire station serves a residential population of 11,150, compared with the FD median of 15,050.

### **Staffing**

The Occupational Safety and Health Administration standard states that when at least two firefighters enter a structure fire, two will remain on the outside and maintain visual or voice contact to assist in emergency rescue activities.<sup>79</sup>

*Table 4-11. Fire and Paramedic Staffing, FY 2003-04*

The NFPA<sup>80</sup> guidelines encourage fire departments to establish overall staffing levels to meet response time standards, and to consider the hazard to human life, firefighter safety, potential property loss, and the firefighting approach. NFPA recommends that each engine, ladder or truck company be staffed by four on-duty firefighters, and that at least four firefighters (two in and two out), each with protective clothing and respiratory protection, be on scene to initiate firefighting inside a structure. For structure fires, the NFPA recommends that the response team include 14 personnel—a commander, five water supply line operators, a two-person search and rescue team, a two-person ventilation team, a two-person initial rapid intervention crew, and two support people.

Provider	Staff	Staff per Station	Staff per Square Mile	Staff per 1,000 Pop (24-Hour)
<b>Countywide</b>	<b>1,655</b>	<b>16</b>	<b>2</b>	<b>1.1</b>
<b>Median</b>		<b>16</b>	<b>3</b>	<b>1.2</b>
Alameda	73	15	7	1.1
Albany	20	20	12	1.4
Berkeley	146	21	14	1.2
Emeryville	31	16	25	1.8
Fremont	176	18	2	0.8
Hayward	147	18	3	0.9
LFPD	128	13	3	0.8
Newark	51	17	4	1.2
Oakland	506	20	9	1.3
Piedmont	25	25	15	2.9
Union City	49	12	3	0.8
EBRPD	12	1	0	NA
Fairview FPD	9	9	3	0.9
ACFD	282	16	1	1.2
Dublin	38	13	3	1.0
San Leandro	73	15	6	0.8
Unincorporated	171	21	0	1.6
LBNL	12	12	NA	NA
Sunol (CDF)	6	6	NA	NA

*Sources: Agency responses to Requests for Information, Census, ABAG*

For emergency medical response with ALS needs, NFPA recommends the response team include two paramedics and two basic-level emergency medical technicians.

<sup>79</sup> 29 CFR 1910.134

<sup>80</sup> The National Fire Protection Association is a non-profit association of fire chiefs, firefighters, manufacturers and consultants.

Fire and paramedic staffing per station, square mile and per 1,000 people served (24-hour population) is shown in Table 4-11.

Staffing levels per capita are relatively high in the smaller cities—Piedmont, Emeryville and Albany. Staffing levels per capita are relatively low in Fremont, Union City, Livermore and Pleasanton.

Alameda, Albany, Berkeley, and Piedmont provide ambulance service directly, so their staffing levels are expected to be higher than the other fire providers. Notably, the City of Alameda FD staffing is lower than the median despite the City's ambulance staffing.

Although the staffing level appears relatively low in San Leandro, San Leandro staffing excludes ACFD administrative staff that manages ACFD operations throughout its service area. Similarly, although the staffing level appears relatively high in the unincorporated areas, unincorporated staffing includes ACFD administrative staff that manages ACFD operations throughout its service area.

## **Training**

All providers must meet various training and certification requirements of the California State Fire Marshall, the California EMS Authority and OSHA for firefighters, paramedics and dispatchers.<sup>81</sup>

The California EMS Authority regulates training and certification for Emergency Medical Technicians I (basic) and paramedics.

All firefighters, ambulance attendants and paramedics must complete training and certification at the Emergency Medical Technician I (EMT I) level. This training and certification program is designed to prepare emergency services personnel to provide emergency first aid and CPR, recognize respiratory and cardiac arrest, and administer automated external defibrillator to victims in cardiac arrest. Certification requires completion of at least 114 hours of training and passing a written exam. To remain certified, the EMT-I must become recertified by taking a refresher course every two years and passing the written exam every four years.

Paramedic training prepares the candidate to perform advanced life support such as endotracheal and nasogastric intubation, laryngoscope, needle thoracostomy, and administration of 21 drugs. The paramedic must complete 1,032 hours of training in the classroom, hospital, and field internship settings. To become certified, candidates must pass a written exam and background check, have a high school diploma, and EMT-I certification. To remain certified, the paramedic must complete 48 hours of continuing education every two years.

The California State Fire Marshall certifies firefighters at the entry-level (Firefighter I) and advanced level (Firefighter II), as well as Fire Marshall, Fire Instructor, Fire Investigator, Mechanic, and Hazardous Materials specialist, among other positions.

Training for the entry-level Firefighter I position prepares the firefighter to perform essential firefighting tasks in both the urban and wildland setting, to perform rescues, to maintain firefighting

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<sup>81</sup> Training and certification requirement sources are California EMS Authority (1999) and Office of the State Fire Marshall (1997).

and rescue equipment, and to provide basic fire prevention and fire investigation. Candidates may receive this level of training through a college, the California Fire Academy in Monterey, or an academy associated with a professional fire department. In order to become certified as a Firefighter I, candidates must pass a written exam, complete six months of full-time fire service (or one year of volunteer service), and have EMT-I certification.

Training for the Firefighter II position prepares the firefighter to perform advanced firefighting, rescue, prevention and investigation tasks. For example, required training includes positioning of fire engines at an emergency scene, elevator extrication, analysis of water systems and hydrant capacity, and diagnosis of poor foam generation. In order to become certified as a Firefighter II, candidates must pass a written exam, complete one year of full-time fire service (or two years of volunteer service), and have EMT-I and Firefighter I certification.

## **OPPORTUNITIES FOR SHARED FACILITIES**

Fire and EMS providers in Alameda County engage in sharing of dispatch facilities, communications airwaves, and rely on each other for mutual and automatic aid assistance to optimize response.

Berkeley and EBRPD share a new fire station being built in the Berkeley hill area. Livermore and Pleasanton share administrative and other resources as a JPA. Piedmont and Albany use Emeryville's drafting pit for training. Emeryville also relies on Oakland's training facility.

There are opportunities for fire service providers to join a consortium arrangement for sharing dispatch facilities, as discussed above. Berkeley and Albany are interested in collaborating with other agencies to modernize dispatch.

Regionalized training and sharing of training facilities would be a more cost-effective approach to training for some providers. Emeryville's training facility is deficient, and Newark and Fremont have deficient fire drill towers, but none of these jurisdictions has identified funding to finance replacement of these facilities. Emeryville FD is open to sharing its training tower and classroom facilities at Fire Station No. 2.

There are opportunities for sharing initial rapid intervention crews (IRIC) that are recommended in NFPA's 2004 guidelines. San Ramon Valley FPD and ACFD are considering mutual aid arrangements for sharing IRIC resources.

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## FINANCING CONSTRAINTS AND OPPORTUNITIES

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Financing constraints and opportunities impact the delivery of services. This section discusses the major financing constraints faced by fire service providers and identifies the revenue sources currently available to the service providers. The section discusses innovations for contending with financing constraints, cost-avoidance opportunities, and opportunities for rate restructuring.

### FINANCING CONSTRAINTS

The most significant financing constraints for fire and paramedic services are legal requirements that limit property taxes and require voter approval of new taxes and tax increases.

California cities are precluded from taxing incomes. Likewise, state and federal law precludes local agencies from taxing financial institutions, insurance companies, and sales of alcoholic beverages, tobacco, and gasoline.

Proposition 13, which California voters approved in 1978, limits the ad valorem property tax rate, limits growth of the assessed value of property, and requires voter approval of certain local taxes. Generally, this measure fixes the ad valorem tax at one percent of value, except for taxes to repay certain voter approved bonded indebtedness. Significantly, this limitation does not apply to user-type fees like ambulance charges and false alarm fees because these fees are dependent on the property's use and not on ownership of the real property. Unaffected taxes include excise taxes, such as a business license tax<sup>82</sup>, real property transfer tax<sup>83</sup>, and transient occupancy tax.<sup>84</sup>

In response to Proposition 13, the Legislature enacted Assembly Bill 8 (AB 8) in 1979 to establish property tax allocation formulas. Generally, AB 8 allocates property tax revenue to the local agencies within each tax rate area (TRA) based on the proportion each agency received during the three fiscal years preceding adoption of Proposition 13. This allocation formula benefits local agencies, which had relatively high tax rates at the time Proposition 13 was enacted. Legislation was subsequently enacted to aid cities that receive no, or very low, property tax revenues.<sup>85</sup> When a new city forms, the new city's share of property tax revenues is based on the cost of services assumed from other government agencies, as determined by LAFCo.

Proposition 98, which California voters approved in 1988, requires the State to maintain a minimum level of school funding. In 1992 and 1993, the Legislature began shifting billions of local property taxes to schools in response to State budget deficits. Local property taxes were diverted from local governments into the Educational Revenue Augmentation Fund (ERAF) and transferred

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<sup>82</sup> Business license taxes are often triggered by the exercise of the privilege of operating a business that leases real property.

<sup>83</sup> The transfer of real property to a new owner triggers property transfer taxes.

<sup>84</sup> Transient occupancy taxes are triggered by the exercise of the privilege of occupancy in a hotel.

<sup>85</sup> The Tax Equity Allocation formula compares a city's property tax receipts net of redevelopment revenues to its gross property tax receipts to determine eligibility. Eligible cities receive property tax revenues that had been distributed to the County. However, later "ERAF" shifts reallocated much of counties, cities and special districts property tax revenue to schools. See the discussion in the next paragraph.

to school districts and community college districts to reduce the amount paid by the State general fund. Agencies like the City of Dublin that were formed after the AB 8 allocation formulas were established were not affected by the ERAF property tax shift. Agencies that received disproportionately high benefits under AB 8 were the most heavily affected. Local agencies throughout the State lost significant property tax revenue as a result of this shift. For example, Livermore's property tax revenues would have been 30 percent (\$4.5 million) higher in FY 2003-04 if not for the ERAF property tax shift.<sup>86</sup>

Proposition 172, enacted in 1993, provides the revenue of a half-cent sales tax to counties and cities for police, fire, district attorneys, corrections and lifeguards. Proposition 172 also requires cities and counties to continue providing public safety funding at or above the amount provided in FY 1992-93.<sup>87</sup> Proposition 172 revenues partially replace property tax revenues that were shifted to the ERAF for schools in 1992 but with the caveat that the funds be used for public safety. Proposition 172 revenues replace 55 percent of the funds shifted from Alameda County to ERAF, and 12 percent of the funds shifted from the cities in Alameda County to ERAF.<sup>88</sup> Revenues are allocated to the cities based on the AB 8 allocation factors. Cities like Dublin that did not exist in 1980 are ineligible for Proposition 172 revenues. In FY 2001-02, Proposition 172 revenues amounted to \$112 million for Alameda County and \$7 million for the cities in Alameda County.

Proposition 218, which California voters approved in 1996, requires voter- or property owner-approval of increased local taxes, assessments, and property-related fees. Majority voter approval is required for imposing or increasing general taxes such as business license or utility taxes. Proposition 218 reiterated the Proposition 13 requirement for two-thirds voter approval of special taxes for which revenues are designated for specific purposes such as paramedic services. In addition, Proposition 218 added new substantive and procedural steps that must be followed to impose a property-related fee or charge. The requirement does not apply to user fees and Mello-Roos districts.

The Vehicle License Fee (VLF) is a municipal revenue stream that is vulnerable to reduction or elimination by the State. The VLF is a State tax on the ownership of a registered vehicle.<sup>89</sup> VLF revenues are distributed to cities and counties, primarily based on population.<sup>90</sup> In 1998, the Legislature began a series of reductions in the VLF from a level of two percent down to an effective rate of 0.65 percent—a 67.5 percent decline.<sup>91</sup> The State has backfilled the loss to local governments with a like amount of State general fund money. The VLF is general fund revenue and is not a dedicated revenue source for emergency services. However, many cities and counties utilize the VLF to fund critical public safety services. It should be noted that local VLF revenue is currently

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<sup>86</sup> City of Livermore Two-Year Financial Plan, FY 2002-03 and 2003-04.

<sup>87</sup> The maintenance of effort provision for local public safety spending requires cities and counties to fund public safety at the 1992-93 levels, adjusted annually by a cost-of-living factor commencing with the 1994-95 fiscal year.

<sup>88</sup> Coleman, 2003.

<sup>89</sup> The VLF is a State tax on the ownership of a registered vehicle, with the vehicle value as the tax base. Some vehicles are exempt from VLF (e.g., government owned, diplomatic, civil air patrol and farm vehicles, privately owned school buses, etc.). Other vehicles are exempt but instead are subject to the property tax (e.g., farm trailers, privately owned firefighting vehicles and forklifts, etc.).

<sup>90</sup> Trailer coach VLF revenues are not required to be distributed to cities and counties.

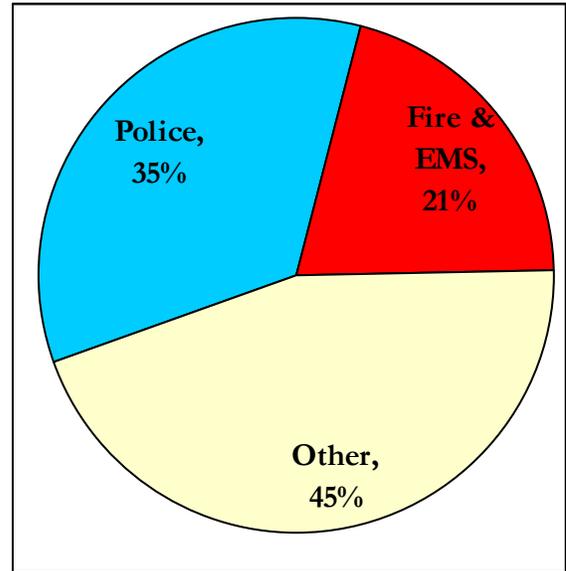
<sup>91</sup> California Legislative Analyst's Office, 2002.

vulnerable due to numerous State proposals to reduce/shift funding from local government to the State.

## FINANCING SOURCES

**Figure 4-12. Municipal General Fund Expenses, FY 2003-04**

Fire and EMS expenditures absorbed 21 percent of municipal general funds in Alameda County, according to city FY 2003-04 budgets. Figure 4-12 shows general fund expenditures for police, fire and EMS, and all other municipal costs financed from general fund revenues.



### General Funds

General fund revenue sources finance most fire, paramedic and emergency medical services. Among the 14 cities, 94 percent of fire department (FD) budgets are financed by general fund sources.

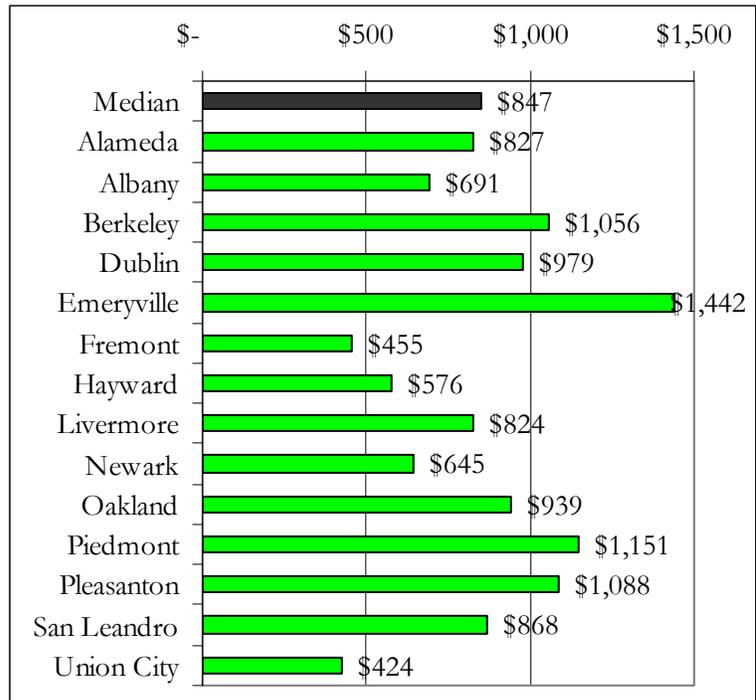
The general fund resources of the fire providers vary significantly. The median city receives \$847 in general fund revenues per capita.<sup>92</sup> Figure 4-13 shows amount of general fund revenues on a per capita basis for each city.

**Figure 4-13. General Fund Revenues per Capita, FY 2003-04**

Union City, Newark and Fremont had relatively low general fund budgets on a per capita basis. By comparison, Piedmont and Emeryville had relatively high general fund budgets on a per capita basis.

The cities vary significantly in their general fund revenue resources, and rely to differing levels on the major general fund revenue streams.

The sales and use tax is the most significant municipal revenue stream, constituting 33 percent of the median city's general fund revenues in Alameda County. The



<sup>92</sup> General fund revenues are amounts budgeted for FY 2003-04, according to agency budgets. Per capita calculations are based on the residential population in 2004 for all agencies except Emeryville, and on the 24-hour population for Emeryville.

cities of Emeryville and Dublin receive the highest levels of sales tax per capita. Pleasanton, San Leandro, and Hayward also receive relatively high sales tax revenues compared with the median. Piedmont, Oakland and Albany receive the lowest levels of sales tax per capita.

Property taxes account for 24 percent of the median city's revenues. Piedmont is the most reliant on property taxes, which accounted for 49 percent of its actual general fund revenues in FY 2001-02. Emeryville's general fund is the least reliant on property taxes, which accounted for only four percent of its general fund revenues; Emeryville's redevelopment agency receives most property tax revenues.

In Alameda County, Vehicle License Fees (VLF) constitute about eight percent of the median city's revenues. Union City, Albany, Fremont and Hayward are the most dependent on this vulnerable revenue stream. Service providers that rely heavily on VLF funding are most vulnerable due to current State budget proposals to reduce/shift VLF funding.

The cities of Alameda, Albany, Berkeley, Emeryville, Oakland, Piedmont and San Leandro all rely on utility users taxes for a significant amount of general fund revenue. Dublin, Fremont, Livermore, Newark, Pleasanton and Union City do not levy utility users taxes.

Business license taxes are significant revenue generators in Emeryville, Oakland, Livermore and Berkeley. Although the other cities levy business license taxes, the tax rates and revenue levels are significantly lower. Transient occupancy (hotel) taxes are significant general fund revenue generators in Emeryville, Newark and Pleasanton. Real property transfer taxes are significant general fund revenue generators in Albany, Oakland and Piedmont.

Contract service fees, ambulance fees, parcel taxes, and first-responder ALS (FRALS) payments finance 14 percent of FD budgets countywide.<sup>93</sup>

Ambulance fees finance two percent of FD budgets countywide. Ambulance fees contributed 19 percent of Berkeley FD's budget.

EMS parcel taxes finance three percent of FD budgets.

FRALS payments finance one percent of FD budgets, and are paid to the agencies based on the number of fire stations in the jurisdiction that are providing first-response ALS service. The EMS CSA is responsible for distributing FRALS funds.

Fees for contract service are most significant for ACFD, constituting 45 percent of its revenue. The cities of Hayward and Pleasanton also receive modest contract service fees, constituting six and one percent respectively of the FD budgets.

### **Parcel Taxes**

A number of local agencies rely on taxes levied against parcels in addition to and on some basis other than the ad-valorem value of the parcel to supplement general fund financing of fire and paramedic service. Most of these parcel taxes have required two-thirds voter approval and require

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<sup>93</sup> For many cities, contract service fees, FRALS payments, and ambulance fees are included in general fund revenues. The category "Other General" in Table 4-12 refers to general fund financing sources other than the ones detailed. In the case of ACFD and Fairview FPD, the category includes property tax revenues that are received directly by the districts.

continued voter approval at four to 12 year intervals. The parcel taxes discussed in this section have all been inflation-indexed, with the tax rate increasing annually in proportion to the increase in prices in the Bay Area.

Hayward's emergency facilities tax was imposed in 1990. The general fund parcel tax of \$36 per household finances seismic retrofitting and other fire station repairs. This revenue stream raised \$1.8 million, or two percent of the City's general fund revenues, in FY 2003-04.<sup>94</sup>

There are two countywide parcel taxes in place to finance the trauma centers, the EMS CSA, and paramedic level (ALS) response by fire departments throughout the County. The countywide parcel taxes were approved by the voters in 1982 and 1997, and are not scheduled to sunset.

Oakland also levies parcel taxes to help finance paramedic and emergency medical services. The taxes were approved by voters in 1997. In combination, the taxes are levied at approximately \$19 per household and were projected to provide \$2.7 million in financing in FY 2003-04.

Albany imposes two parcel taxes that fund paramedic staffing and ambulances. The taxes were approved by voters in 1997 and 2000, with an increase in the 1997 tax approved in 2002. In combination, the taxes are levied at approximately \$75 per household and were projected to provide \$340,000 in financing in FY 2003-04.

Berkeley imposes a parcel tax to finance EMS expenses. The EMS tax was approved by voters in 1997 and was reauthorized by the voters in 2000. The tax provides approximately \$2.6 million in revenue to supplement paramedic and ambulance services. Although Berkeley considered a larger (\$250 per household) EMS parcel tax for the March 2004 ballot, the City decided not to place the measure on the ballot and is making budget cuts in response to its current budget deficit.

Although Piedmont voters approved an annual parcel tax of \$18.46 per household to finance paramedic expenses in 1997, that parcel tax is scheduled to expire June 30, 2005. In November 2004, voters will consider Measure W, a ballot measure authorizing renewal of the parcel tax. If rejected by the voters, the anticipated revenue loss upon expiration of the parcel tax is approximately \$1 million.

Union City voters approved a parcel tax in March 2004 to finance police and fire services, which currently constitute 72 percent of the City's general fund expenses. The tax of \$84 per household is scheduled to sunset after five years, and must be reaffirmed by a two-thirds vote every five years.

Fairview FPD levies a \$4.46 parcel tax to finance emergency medical services. To comply with Proposition 218, adopted in 1996, the tax was approved by voters in 1997.

### **Contract Service Fees**

ACFD and the cities of Hayward and Pleasanton receive contract service fees in exchange for providing fire service to other jurisdictions.

In FY 2003-04, ACFD expects to receive \$21.5 million in contract service fees, constituting 45 percent of its budget. The \$7 million in projected fees from the City of Dublin in FY 2003-04

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<sup>94</sup> City of Hayward Adopted Budget, FY 2003-04.

equates to \$184 per capita. The City of San Leandro is projected to pay \$13.2 million in FY 2003-04, equating to \$161 per capita. The Lawrence Berkeley National Lab is projected to pay \$2.5 million for service.

The City of Hayward’s budget for FY 2003-04 includes \$1.3 million in contract service fees, constituting six percent of budgeted revenues. Hayward receives these fees from the Fairview FPD. The fees equate to \$100 per capita. Hayward also receives \$25,000 annually in property tax revenue pass-throughs in compensation for providing service to unincorporated islands in the Mt. Eden area.

Pleasanton’s budgeted revenues reflect \$0.2 million in contract service fees in FY 2003-04, constituting one percent of budgeted revenues. Pleasanton receives these fees from ACFD in exchange for serving unincorporated islands in and around Pleasanton.

### **User Fees**

User fees recover all or part of the cost of a specific government service or program, such as ambulance charges or fire inspection fees. User fees must be appropriate and reasonable and cannot legally exceed the cost of providing the service, taking into account both the direct cost and indirect expenses like overhead, debt service, and capital improvement costs. User fees are often determined through an accounting analysis of service costs, and are not dependent on voter approval.

The primary fees for fire and EMS service are ambulance charges, fire equipment installation inspection fees, false alarm fees, plan check fees, annual inspection fees, and fire permits.<sup>95</sup>

**Figure 4-14. Ambulance ALS Transport Fee, FY 2003-04**

Ambulance service in Alameda County is financed primarily by user fees. The EMS CSA establishes “usual and customary” fees for each service and for medical supplies used in the ambulance. The maximum fee for ALS ambulance transport service is currently \$845. Lower rates are available for patients covered by Medicare and Medi-Cal; the County pays for transport of indigents through the EMS CSA funds. Ambulance charges for each provider are shown in Figure 4-14. The providers’ approaches to user fee financing are as follows:



- AMR charges slightly less than the cities, and finances service exclusively from user fees.
- Of the fees collected by AMR, \$2.2 million is distributed to the fire departments for their first-response ALS (FRALS) services, with \$33,000 distributed for each fire station with ALS-trained staff.<sup>96</sup>

<sup>95</sup> Other service-related user fees are discussed in the section regarding financing opportunities.

<sup>96</sup> The EMS CSA is responsible for collecting the FRALS funds from AMR and distributing the funds to the various fire departments.

- The City of Alameda charges the maximum, and expects to recoup approximately \$2 million of its \$5.3 million in fire department expenses in FY 2003-04 through ambulance user fee revenue.<sup>97</sup>
- Albany charges the usual and customary fee, and supplements this revenue with parcel tax and general fund revenues to finance ambulance and paramedic service.
- Piedmont charges non-residents a user fee that is about 25 percent lower than the fee charged by the other providers, and finances ambulance transport of residents with parcel taxes and general fund revenues.
- Berkeley's ambulance user fees are expected to recoup \$2.2 million in FY 2004-05, with the remaining costs financed by the paramedic parcel tax and general fund revenues.

Fire departments charge one-time fees for construction projects including fire suppression equipment (sprinkler/alarm) installation inspection fees and construction plan check fees. The fire suppression equipment installation inspection fees are typically based on the number of sprinklers or alarms installed, although some cities like Newark charge based on valuation of the installation work and some cities like Hayward charges based on the number of inspection hours. Some jurisdictions charge the installation inspection fee in conjunction with other fees, for example, Piedmont charges for fire inspection services through its building permit and ACFD charges commercial construction projects for both the inspection and plan check based on square footage. Plan check fees are levied under two main approaches--hourly rates (Albany, Berkeley, Fremont, Hayward, Newark and Union City) and percentage of the building permit fee (Alameda, Emeryville, Oakland, and Pleasanton).<sup>98</sup>

Fire departments also charge ongoing annual fees for fire permits and related inspections of businesses handling explosives, compressed gases, industrial ovens, restaurant systems, and crowds. The permits are typically levied as a flat fee based on the type of fire hazard. Some jurisdictions like Alameda County include related inspection in the flat fee; others like the cities of Alameda and Berkeley charge hourly inspection fees in addition to the permit fee; others like Union City charge separate flat fees for the permit and the inspection.

The agencies also differ in how they charge high-rise inspection fees. For example, high-rise inspection fees are levied based on square footage (Oakland), fire risk (Fremont), hourly charges (Alameda, Berkeley and Emeryville), units (Albany), occupants (Hayward), and flat fee (Union City).

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<sup>97</sup> City of Alameda, 2002-2004 Proposed Budget/Financial Plan, July 2002.

<sup>98</sup> Sources for inspection and permit fees include master fee schedules and the County Fire Code.

## False Alarm Fees

False alarms constitute 41 percent of calls for fire service in Alameda County. The California Fire and Health and Safety Codes provide for the recovery of various costs, including false alarm responses, by local fire jurisdictions.

Nine cities impose false alarm fees to encourage responsible use of fire alarms, as shown in Table 4-15. The adopted Ordinance Code of the County includes provisions for such fees; however, it is not being implemented at the present time. None of the agencies impose a false alarm fee for the first false alarm.<sup>99</sup> Albany, Dublin, Hayward, and Oakland impose a false alarm fee for the second offense. Pleasanton and Livermore impose a fee at a hearing upon the third offense in a 12-month period. Newark, Union City and Piedmont impose fees for the fourth offense in a year. The Hayward fees are applicable to the entire service area, including Fairview FPD.

*Table 4-15. Fire False Alarm Fees, FY 2003-04*

Agency	Fee	Incident	Incident Period
Alameda	none		
Albany	\$200	2nd	90-day
Berkeley	none		
Emeryville	none		
Dublin	\$100	2nd	90-day
Fremont	none		
Hayward (1)	\$60	2nd	30-day
Livermore (2)	varies	3rd	12-month
Newark	\$120	4th	12-month
Oakland—residential	\$390	2nd	30-day
Oakland—commercial	\$390	2nd	6-month
Piedmont	\$50	4th	12-month
Pleasanton (2)	varies	3rd	12-month
Union City	\$78	4th	12-month
ACFD (3)	none		
EBRPD	none		

(1) \$60 is assessed per fire engine responding  
(2) An administrative hearing is held to determine fee.  
(3) County Fire Code fees are not implemented at the present time.  
Sources: RFI responses, municipal codes

Emeryville has a high incidence of false alarms, but does not impose false alarm fees. False alarms constituted 56 percent of fire service calls in Emeryville. In Alameda and Fremont, false alarms constitute an average share of service calls. In Berkeley and EBRPD, the number of false alarm incidents was not provided.

## Development Impact Fees

The County, cities, special districts, school districts, and private utilities impose development impact fees on new construction for purposes of defraying the cost of putting in place public infrastructure and services to support the new development. The fees must be committed within five years to the projects for which they were collected, and the city or county must keep separate funds for each development impact fee.

<sup>99</sup> Sources for false alarm fee policies include master fee schedules, municipal codes, and telephone interviews.

Based on review of development impact fees for new residential development, the most common (and most expensive) development impact fees finance schools, water, sewer, streets/transportation, and parks.<sup>100</sup> In fact, most of the fees paid are for schools, streets, and sewers.

A 2001 study found that most counties and a minority of cities in the Bay Area levy fire-related development impact fees, but that fire-related fees form a small portion of the total development impact fees paid.<sup>101</sup>

In Alameda County, only five jurisdictions levy fire-related development impact fees. The cities of Alameda, Dublin, Fremont, Pleasanton and Union City levy fire facility fees for residential developments based on the number of units (up to \$3,375 per unit) and for non-residential based on square footage (up to \$0.86 per square foot). Alameda County and the remaining cities do not levy fire-related development impact fees. The cities of Albany, Livermore, and Newark do levy general development impact fees, but do not levy fees specifically for fire facilities. The cities with general development impact fees may use the revenues to finance fire facilities.<sup>102</sup>

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<sup>100</sup> Source is municipal master fee schedules.

<sup>101</sup> Born, 2001.

<sup>102</sup> Data sources for development impact fees include municipal codes and municipal building departments.

## LONG-TERM DEBT

Many of the agencies have issued bonds to finance fire stations and equipment. By issuing bonds or borrowing funds, the providers are able to access capital markets to finance capital acquisitions and improvements. In order to issue general obligation bonds, agencies must gain voter approval. Agencies may issue lease bonds without voter approval.<sup>103</sup>

Rather than financing fire stations, most local agency debt has financed other capital facilities. The total direct long-term debt from government activity for each public agency at the end of FY 2001-02 is shown in Table 4-16.<sup>104</sup>

Long-term debt per capita is relatively high in Oakland and Berkeley. Given Emeryville's substantial commercial population, the debt per capita comparison based on residential population is biased; the debt per capita based on the 24-hour population reflects a significantly lower debt load.

ACFD, Fairview FPD, Dublin, Piedmont, and Union City do not have any direct long-term debt. ACFD finances capital acquisitions and improvements on a pay-as-you-go basis. As a result, ACFD has been unable to replace three deficient stations and the seismically upgrade three other fire stations.

Fairview FPD has depended on developers to build, or to improve existing, fire stations as they develop their property.

**Table 4-16. Long-Term Debt per Capita, 2002**

Agency	Long-Term Debt Per Capita	
	24-Hour	Resident
City Median	\$ 310	\$ 309
Alameda	\$ 276	\$ 253
Albany	\$ 253	\$ 217
Berkeley	\$ 1,013	\$ 1,164
Dublin	\$ -	\$ -
Emeryville	\$ 429	\$ 1,009
Fremont	\$ 548	\$ 554
Hayward	\$ 344	\$ 365
Livermore	\$ 903	\$ 890
Newark	\$ 168	\$ 159
Oakland	\$ 2,974	\$ 2,912
Piedmont	\$ -	\$ -
Pleasanton	\$ 126	\$ 150
San Leandro	\$ 465	\$ 513
Union City	\$ -	\$ -
ACFD	\$ -	\$ -
EBRPD	\$ 69	\$ 69
Fairview FPD	\$ -	\$ -

Sources: Agency CAFRs, Census, ABAG  
 (1) 24-hour population includes both residents and workers, with residents counted for 16 hours daily and workers counted for 8 hours daily.

<sup>103</sup> General obligation bonds are secured by ad-valorem property taxes and the promise to raise such taxes as may be necessary to pay such bonds. These bonds are generally rated highly for credit-worthiness. Lease-backed debt is generally secured by general fund revenue of a public agency and not a particular source of revenue.

<sup>104</sup> Long-term debt is the amount of direct debt from governmental activities outstanding at the end of FY 2001-02, according to the agency's CAFR. The 2002 residential population is based on Census and ABAG data. The 24-hour population is calculated based on population and jobs in the year 2002, with population counted for the 16 hours in the day when residents are most likely at home and jobs counted for the 8 hours in the day when workers are most likely in their offices.

## OPPORTUNITIES

Financing opportunities include opportunities to increase various general fund taxes (such as business license taxes) with voter approval, opportunities to impose unique fees, and opportunities to increase various fees.

There are several unique approaches used to finance fire and paramedic services. The following examples have been used by service providers in Alameda County and throughout the State:

- **911 Fee:** Union City imposes a monthly fee of \$3.22 per phone line to finance dispatching services for police and fire. The fee is levied on the telephone bill.
- **Accident Cleanup Cost Recovery Fee:** Approximately 20 percent of cities recover costs of cleanup and removal of hazardous substance spills from the person liable. Imposition of such a fee is authorized by Vehicle Code §17300 and Health and Safety Code §13009.6.<sup>105</sup>
- **Arson Cost Recovery Fee:** Cities may collect the costs of investigations, reports, and emergency responses to fires illegally started from individuals found responsible, per Health and Safety Code §13009.
- **Hazardous Materials Disclosure and Inspection Fee:** Examples of cities imposing this type of fee include Bakersfield and Santa Ana.
- **Weed Abatement Fee:** Various cities including Stockton and Los Angeles levy weed abatement fees when the City must remove property-owner weeds to reduce fire hazard.
- **Business Improvement District (BID):** Union City is considering formation of a BID to finance supplemental public safety service in its rapidly growing retail centers. BIDs may not be used to finance existing service, but may be used to finance supplemental service in commercial areas.
- **False Alarm Fees:** These are fees on false burglar and fire alarms to discourage unnecessary service calls.
- **Ambulance Transport Fees:** This involves charging ambulance transport fees rather than subsidizing ambulance services for residents.
- **Fire Department Development Review Fee:** Most cities and counties charge fees for Fire Department review of development applications.
- **Development Impact Fees:** The cities of Alameda, Dublin, Fremont, Union City and Pleasanton levy fire-related development impact fees to offset the cost of fire services to new development.

Please refer to the next section on opportunities for rate restructuring for additional financing opportunities.

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<sup>105</sup> League of California Cities, 2001.

## OPPORTUNITIES FOR RATE RESTRUCTURING

Traditional rate charges are not a source of revenue for fire and EMS service providers. Rates generally refer to charges for use of a revenue-producing enterprise such as water and sewer treatment, supply or collection facilities, airports, garbage disposal service, or parking lots.<sup>106</sup> However, there are opportunities for jurisdictions to restructure certain tax rates for significant general fund taxes with voter approval, as well as opportunities to restructure various fees.

### Tax Restructuring Opportunities

The jurisdictions may increase the utility users tax, TOT, and business license tax without legal limits, subject to economic competition considerations and voter approval. Any jurisdiction may increase the sales tax rate by ½ percentage point above the current level.<sup>107</sup> Although charter cities may restructure real property transfer tax rates, the general law cities are limited by Revenue and Taxation Code §11911 to a tax rate of \$1.10 per \$1,000 in sales; the general law cities in Alameda County are already charging the maximum permissible.

*Table 4-17. General Fund Tax Rates, FY 2003-04*

Agency	Utility Users	Transient Occupancy	Property Transfer	Retail Business License (1)
Median Tax Rate	5.5%	9.5%	0.1%	\$ 0.39 per \$1,000 receipts
Alameda City	7.5%	10.0%	0.7%	\$ 0.40 per \$1,000 receipts
Albany	7.0%	10.0%	1.2%	\$ 42.00 per employee
Berkeley	7.5%	12.0%	1.6%	\$ 1.20 per \$1,000 receipts
Dublin	0.0%	8.0%	0.1%	\$ 50.00 per business
Emeryville	5.5%	12.0%	0.1%	\$ 0.80 per \$1,000 receipts
Fremont	0.0%	8.0%	0.1%	\$ 0.25 per \$1,000 receipts
Hayward (2)	0.0%	8.5%	0.6%	\$ 0.27 per \$1,000 receipts
Livermore	0.0%	8.0%	0.1%	\$ 0.80 per \$1,000 receipts
Newark	0.0%	8.0%	0.1%	\$ 0.15 per \$1,000 receipts
Oakland	7.5%	11.0%	1.6%	\$ 1.20 per \$1,000 receipts
Piedmont	7.5%	0.0%	1.3%	\$ 2.00 per \$1,000 receipts
Pleasanton	0.0%	8.0%	0.1%	\$ 0.30 per \$1,000 receipts
San Leandro	6.0%	10.0%	0.7%	\$ 9.75 per employee
Union City	0.0%	9.5%	0.1%	\$ 0.41 per \$1,000 receipts
Unincorporated	5.5%	10.0%	0.1%	\$ 0.25 per \$1,000 receipts
<p>(1) Business license rates for retail businesses. Note that business license tax varies by industry.            (2) Hayward levies an excise tax on water use, but no utility tax on telephone, electric or gas use.            Median calculated using Economic Census data on employees and receipts in the metro area.            Sources: Municipal Codes, master fee schedules</p>				

<sup>106</sup> League of California Cities, 2001.

<sup>107</sup> Effective January 1, 2004, cities and counties may levy a local sales tax rate of up to 2 percent; the new legislation generally authorizes a ½ percent increase in the tax rate.

As shown in Table 4-17, the jurisdictions differ significantly in the rates at which they levy these taxes. Tax rate increases for these major revenue streams would yield significant additional revenues.

The cities vary in the rates charges for the utility users tax from no tax (six cities) to a high of 7.5 percent. The TOT tax rates vary from 8 to 12 percent. Real property transfer tax rates range from 0.1 percent to 1.6 percent of the sales price. The jurisdictions differ significantly in the method and rates for the business license tax.

### **Fee Restructuring Opportunities**

In addition to opportunities for restructuring certain general fund tax rates, the jurisdictions also have opportunities to restructure user fees, regulatory fees and development impact fees. There are literally hundreds of different fees in each city's master fee schedule, and collectively generate no more than six percent of the median city's budget. Cities that conduct a comprehensive review and update of their most common fees could potentially generate significant revenue. Other than major fee sources like ambulance charges, there are few instances where a single fee increase has the potential to generate significant revenue.

There are limits to the increases that may be enacted. In order to raise user fees, the jurisdiction must document that the fee recoups only the costs of providing the fee-related service. For development impact fees, the jurisdiction must justify the fees as an offset to the future impact that development will have on facilities. In setting regulatory fees such as false alarm fees, the jurisdiction may impose fees that include the costs of inspection, investigation, enforcement and administration.

In the case of ambulance transport fees, Alameda County limits the fees to usual and customary charges; however, Piedmont does not charge the maximum permissible amount and has opportunities to restructure its ambulance fees. For Piedmont, ambulance fee restructuring could potentially yield significant revenue.

As discussed in the section entitled "Financing Sources", the jurisdictions vary significantly in their practices of imposing user fees, false alarm fees, and development impact fees. There are opportunities for jurisdictions to increase these fees, and many jurisdictions do increase the fees on an annual basis. With the exception of development impact fees in jurisdictions experiencing rapid growth, none of these fees generates or has the potential to generate significant revenue yield for the providers.

Due to limited revenue potential, the authors did not collect data on the rates at which most fees are charged. The Commission may determine that additional study of fee restructuring approaches is warranted.

### **COST AVOIDANCE OPPORTUNITIES**

This section identifies various cost avoidance opportunities.

- The costs of administering the Fairview FPD may outweigh the benefits of maintaining an independent fire district. Modest savings of less than \$75,000 annually might be achieved if a management layer was eliminated through consolidation or some other type of government reorganization. If this option is deemed feasible, further study of costs/benefits, advantages and disadvantages and reorganization options, such as consolidations with

another district, annexation to another agency, and the accompanying dissolution of Fairview FPD should be considered.

- Demand management strategies like false alarm fees, 911 call response fees, and public outreach could be used to reduce growth in unnecessary service calls.
- Demand management strategies like increased insurance co-payments, patient education, and availability of alternative services like primary care and telephone-based service may reduce the future number of ambulance transports for non-urgent ER visits.
- Piedmont could potentially charge usual and customary ambulance transport fees rather than subsidizing ambulance service for its residents.
- Cities may provide incentives for department heads to come up with innovative ways to reduce the ongoing cost of doing business by setting aside funds for department heads that do so. This approach is used in the City of San Carlos.

### **Training**

Regionalized training and sharing of training facilities would be a more cost-effective approach to training.

In addition to mandatory training standards of the California State Fire Marshall, the California EMS Authority and OSHA, there are numerous NFPA guidelines for training that include fire fighting in urban and wildland settings, fire safety, handling hazardous materials, and incident management. (Please refer to the “Service Adequacy” section for discussion of training standards).

Although the various fire and EMS providers often rely on colleges, the California Fire Academy, and other outside programs for basic training, each of the providers conducts training in-house to meet the various requirements and guidelines. Each provider maintains training staff and facilities. As discussed in the section on “Infrastructure Needs and Deficiencies”, several jurisdictions reported deficiencies in training facilities.

A regionalized approach to training would reduce costs for training staff due to duplication of effort in meeting numerous training requirements and guidelines and due to duplication of training facilities. A regionalized approach could be accomplished through contract service or JPA formation.

### **Unincorporated Islands**

The elimination of inefficient service configuration in unincorporated islands is another cost avoidance opportunity. Unincorporated islands exist in the cities of Hayward, Livermore and Pleasanton. These islands are parcels of land surrounded by the city that remain under County jurisdiction. Even though the residents of these properties often benefit from police, fire, library, parks, sewer, water and other city services, the city receives limited revenues to pay for services to these parcels and they result in duplication of some services provided by the County and the City.

ACFD continues to provide fire and EMS service to the unincorporated islands in Livermore from Fire Station No. 8 located in the middle of Livermore. ACFD provides service to the eastern portion of the County from this station, and did not report service challenges related to the islands.

The Hayward and Pleasanton fire departments provide fire and EMS service to

their respective islands. ACFD has no stations in the vicinity of the unincorporated island areas in Hayward and Pleasanton, and reported that it would not be capable of providing adequate response in those areas. ACFD passes through certain property tax revenues to the cities in compensation for this service.

In all cases, fire-related laws and standards in the unincorporated islands differ from those in each surrounding city.

In 1999, the Legislature enacted AB 1555 (the "island bill"). This bill authorizes LAFCoS to approve *without an election* the annexation or reorganization of an unincorporated island within city limits under specified conditions.<sup>108</sup>

In response to this legislation, the Alameda LAFCo, with the help of the County Surveyor's Office, identified the following islands in the County which meet the AB 1555 criteria:

- There are five islands located in the City of Hayward - all in the Mt Eden area.
- There are three islands located in the City of Pleasanton - Vineyard Ave and Dublin Canyon area, Bernal Ave and Vineyard Ave area, and Foothill Road and Muirwood area.
- There are three islands located in the City of Livermore - Airway Blvd and I580 area, Hillker Place and Los Positas area, and Arroyo Road and Cabernet Way area.

LAFCo previously notified the cities of these islands, and encouraged them to proceed with annexation. This municipal services review provides another opportunity for LAFCo to promote logical boundaries and the efficient provision of municipal services in Alameda County by encouraging annexation of these areas.

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<sup>108</sup> The conditions require that the island: 1) does not exceed 75 acres, 2) must be an entire island, 3) is substantially developed or developing, 4) is not prime agricultural land, and 5) citizens will benefit from the annexation.

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## POLICY ANALYSIS

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This section provides policy analysis that primarily focuses on the three limited purpose fire and EMS service providers under LAFCo’s purview. Other multi-purpose agencies under LAFCo’s jurisdiction will be reviewed following completion of the remaining service review reports. The policy analysis includes assessment of local accountability and governance, evaluation of management efficiencies, and identifies several government structure options that may be considered.

### LOCAL ACCOUNTABILITY AND GOVERNANCE

The section discusses local accountability and governance for the limited purpose agencies, provides an overview of indicators of local accountability and governance for the multi-purpose agencies, and discusses agency data disclosure practices in response to MSR inquiries.

*Table 4-18. Accountability Indicators, Limited-Purpose Agencies*

#### Limited Purpose Agencies

All agencies hold open elections for their governing bodies, prepare meeting agenda and minutes, and have accessible staff and elected officials.

The ACFD is a direct provider of fire and EMS service, coordinates countywide mutual aid, and leads a growing regional

dispatch consortium. The District is governed by the Alameda County Board of Supervisors. Other than tourists and other visitors, all service recipients are constituents. There have been no recent uncontested elections, and voter turnout at the most recent election was comparable to the countywide voter turnout rate. The Board updates constituents, broadcasts its meetings via the Internet, solicits constituent input, discloses its finances, and posts public documents on its website. ACFD cooperated with the LAFCo MSR process.

The EMS CSA is a local regulatory agency that coordinates countywide ambulance response, plans the countywide EMS system, accredits and certifies staff, and leads a growing regional dispatch consortium. The CSA is also governed by the County Board of Supervisors. Other than tourists and other visitors, all service recipients are constituents. There have been no recent uncontested elections, and voter turnout at the most recent election was comparable to the countywide voter turnout rate. The Board updates constituents, broadcasts its meetings via the Internet, solicits constituent input, discloses its finances, and posts public documents on its website. It would be helpful to future MSRs if the CSA updated the EMS system plan regularly and included each provider’s service calls, response times, and basic benchmarks. In 1999, the Alameda

	ACFD	EMS CSA	Fairview FPD
Direct service provider	Yes	No	No
Uncontested elections since 1994	No	No	Nov-02
Latest contested election	Nov-02	Nov-02	Nov-00
Latest voter turnout rate	52%	52%	78%
Countywide turnout rate	53%	53%	75%
Efforts to broadcast meetings	Yes	Yes	No
Constituents updated	Yes	Yes	No
Solicits constituent input	Yes	Yes	No
Discloses finances	Yes	Yes	Yes
Discloses plans	Yes	Yes	NA
Posts public documents on web	Yes	Yes	No

County EMS Council recommended that the CSA conduct countywide data collection and reporting of incidents and response times. The CSA has been working on this project since 2001 and has faced software and other challenges in completing this project.

The Fairview FPD is not a direct service provider, and contracts with Hayward for fire and paramedic service. The District is governed by its own directly elected board. Its most recent uncontested election occurred in 2002. At the 2000 election, voter turnout was comparable to the countywide voter turnout rate. The Board does not update constituents, broadcast its meetings, solicit constituent input, or post public documents on its website.<sup>109</sup> The District discloses its finances, and is audited annually. District staff in the Hayward FD cooperated with the LAFCo MSR process.

### **Multi-Purpose Agencies**

Assessment of each multi-purpose agency's cooperation with the MSR process will be finalized in the third MSR report, as multi-purpose agencies will be covered in subsequent reports.

The assessment of local accountability and governance at the multipurpose agencies is generally an agency-wide assessment. The only accountability indicators relating to fire and EMS services relate to whether or not an agency is a direct service provider and cooperation with the MSR study. Dublin and San Leandro are not direct providers of fire and EMS service.

**Table 4-19. Accountability Indicators, Multi-Purpose Agencies**

	<b>Alameda</b>	<b>Albany</b>	<b>Berkeley</b>	<b>Dublin</b>	<b>Emeryville</b>	<b>Fremont</b>	<b>Hayward</b>	<b>Livermore</b>
Direct service provider	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
Uncontested elections since 1994	No	No	No	No	No	No	No	No
Latest contested election	Nov-02	Nov-02	Nov-02	Nov-02	Nov-03	Nov-02	Mar-02	Nov-03
Latest voter turnout rate	58%	64%	59%	52%	25%	51%	30%	36%
Countywide turnout rate	53%	53%	53%	53%	22%	53%	35%	22%
Efforts to broadcast meetings	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Constituents updated	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Solicits constituent input	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Discloses finances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Discloses plans	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Posts public documents on web	Yes	Yes	Yes	Partially	Yes	Yes	Yes	Yes
	<b>Newark</b>	<b>Oakland</b>	<b>Piedmont</b>	<b>Pleasanton</b>	<b>San Leandro</b>	<b>Union City</b>	<b>EBRPD</b>	
Direct service provider	Yes	Yes	Yes	Yes	No	Yes	Yes	
Uncontested elections since 1994	No	No	No	No	No	No	No	
Latest contested election	Nov-01	Nov-02	Mar-02	Nov-02	Nov-02	Nov-01	Nov-02	
Latest voter turnout rate	26%	61%	51%	59%	51%	22%	40%	
Countywide turnout rate	21%	53%	35%	53%	53%	21%	53%	
Efforts to broadcast meetings	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Constituents updated	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Solicits constituent input	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Discloses finances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Discloses plans	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Posts public documents on web	Yes	Yes	Yes	Yes	Yes	Yes	Yes	

<sup>109</sup> According to a September 1, 2004 letter from the Board President to the LAFCo Executive Officer, the District reported that it is in the process of posting notices, agendas, and other public notices on its website. At the time of this writing, such documents had not been posted on the District's website.

: Each PSAP has the capability of reviewing statistics on ring times, hold-time, and 911 calls receiving a busy signal through standard (SBC) software. But there is no regulation or oversight at present of the PSAPs. It might improve local accountability if the PSAPs were required to report statistics on dispatch response times, hold times and busy signals to a central agency, such as the EMS CSA.

All agencies hold open elections for their governing bodies, prepare meeting agendas and minutes, and have accessible staff and elected officials. Table 4-19 provides accountability indicators for each of the multi-purpose agencies. Please refer to Appendix A for discussion of local accountability and governance at these agencies.

### **MSR Cooperation**

The fire and EMS service providers disclosed the majority of information that was requested by LAFCo relating to fire and EMS service. All providers of fire and EMS services responded to at least some of LAFCo’s questions about their fire and EMS services. All agencies provided information on staffing, service costs, and regional collaboration efforts. Table 4-20 provides an indication as to whether and how completely each provider disclosed each of the key indicators.

***Table 4-20. Fire & EMS Service Data Disclosure***

	ACFD	EMS CSA	Fairview FPD	Alameda	Albany	Berkeley	Dublin	Emeryville	Fremont
Calls for service	Yes	NA	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Response times	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
ISO rating	Yes	NA	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Service complaints	Yes	No	Yes	No	No	No	No	No	Yes
Staffing	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Costs	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Facilities	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Growth & service challenges	Yes	Partial	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Regional collaboration	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Hayward	LFPD	Newark	Oakland	Piedmont	San Leandro	Union City	EBRPD	
Calls for service	Partial	Yes	Yes	Partial	Yes	Yes	Yes	Yes	
Response times	Yes	Yes	Yes	Partial	Partial	Yes	Yes	Yes	
ISO rating	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Service complaints	No	No	No	No	Yes	No	Yes	Yes	
Staffing	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Costs	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Facilities	Partial	Yes	Partial	Yes	Yes	Yes	Yes	Yes	
Growth & service challenges	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Regional collaboration	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	

Some agencies provided incomplete information relating to fire and EMS service.

- Oakland and Piedmont provided minimal information on response times, with both agencies estimating average response time with a fairly wide range.
- Newark and Hayward provided incomplete information on facilities.
- Hayward and Oakland provided estimates rather than actual service calls received.
- Most agencies did not report the number of service-related complaints. Only ACFD, EBRPD, Fairview FPD, Fremont, Union City and Piedmont provided information on complaints.

- The EMS CSA did not disclose ambulance response times, ER diversions, or other indicators of ambulance and hospital service adequacy. The CSA does not track fire department response times, service calls, or complaints, because it is not currently charged with this responsibility.

## EVALUATION OF MANAGEMENT EFFICIENCIES

This section provides analysis of management efficiencies, considering the effectiveness of each agency in providing efficient, quality public services.

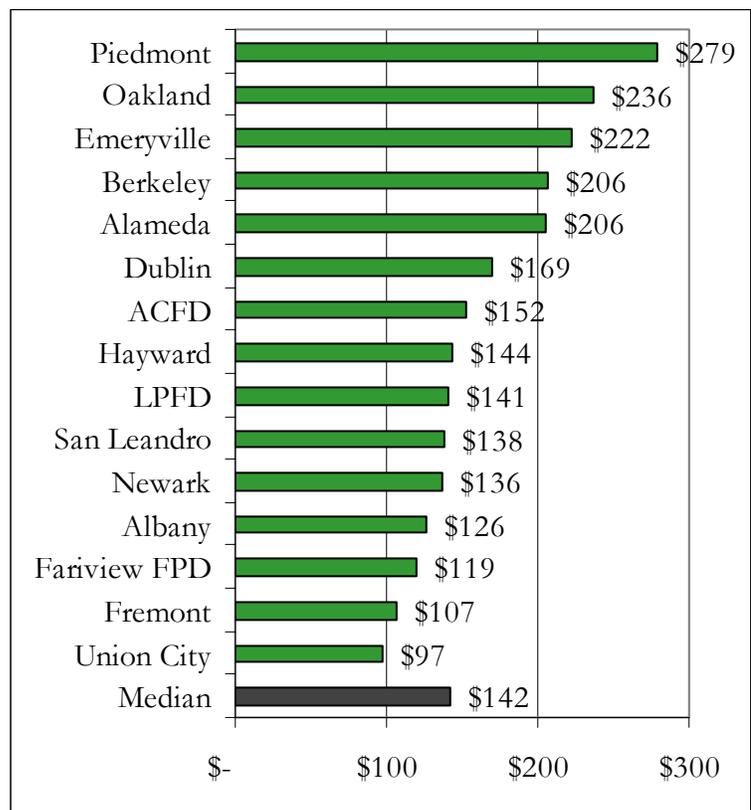
*Figure 4-21. Fire and EMS Expenditures per Capita, FY 2000-01*

### Service Costs

The level of fire and EMS expenditures per capita is an indicator of efficiency. However, local conditions and circumstances affect the amount and type of expenditures needed to serve a particular jurisdiction. Figure 4-21 shows the ratio of expenditures to the 2001 residential population (1,000s) for each jurisdiction.<sup>110</sup>

The median expense was \$142 per capita. Piedmont, Oakland, and Emeryville, Berkeley and Alameda, Berkeley and Emeryville had the highest expenses. Fremont, Union City and San Leandro had the lowest expenses per capita.

Per capita expenses in the smaller cities of Piedmont and Emeryville expenses are relatively high. The service area and population served by these cities are relatively low compared with other jurisdictions. Emeryville's fire stations serve on average 8,820 people compared with a FD median of 14,561. Piedmont's fire station serves a residential population of 11,150, compared with the FD median of 15,050. Emeryville receives a high number of service calls per capita, hence higher service demand may be the reason for its relatively high costs.



<sup>110</sup> Comparable expenditures were provided by the California State Controller, and are reported by each city in a standard and comparable format. The most recent such available data were for FY 2000-01. The 2001 residential population is from the 2000 Census and ABAG projections. For Emeryville, the 24-hour population was used instead due to the sizable commercial population in that city. Emeryville expenditures per capita based on the residential population were \$528.

Oakland’s expenditures per capita were relatively high for several reasons. First, Oakland experiences a much higher number of service calls per capita than do other jurisdictions. Second, Oakland staffing levels per station, per square mile served and per capita are higher than in the median jurisdiction.

The City of Alameda’s expenditures were relatively high for several reasons. First, the City’s fire stations serve a smaller territory—2.2 square miles each—compared with the median of 3.7 square miles served per fire station. Second, the City’s EMS expenditures were high due to the fact that it provides ambulance service directly.

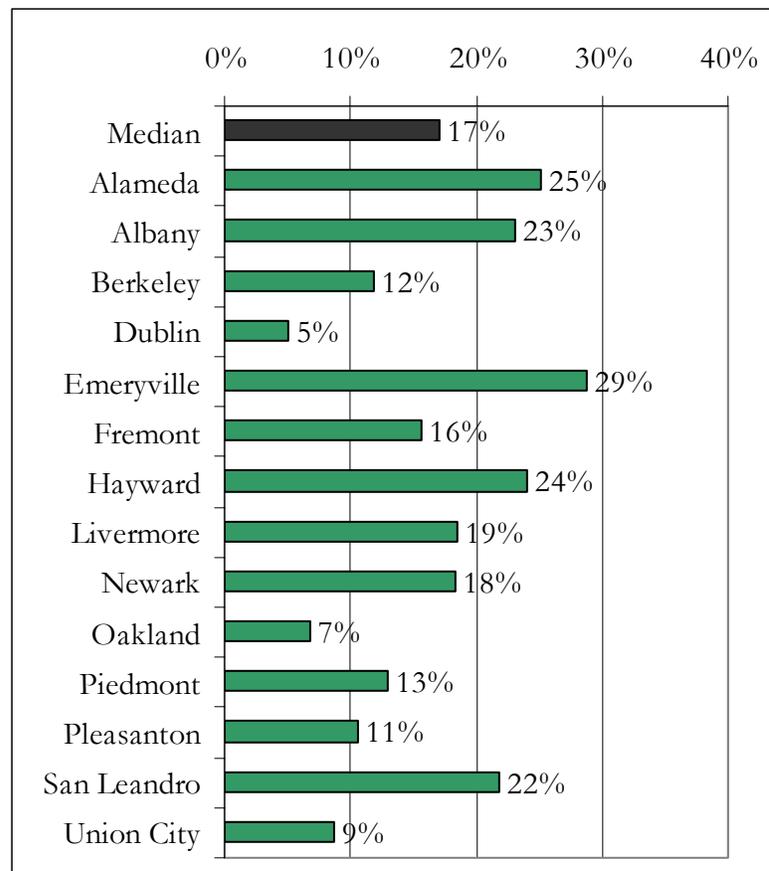
The City of Berkeley’s expenditures were relatively high for several reasons. First, the City’s staffing level per station (21) is relatively high compared with the median (16). Second, the City’s EMS expenditures were high due to the fact that it provides ambulance service directly.

**Figure 4-22. Contingency Reserves as % of General Fund, FY 2001-02**

**Reserve Ratios**

Local agencies maintain contingency reserves to cover costs during economic downturns, unexpected expenses, and sometimes cash flow shortages.<sup>111</sup> The reserve ratio provides a strong indicator of an agency’s financial health; however, there are other factors such as revenue and expenditure timing that are not necessarily reflected in the reserve ratio.

The Government Finance Officers Association (GFOA) recommends that agencies maintain reserves representing at least 5-15 percent of general fund revenue. The contingency reserve needs vary among local agencies due to differences in revenue sources and the use of bond financing for short-term cash flow



<sup>111</sup> Contingency reserves include the unreserved fund balance and any contingency reserves (i.e., contingency reserves, reserves for economic uncertainties, and cash flow reserves) that are included in the reserved or designated fund balance. The reserve ratio reflects the ratio of contingency reserves to general fund revenues. The reserve ratio was calculated based on each agency’s CAFR for reserves at the end of FY 01-02. For example, the City of Alameda reserve ratio of 22 percent reflects the ratio of the City’s \$11.4 million in reserves to its \$51.9 million in general fund revenues. Local agencies also maintain fund balances that are reserved or designated for specific purposes such as anticipated capital expenditures; such balances are not contingency reserves. In the case of Dublin, the City has in practice maintained contingency reserves of at least five percent, although the Council’s formal designation of contingency reserves at this level did not occur until FY 2002-03.

needs.<sup>112</sup> Large cities with larger budgets typically maintain a smaller share of resources as contingency reserves.

All of the cities maintained contingency reserves that meet or exceed the GFOA guidelines. The median city in Alameda County maintained contingency reserves that constituted 17 percent of general fund revenues in FY 2001-02.

There are no official guidelines or widely accepted standards to guide independent special districts in the accumulation and use of contingency reserves. However, the issue of special district reserves was raised in May 2000 by the Little Hoover Commission in its report entitled *Special Districts: Relics of the Past or Resources for the Future?* The report characterized special district reserves at some enterprise districts as “unreasonably large,” pointing to the significant number of districts with reserves that are more than three times higher than annual revenue. The report also characterized special district reserves as obscure and not integrated into regional infrastructure planning.

The independent special districts providing fire and EMS service carried reserves that could not be characterized as excessive. The Fairview FPD reserve ratio was 21 percent. The EBRPD contingency reserve ratio was four percent; the EBRPD contingency reserves do not include the District’s more substantial reserves available for financing cash flow shortages.

Similarly, for dependent special districts there are no established standards or guidelines with respect to reserves and fund balances. Dependent special districts may turn to the parent agency—in this case the County—in the event of economic downturns, unexpected expenses, or cash flow shortages. The fund balance of the dependent special district itself is not the district’s only resource for contingencies. Further, the dependent special district fund balance includes reserves for purposes other than contingencies, and is not comparable to contingency reserves carried by cities.

The dependent special districts providing fire and EMS service carried reserves that could not be characterized as excessive. The ACFD fund balance was 28 percent of revenue; this fund balance serves as a savings account for capital upgrades. The EMS CSA fund balance is unknown as it is included for budgetary purposes with the vector control and lead abatement CSAs; however, the combined fund balance was 54 percent of revenues. This fund balance provides the CSAs with a financing source for cash flow shortages.

## **Management Practices**

The ISO ratings for all fire providers were favorable (2-3). These ratings reflect insurance industry perspectives on the overall effectiveness of the respective Fire Department operations.

Oakland participates in service benchmark studies (i.e. comparing their basic performance indicators to those in comparable jurisdictions) and is developing performance-based budgeting and monitoring workload. ACFD, Albany, Emeryville and Piedmont also monitor workload as part of the budget process. Although the other service providers indicated that they make efforts to monitor

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<sup>112</sup> Agencies that rely heavily on property taxes or business license taxes may require larger reserves to finance cash flow needs, because property tax payments are made to local agencies twice annually and most business tax payments are made to cities once annually. Some local agencies issue short-term bonds—Tax and Revenue Anticipation Notes (TRANs)—to cover cash flow needs relating to revenue cycles. For example, the cities of Albany, Berkeley, Fremont, and Oakland issued TRANs in FY 2003-04, and the cities of Alameda and Livermore occasionally issue TRANs to finance mid-year cash flow needs.

productivity, the agencies' budgets track accomplishments rather than workload and performance indicators.

Most agencies could improve management practices by benchmarking and by tracking workload and performance.

Best practices involve annually updating user fees and maintaining a master fee schedule, as is done by Oakland.

## GOVERNMENT STRUCTURE OPTIONS

One government structure option was identified, and is discussed in this section. The MSR identifies the option, advantages and disadvantages, and evaluation issues. The Commission or the affected agencies may or may not initiate studies on these options in the future, although LAFCo is required to update all SOIs by January 1, 2006.

### **Fairview FPD Dissolution**

The dissolution of Fairview FPD is an option. Dissolution would involve LAFCo consolidating or annexing the District to the appropriate service provider.

Since 1993, the Fairview FPD has contracted with the City of Hayward for service provision. Some drawbacks of this arrangement were identified during the preparation of this MSR, particularly in the areas of communication with the public and management costs (See Appendix A, Chapter A-7 for a more in-depth discussion of these issues.). It is possible that the benefits of maintaining a single service independent district, such as increased local control, may be outweighed by the costs of operating and managing a separate entity (less than \$75,000 annually)<sup>113</sup> and reimbursing another provider for direct service provision.

In 1996, this issue was evaluated and district residents were asked to consider dissolution of the District. Voters rejected dissolution.

*Table 4-23. Advantages and Disadvantages of Dissolution*

	Advantages of dissolution	Disadvantages of dissolution
Purpose	The District is no longer a direct service provider.	The District receives contract service from Hayward, but residents do not wish to be annexed to Hayward.
Service		The District believes that Hayward is the optimal provider due to street access and low cost.
Electorate		District voters rejected dissolution in 1996.
Accountability	The District is not transparent to its constituents in that it does not	The District has made efforts to improve accountability recently by

<sup>113</sup> According to the Fairview Fire Protection District Adopted Budget for FY 02-03, total expenditures were \$1.6 million. In FY 02-03, there were approximately \$75,000 in costs that could potentially be eliminated through dissolution, such as director fees, election costs, legal counsel, membership dues, office supplies and tax collection fees. Certain costs--\$1.3 million in contract service fees and \$0.2 million in fixed asset investments--would not be eliminated if the District were dissolved.

	broadcast meetings, or solicit constituent input. The most recent election was uncontested.	launching a website. Dissolution would reduce accountability to the community.
Cost Avoidance	District operating costs of \$75,000 annually could potentially be eliminated through dissolution.	District fire and EMS service is among the most cost-efficient in the County. A new service provider would potentially cost more. Dissolution would not achieve cost savings of \$75,000 due to the ongoing need for plans and studies.

If the Commission determines that evaluation of this government structure option is warranted, issues to be examined might include (1) potential cost savings and service level benefits from streamlined management; (2) cost avoidance opportunities from identification and avoidance of duplication of efforts by the City of Hayward and the District, and reduction in overhead; (3) improved communication with service users; and (4) any service, environmental or planning impacts stemming from assumption of services by an alternate service provider.

The elimination of an independent special district would need to be accompanied by an evaluation of alternative options for assumption of services by another entity. Two possibilities that may warrant further study include consolidation with the ACFD; and dissolution of the District and annexation of the area to either the AFCD or City of Hayward. The latter is likely to raise more substantive issues as it involves annexation to a multiple service agency with land use authority. That type of service change would dramatically affect regulatory, permitting and planning processes in the Fairview area, and could be growth-inducing.

Various options for Spheres of Influence are discussed in Chapter 6.

## CHAPTER 5: POLICE SERVICES

This chapter discusses the provision of police services in Alameda County by the County, cities, special districts, and federal agencies.<sup>114</sup> The chapter addresses questions relating to growth and population projections, current and future service needs, infrastructure needs, and financing constraints and opportunities. Policy analysis including shared facilities, cost avoidance, rate issues, government structure options, evaluation of management efficiencies, and local accountability and governance, is focused on service providers under LAFCo's jurisdiction.

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### SERVICE OVERVIEW

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This section provides an overview of police services and providers in Alameda County, and then explains how the various police services are delivered and shared by the agencies.

#### POLICE SERVICES

Although patrol is the most visible service, law enforcement agencies provide a host of other public safety services including dispatch, crime lab, bomb squad, SWAT, canine, search and rescue, temporary and long-term holding, training, animal shelter services, and unique patrol services.

Patrol services are provided by officers traveling by vehicle, bicycle, horse, boat, helicopter and on foot. The patrol function has evolved such that many agencies now work in partnership with communities under the community policing model. The community policing model balances reactive responses to calls for service with proactive problem-solving centered on the causes of crime and disorder. Community policing promotes and supports organizational strategies to address the causes and reduce the fear of crime and social disorder through problem-solving tactics and police-community partnerships.<sup>115</sup>

Dispatch services include receiving 911 calls and notifying response units through emergency communication systems. Police dispatchers typically answer 911 calls related to both police and fire emergencies. For fire and medical emergencies, some police dispatchers may directly perform the dispatching while others may route calls to a dispatch center specialized in handling fire and medical emergencies.

Crime laboratories provide analysis of latent fingerprints, questioned documents, firearms, controlled substances, toxicology, trace evidence, and DNA, and may provide crime scene evidence-gathering services. While some crime laboratories provide all of these services, other laboratories may provide only limited, frequently-used services such as latent fingerprints analysis and photographic work.

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<sup>114</sup> The term "police" is used for the sake of brevity to refer to services provided by municipal law enforcement agencies, including police departments as well as the County Sheriff. Because the County Sheriff is not a "police department", providers of police services are "law enforcement agencies."

<sup>115</sup> U.S. Department of Justice, Office of Community Oriented Policing Services, 2004.

Bomb squad services typically are provided by explosives experts, bomb-sniffing dogs and their handlers. Experts are needed to identify and defuse explosives with the assistance of dogs trained to detect and locate different types of explosives.

Special weapons and tactics (SWAT) services are special response teams that handle complex, high-risk crimes and confrontations. SWAT teams provide not only traditional counter-sniper services, but also respond to hostage taking, barricaded suspects, and terrorist acts. SWAT teams may also serve high-risk warrants and protect dignitaries. SWAT team members are typically trained in special weapons as well as verbal tactics. Trained hostage negotiators are frequently an integral component of SWAT teams.

Canine units may be specially oriented toward drug detection, bomb detection, finding missing persons, or protecting police officers.

Search and rescue services involve finding people who may be missing, lost, buried by debris, or trapped in dangerous situations on trails or cliffs. Search and rescue teams are typically coordinated by law enforcement agencies in collaboration with fire departments.

Temporary holding services involve pre-arraignment incarceration of arrestees, and typically involve jailing for less than 72 hours. Long-term holding services involve incarceration of arraigned suspects. Most law enforcement agencies have some type of temporary holding facilities, but few have long-term facilities.

Animal control services are often provided by law enforcement agencies, and involve capturing, sheltering and disposing of lost animals.

## **LIMITED PURPOSE AGENCIES**

The Extended Police Protection CSA (PP CSA) is a dependent district governed by the Alameda County Board of Supervisors. Its purpose is to provide a financing mechanism for supplemental police services. This CSA is administered by the Alameda County Sheriff's Office and includes the entire unincorporated area.<sup>116</sup> Services provided by the Sheriff are summarized in Table 5-2.

## **MULTIPURPOSE AGENCIES**

The multipurpose agencies provide police services as well as other types of services that will be reviewed in subsequent MSR reports.

The East Bay Regional Parks District (EBRPD) provides police service in the regional parks. The boundary of the District is coterminous with both counties of Alameda and Contra Costa. This independent special district was formed in 1933 before LAFCo was created. The District provides law enforcement, patrol, and search and rescue services. The District provides contract service to East Bay Municipal Utility District (EBMUD) watershed properties, Port of Oakland for Middle Harbor and Port View Parks in the City of Oakland, and San Francisco Water Department

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<sup>116</sup> The CSA is an accounting mechanism whereby a portion of the county's Special District Augmentation Fund (SDAF) was formerly distributed to the Sheriff, whereby ERAF (property tax) funds are currently distributed to the Sheriff, and whereby special funds for police protection may potentially be raised through special taxes in the future. For more detail on the CSA, please refer to Appendix A, Chapter A-5.

watershed and parklands in the Sunol wilderness area. The District relies on the Alameda and Contra Costa County Sheriffs for crime lab, temporary and long-term holding facilities, and SWAT services. The Sheriff, UC Berkeley, and City of Walnut Creek provide bomb squad services to the District.

The City of Dublin contracts with the Alameda County Sheriff’s Office for police services. In addition, the City directly employs five civilian personnel, and owns and maintains the Dublin police facility and vehicles.

The cities of Alameda, Albany, Berkeley, Emeryville, Fremont, Hayward, Livermore, Newark, Oakland, Piedmont, Pleasanton, San Leandro, and Union City provide police services directly. The cities provide service throughout their jurisdictions except that State colleges and universities, U.S. military properties, freeways, railroads, and regional parks are policed separately.

## NON-LAFCo PROVIDERS

There are a number of police service providers in Alameda County that are not under LAFCo’s jurisdiction. These providers are listed in Table 5-1, along with their respective jurisdictions and number of FBI crimes that were reported within Alameda County in 2002.<sup>117</sup>

*Table 5-1. Other Police Providers*

<b>Provider</b>	<b>Jurisdiction</b>	<b>FBI Crimes (2002)</b>
Bay Area Rapid Transit (BART)	BART stations, parking lots, and facilities	1,518
UC Berkeley	Campus, student housing, hills behind campus, and University property	1,000
Union Pacific Railroad	Railroad property	608
California Highway Patrol (CHP)	Freeways, traffic enforcement in unincorporated areas	206
CSU—Hayward	Campus in Hayward	120
LLNL	Lab property east of the City of Livermore	11
U.S. Army	Parks Reserve Forces Training Area (Camp Parks) near Dublin	NA
Ohlone College	Campus in Fremont	NA

Two of these providers— BART and UC Berkeley Police Department—are involved in regional collaboration with LAFCo agencies. CHP also cooperates with other agencies by providing traffic enforcement in unincorporated areas.

The UC Berkeley Police Department (UCPD) provides patrol, investigation, crime prevention education, emergency preparedness, and related services for the Berkeley campus community, including the Lawrence Berkeley National Lab. UCPD patrols all University-owned property in Berkeley, Albany, Oakland, Emeryville, Richmond, and Contra Costa County and has concurrent jurisdiction with local police agencies within a mile of that property. Aside from the campus proper, UCPD also patrols 160 acres of ecological area in the hills behind campus and student housing located in the cities of Berkeley and Albany. UCPD and the City of Berkeley Police Department (PD) collaborate in patrolling University and City of Berkeley properties located in the South

<sup>117</sup> FBI crimes include homicide, rape, robbery, aggravated assault, burglary, motor vehicle theft, larceny-theft, and arson. Ohlone College crimes are included in Fremont’s crime statistics because the Fremont Police Department performs arrests on the campus.

Campus Business District. The Department uses the Sheriff's crime lab, and relies on the Sheriff for long-term holding facilities. UCPD provides bomb squad services at no charge to law enforcement agencies in Alameda County.

The BART Police Department is responsible for policing BART stations, parking lots, and facility property throughout the Bay Area. The full-service PD provides patrol, investigation, crime lab, canine, and dispatch services. On an as-needed basis, BART conducts local policing ventures with cities to address crime issues affecting both agencies. For example, BART and the Oakland PD jointly patrolled an area in and around a BART station to address robbery.

## **SERVICE AREA**

For each of the different police services provided, there is a unique service area and arrangement. Table 5-2 lists the service provider for each of the various services used by the law enforcement agencies.

Each law enforcement agency provides patrol services directly. Berkeley, Oakland, the County Sheriff and East Bay Regional Parks District (EBRPD) provide marine patrol services. EBRPD provides helicopter patrol to agencies requesting mutual aid. EBRPD specializes in policing wilderness areas as well as regional parks and trails within the city limits of Pleasanton, Berkeley, Emeryville, and Alameda, and provides contract service to the Port of Oakland, EBMUD and San Francisco Water Department.

Most law enforcement agencies provide dispatch services for police. 911 calls are routed initially to the police service provider.<sup>118</sup> In many jurisdictions, the police dispatcher also dispatches fire and EMS calls. However, the County Sheriff and the cities of Alameda, Fremont, San Leandro and Union City police departments transfer fire and EMS calls to a consortium dispatch center that is housed at the Lawrence Livermore National Laboratory (LLNL). Although the other police departments still provide dispatching for fire and EMS calls, it is likely that other fire departments will join this relatively new and growing consortium.

The County Sheriff and City of Oakland both operate full-service, accredited crime labs. The City of Fremont also operates a crime lab. There are several private labs located in Alameda County. As indicated in Table 5-2, many police departments rely on the Sheriff's crime lab under a fee-for-service arrangement. The Alameda, Berkeley, Newark, Hayward, Livermore and San Leandro police departments each operate their own limited crime labs for fingerprints and photographs, and rely on the Sheriff's crime lab for other needs. Livermore relies on both the Fremont and Sheriff's labs.

Most of the police departments in Alameda County have their own SWAT teams. The cities of Albany and Piedmont, and EBRPD both rely on the County Sheriff, and Emeryville relies on the City of Oakland SWAT team. The 14 SWAT teams in Alameda County differ in ability level, training, and experience; teams may operate on a full-time, part-time or occasional (collateral duty)

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<sup>118</sup> California law (Government Code section 53100 et. seq.) requires cities and districts to ensure that 911 calls are automatically routed to an established PSAP, and mandatory State guidelines require that 911 calls (except from cellular phones) may only be transferred one time. Given that police dispatchers answer the initial call and fire-related calls must often be transferred, the one allowed transfer is reserved for transfer of fire and EMS calls. For crimes occurring in BART stations and regional parks, patrons' 911 calls are typically placed by cellular phone and routed initially to CHP. 911 calls from UC Berkeley campus phones are routed directly to UCPD.

basis and may function at a basic, intermediate or advanced level, according to the California Attorney General's Commission on SWAT.

**Table 5-2. Police Service Matrix**

Area	Patrol	Dispatch	Prints (1)	Crime Lab	SWAT	Bomb Squad	Canine	Search & Rescue	Temporary Holding	Long-Term Holding	Training	Animal Shelter
Alameda City	Alameda	Alameda	Alameda	Sheriff	Alameda	Sheriff	Alameda	Sheriff	Alameda	Sheriff	Various	Alameda
Albany	Albany	Albany	Sheriff	Sheriff	Sheriff	UCPD	None	Sheriff	Albany	Sheriff	Albany	Berkeley
Berkeley	Berkeley	Berkeley	Berkeley	Berkeley Sheriff	Berkeley	Berkeley UCPD	None	Sheriff	Berkeley	Sheriff	Various	Berkeley
Dublin	Sheriff	Sheriff	Sheriff	Sheriff	Sheriff	Sheriff	None	Sheriff	Sheriff	Sheriff	Sheriff	Sheriff
Emeryville	Emeryville	Emeryville	Sheriff	Sheriff	Oakland	Sheriff UCPD	Emeryville	Emeryville	Oakland	Sheriff	Various	Berkeley
Fremont	Fremont	Fremont	Fremont	Fremont	Fremont	Sheriff	Fremont	EBRPD	Fremont	Fremont	Fremont	Fremont
Hayward	Hayward	Hayward	Hayward	Various	Hayward	Sheriff	Hayward	Hayward	Hayward	Sheriff	Hayward	Hayward
Livermore	Livermore	Livermore	Livermore	Sheriff Fremont	Livermore	Sheriff	Livermore	Sheriff	Livermore	Sheriff	Various	Sheriff
Newark	Newark	Newark	Newark	Sheriff	Newark	Sheriff	Newark	Newark	Newark	Fremont Sheriff	Various	Fremont
Oakland	Oakland	Oakland	Oakland	Oakland	Oakland	Sheriff	Oakland	Oakland	Oakland	Sheriff	Oakland	Oakland
Piedmont	Piedmont	Piedmont	Sheriff	Sheriff	Sheriff	Sheriff UCPD	Piedmont	Piedmont	Oakland	Sheriff	Sheriff	Berkeley
Pleasanton	Pleasanton	Pleasanton	Sheriff	Sheriff	Pleasanton	Sheriff	Pleasanton	None	Pleasanton	Sheriff	Various	Sheriff
Regional Parks	EBRPD	EBRPD	Sheriff	Sheriff	Sheriff	Sheriff UCPD	None	EBRPD	Sheriff	Sheriff	Various	None
San Leandro	San Leandro	San Leandro	San Leandro	Sheriff	San Leandro	Sheriff	San Leandro	None	San Leandro	Sheriff	Various	Hayward
Unincorporated	Sheriff	Sheriff	Sheriff	Sheriff	Sheriff	Sheriff	None	Sheriff	Sheriff	Sheriff	Sheriff	Sheriff
Union City	Union City	Union City	Sheriff	Sheriff	Union City	Sheriff	Union City	Sheriff	Union City	Fremont Sheriff	Union City	Fremont
BART Stations	BART	BART	BART	BART	BART	Sheriff UCPD	BART	Sheriff	Nearest facility	Sheriff	BART	None
UC Berkeley	UCPD	UCPD	Sheriff	Sheriff	UCPD	UCPD	UCPD	UC	UCPD	Sheriff	UCPD	None

Note: (1) "Prints" signifies limited crime laboratory services including photos and fingerprints.

There are three providers of bomb squad services in Alameda County—the County Sheriff, the UC Berkeley Police Department, and the City of Berkeley. The Sheriff provides bomb squad services free of charge to agencies both inside and outside the County under agreement. The FBI-accredited UCPD bomb squad provides contract service to cities in Contra Costa and Marin counties, and the Golden Gate Division of the California Highway Patrol for a fee, and to Alameda County's northern cities free of charge.

Most of the agencies have their own canine units. Albany, Berkeley, EBRPD, and the County Sheriff do not have canine units. Albany, Berkeley and EBRPD rely on the bomb-sniffing canine unit that is part of the UCPD bomb squad.

The County Sheriff and EBRPD operate search and rescue services, and provide these services to other law enforcement agencies. Emeryville, Hayward, Newark, Oakland and Fremont operate their own search and rescue teams. Fremont relies on the EBRPD search and rescue team. The remaining agencies rely on the Sheriff's search and rescue team.

For temporary holding services, most agencies have their own facilities for this purpose. Emeryville and Piedmont use Oakland's temporary holding facilities. EBRPD uses the Sheriff's facilities.

The County Sheriff and Fremont provide fee-based long-term holding services. The Sheriff is the main provider of long-term jail facilities for police service providers in Alameda County. The Santa Rita County Jail located in Dublin holds 4,000 inmates. The Fremont Detention Facility houses adult prisoners for the Newark, Union City, BART, CHP, and EBRPD police agencies, and holds up to 52 prisoners.

For training purposes, many agencies use the County Sheriff's regional training facility on a fee basis, while other rely on their own training facilities and a variety of other training providers.

The cities of Alameda, Berkeley, Fremont, Hayward, Oakland and the County Sheriff provide animal control services. Dublin, Pleasanton, Livermore and the County rely on a Dublin animal shelter that was built by and is owned jointly by the agencies under a JPA. Albany, Emeryville and Piedmont rely on Berkeley. Newark and Union City rely on Fremont. San Leandro contracts with Hayward for animal sheltering. Alameda and Oakland are both self-reliant for animal sheltering.

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## SERVICE DEMAND

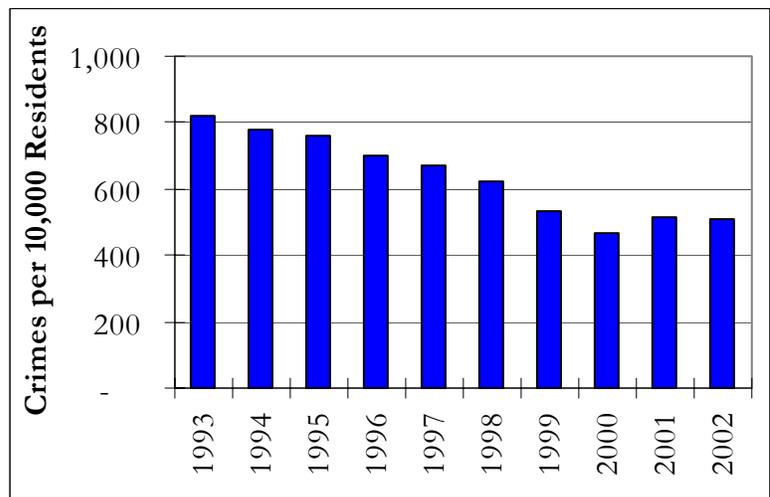
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This section provides indicators of service demand such as crimes, arrests and calls for service. The section provides the projected increase in sworn staffing that would be required to maintain existing service levels as the population grows in the future. Chapter 2 provides the residential population and job base in each agency, projected population and job growth rates, and a description of growth areas.

### SERIOUS CRIME

The number of serious felony crimes (FBI Crime Index offenses) has generally fallen in Alameda County over the last 10 years, although it has increased slightly in the last two years. Similarly, on a per capita basis, FBI crime has declined significantly from 1993 through 2000, and has increased slightly between 2000 and 2002. Figure 5-3 depicts the recent trend in the crime rate.<sup>119</sup> The FBI crime rate reflects the ratio of serious felony crimes per capita, and is expressed as crimes per 10,000 residents.

*Figure 5-3. FBI Crime Rate, Alameda County, 1993-2002*



Previously, from 1983 to 1991, crime had been increasing. The crime rate decline is associated with a steep short-term decline in violent juvenile and youth crime, particularly in large cities. This decline may be partially due to abatement of the crack epidemic. A study by the California Attorney General's Office argues that violent periods tend to occur when gang-controlled illegal substances are in high demand.<sup>120</sup> This study notes that community policing, crime mapping and increased incarceration rates have also contributed to declining crime rates. The study cautions that violent crime could increase in the future due to drug-related crime sprees or the baby-boom echo increase in crime-prone age individuals.

In all jurisdictions except Hayward and Emeryville, the crime level has followed the countywide trend, declining through the 1990s and rising again between 2000 and 2002. In Hayward and Emeryville, the number of FBI crimes has declined since 1997, and did not increase between 2000 and 2002.

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<sup>119</sup> The FBI crime rate was calculated using the California Attorney General data on the number of crimes and the most accurate available data on population from the U.S. Census Bureau and ABAG.

<sup>120</sup> Marowitz, 2000.

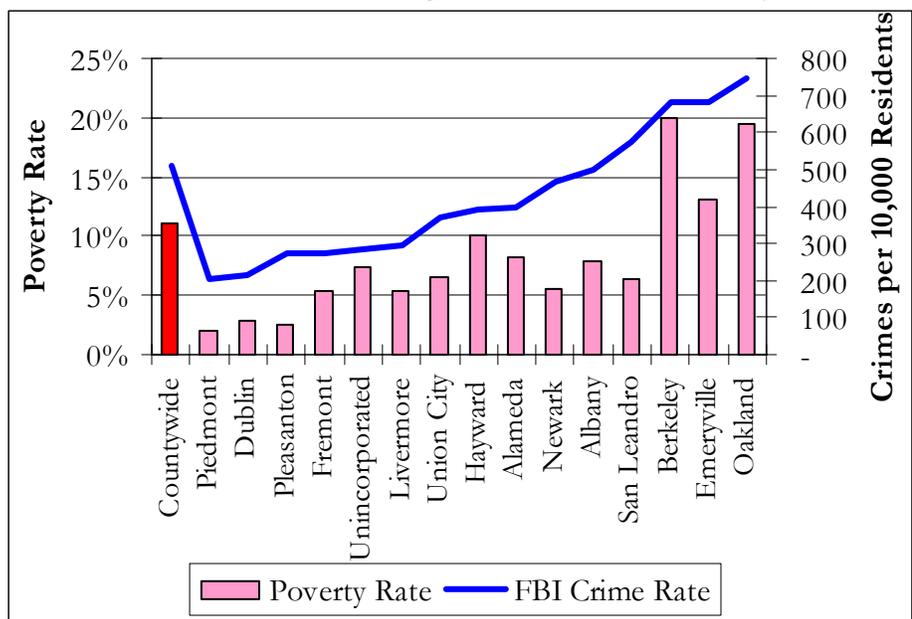
A high crime rate in a particular jurisdiction does not necessarily reflect police service deficiency. In fact, jurisdictions with relatively high crime rates may be devoting significant resources toward combating crime, which may in itself lead to more crimes being reported. Jurisdictions with high crime rates tend to have a larger police force, and a larger police force may lead to citizens more frequently reporting crimes.

Some jurisdictions have higher crime rates simply because their population demographics include a larger crime-prone population than other jurisdictions. Jurisdictions with low-income populations tend to have higher crime rates.

*Figure 5-4. Crime and Poverty Rates, 2002*

In order to compare crime rates across jurisdictions, Figure 5-4 shows the FBI crime rate in 2002,<sup>121</sup> and poverty rates, as measured by the 2000 Census.

A comparison of crime and poverty rates led to the conclusion that the crime rate tends to be higher in cities with high poverty rates like Oakland, Emeryville and Berkeley, and lower in cities with low poverty rates like Piedmont, Dublin, Pleasanton, and Fremont.



## CALLS FOR SERVICE

The police workload involves responding to 911 calls, responding to burglar alarms, and responding to non-emergency calls, in addition to patrol activities. Most service calls are not emergency responses, and most do not involve a crime.

Overall, most calls for police service are not emergencies. The County Sheriff reported that 18 percent of dispatched calls in the unincorporated areas were emergencies (priority-one) and that 41 percent were urgent (priority-two); only 36 percent of service calls were substantial enough to merit preparation of a police report.

<sup>121</sup> The number of crimes is from the California Attorney General's Criminal Justice Statistics Center. For all agencies except Emeryville, the population represents residents based on Census and ABAG data. Due to the large number of workers commuting into Emeryville, its crime rate is distorted when based on residential population. In this figure, the Emeryville crime rate is based on the 24-hour population. The 24-hour population was calculated by weighting the residential population share by two-thirds and the worker population share by one-third, so that working residents are not double-counted. The number of shoppers, tourists and other visitors was unavailable for inclusion in the 24-hour population.

**Table 5-5. Arrests, Citations and Serious Crimes, 2002**

Emergency 911 calls typically constitute between one-third and two-thirds of calls for service. In FY 2002-03, 911 calls made up 61 percent of the County Sheriff's service calls and 34 percent of Berkeley's service calls. Many 911 calls are not emergencies, and some are made by prank callers. Hayward reported that 68 percent of 911 calls were legitimate and Pleasanton reported that 49 percent were legitimate.

Burglar alarms constituted 19 percent of all calls for service in Newark, and nine percent of EBRPD's calls for service. Nearly all burglar alarm incidents turned out to be false alarms. In Pleasanton and Newark, 99 and 98 percent respectively of alarm incidents were false alarms.

**ARRESTS AND CITATIONS**

Agency	Arrests & Citations (2)		FBI Crimes	
	Total	Per 10,000	Total	Per 10,000
<b>Countywide</b>	<b>510,203</b>	<b>4,038</b>	<b>75,523</b>	<b>510</b>
Alameda City	NP	NP	2,949	400
Albany	16,025	9,615	834	500
Berkeley	287,256	27,598	7,097	682
Dublin	11,518	3,413	723	214
Emeryville (1)	11,200	6,563	1,168	684
Fremont	38,604	1,857	5,729	276
Hayward	NP	NP	5,583	391
Livermore	10,633	1,407	2,241	297
Newark	6,459	1,481	2,027	465
Oakland	72,966	1,797	30,229	745
Piedmont	3,771	3,412	225	204
Pleasanton	16,921	2,543	1,805	271
San Leandro	10,652	1,318	4,626	572
Union City	6,206	892	2,588	372
Sheriff-Total	23,376	1,340	4,744	272
Sheriff-Unincorporated	11,858	1,042	4,021	353
EBRPD	2,784	NA	170	NA
UC Berkeley	3,350	1,011	1,000	302

NA = Not Available. NP = Not Provided  
 (1) For Emeryville, the ratio of each indicator to the 24-hour population (per 10,000) is based on the residential and daytime populations.  
 (2) Arrests and citations include parking tickets and moving violations.

The police workload also involves issuing traffic citations, parking citations and making misdemeanor arrests. As indicated in Table 5-5, there were 510,203 arrests and citations issued in 2002, and 75,523 serious crimes (FBI Index Crimes) reported countywide.

On a countywide basis, there were 4,038 citations and arrests for every 10,000 residents. The City of Berkeley issued the most total citations and the most citations on a per capita (per 10,000 residents) basis. Most of Berkeley's workload involves issuance of parking tickets.

Albany, Emeryville, Dublin and Piedmont also issued a relatively large number of citations when compared with the population in these cities.<sup>122</sup> Albany issued a large number of parking citations, whereas Piedmont issued a large number of traffic citations.

<sup>122</sup> For all agencies except Emeryville, the population represents residents based on Census and ABAG data. Due to the large number of workers commuting into Emeryville, its crime rate is distorted when based on residential population. In this table, the Emeryville crime and arrest/citation rates are based on the 24-hour population.

Union City issued the lowest number of citations on a per capita basis, with the County Sheriff (unincorporated) and San Leandro also issuing a relatively low number of citations.

## STAFFING

The number of sworn officers per capita is a traditional indicator of service level.

In FY 2002-03, there were 2,418 sworn officers in Alameda County. There were 1.6 sworn officers per 1,000 residents, as shown in Table 5-6.

Police staffing levels vary by community due to differences in community vision and preferences, crime rates, crime patterns, the size of the daytime population, traffic, the amount and value of property being protected, and economies of scale, among other factors.

The cities of Piedmont, Emeryville, Oakland and the UC Berkeley campus had the highest number of sworn officers per capita in FY 2002-03. There were more than 2 sworn officers per 1,000 people located in each of these jurisdictions during a 24-hour period.<sup>123</sup> Except Piedmont, these areas with relatively high levels of sworn officers per capita have relatively high crime rates, as shown in Figure 5-4.

The cities of Fremont, Pleasanton, and San Leandro had the lowest numbers of sworn officers per capita in FY 2002-03. There were 0.9 sworn officers per 1,000 people located in Fremont during a 24-hour period, and 1.1 sworn officers per 1,000 people in Pleasanton and San Leandro.<sup>124</sup> San Leandro's crime rate was 19 percent higher than the median city crime rate, whereas Pleasanton and Fremont crime rates were relatively low compared with the median.

*Table 5-6. Sworn Officers per 1,000 People, FY 2002-03*

	# Sworn	Per 1,000 Pop	Per 1,000 24-Hr Pop
<b>Countywide</b>	<b>2,418</b>	<b>1.6</b>	<b>1.6</b>
Alameda City	104	1.4	1.5
Albany	28	1.7	2.0
Berkeley	202	1.9	1.7
Dublin	47	1.4	1.3
Emeryville	37	5.1	2.2
Fremont	187	0.9	0.9
Hayward	202	1.4	1.3
Livermore	99	1.3	1.3
Newark	58	1.3	1.4
Oakland	739	1.8	1.9
Piedmont	20	1.8	2.4
Pleasanton	84	1.3	1.1
San Leandro	94	1.2	1.1
Union City	78	1.1	1.3
Sheriff-Total	348	2.0	2.3
Sheriff-Unincorporated	198	1.4	1.7
EBRPD	61	NA	NA
UC Berkeley	77	2.3	2.2

<sup>123</sup> The UC Berkeley residential population includes students, and the 24-hour population includes faculty, staff and students.

<sup>124</sup> The City of Fremont staffing level reflects the actual staffing at the end of FY 2002-03 following budget-related staff reductions.

## PROJECTED DEMAND

As the population grows over the next five to 15 years, the number of sworn officers may need to be increased to maintain the FY 2002-03 service level of officers per capita.

Table 5-7 shows the projected number of sworn officers for each jurisdiction to maintain the FY 2002-03 service levels as defined by sworn officers per 1,000 people.

If population growth were the only factor affecting staffing needs, the law enforcement agencies in Alameda County would need to hire and train an additional 104

sworn officers in the next five years and 294 in the next 15 years to maintain the service level in the coming years. The most significant projected increases would occur in Dublin, Pleasanton, and Livermore.

The projected number of sworn officers was calculated assuming that the FY 2002-03 service level is maintained as the population grows. This calculation does not take into account policy questions about the optimal service level in each city, whether a city's staffing level is low compared with other cities, or whether previous staffing cutbacks should be reversed in the future.

However, population growth is not the only factor affecting future needs for sworn officers. There are various factors that could affect staffing needs other than those stemming from population changes. First, jurisdictions may reassess current staffing levels in light of the decline in crime rates over the past decade and determine that they no longer need to maintain the current level of staffing per capita. Second, advances in policing strategies and police management may allow jurisdictions to provide the same level of service with fewer sworn officers; to the extent that community policing approaches rely on community participation in crime reduction, jurisdictions may be able to improve productivity levels. The type of growth experienced by jurisdictions may affect crime rates and staffing needs if, for example, the low-income population changes significantly or if job creation creates better alternatives to crime in a particular jurisdiction. Another factor that could potentially lead to higher staffing needs is the effect of growth on street congestion which could potentially increase future needs for traffic and parking law enforcement, depending on the extent to which mass transit accommodates growth. In addition, changes in the economy and

*Table 5-7. Projected Sworn Officers, 2004-19*

	2004	2009	2014	2019
<b>Countywide</b>	<b>2,475</b>	<b>2,579</b>	<b>2,670</b>	<b>2,769</b>
Alameda City	107	114	118	123
Albany	28	29	30	30
Berkeley	205	205	207	210
Dublin	51	61	68	75
Emeryville	38	40	40	41
Fremont	192	198	205	214
Hayward	206	212	216	221
Livermore	102	111	118	125
Newark	59	62	64	65
Oakland	752	775	803	835
Piedmont	20	20	20	20
Pleasanton	87	95	100	103
San Leandro	96	97	100	105
Union City	81	88	94	101
Sheriff-Total	363	394	416	438
Sheriff-Unincorporated	204	214	221	228

related changes in poverty levels could also impact staffing needs.

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## INFRASTRUCTURE NEEDS OR DEFICIENCIES

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In the context of police service, infrastructure needs signify facilities that do not provide adequate capacity to accommodate current or projected demand for service for the region as a whole or for jurisdictions within the County.

### REGIONAL

The principal regional police infrastructure needs include communications connectivity, long-term holding facilities, crime lab services, and training facilities. To the extent that crime increases as the population grows, there will be an increased need for long-term holding, crime lab, and training facilities.

Currently, some first responders—police, fire and EMS—are unable to communicate with each other via radio, and rely on dispatch systems to communicate with other police and fire departments. Communications connectivity would be needed in the event of a natural disaster, act of terrorism, or civil disturbance, and is needed for routine operations involving suspects fleeing across municipal boundaries and incidents requiring multiple agency response. The County Sheriff also reports that improved communications connectivity with the California Highway Patrol, adjacent counties, and cities within adjacent counties would improve service. The County and several of the cities are collaboratively pursuing federal grant funds to finance communication upgrades.

Dispatch services and response times could be improved if neighboring agencies were to link their Computer Aided Dispatch (CAD) systems together.

The County Sheriff and Fremont jails have limited capacity for long-term holding. The Santa Rita County jail capacity is 4,000 prisoners. The Fremont facility holds 52 prisoners. If the existing and planned facilities do not accommodate future growth, prisoners may be sent to facilities that are located outside the County. Hence, the long-term holding capacity of municipal service providers is not expected to constrain growth.

Crime lab accreditation is a prerequisite for receiving state crime lab grant funds and for contributing DNA evidence profiles to the California DNA database. In order to receive accreditation, a lab must be inspected in all the disciplines in which it provides service, and the lab's policies, procedures, staff, physical plant, and work product meet published peer-based standards established by the American Society of Crime Laboratory Directors—Laboratory Accreditation Board. Each accredited lab must conduct an annual quality assurance audit, participate in annual proficiency testing programs, and pass re-accreditation inspection every five years.<sup>125</sup>

There are currently three accredited crime labs in Alameda County run by the County Sheriff, the City of Oakland and the Berkeley DNA Lab. The Oakland lab primarily serves the Oakland PD, while the County lab in San Leandro serves law enforcement agencies throughout the County. In

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<sup>125</sup> California Task Force on Forensic Services, 2003.

interviews with the respective agencies, both the County Sheriff and the Oakland labs were described as deficient. The County Sheriff's Office stated that its crime lab facility at the Eden Township Substation is inadequate for the technology being used, and that the substation requires upgrade or replacement to house the crime lab as well as the station and dispatch operations. The Oakland PD reported that its crime lab requires replacement along with its current headquarters. The Oakland 2003-08 CIP identifies the new crime lab as part of an as-yet-unfunded \$26 million project that could potentially be funded by a general obligation bond. The accredited Berkeley DNA Lab provides DNA analysis training to forensic scientists in local crime labs and coordinates the development of statewide standards in forensic DNA analysis.

The City of Fremont operates an unaccredited crime lab. Newark, Alameda City, Berkeley Hayward, San Leandro, Livermore, and BART also operate small-scale crime labs for purposes of fingerprint and photo analysis.

Police training facilities are necessary for the training and replacement of the police workforce. The cities of Oakland and Hayward, and the County Sheriff have identified training facility needs. Hayward reported that it needs a small arms training range and training facilities. Oakland reported that it needs a new fire arms training range. Fremont plans to build a training facility for police and fire purposes using general obligation bond proceeds by 2008.

In the next sections, we discuss the condition and adequacy of the various police facilities.

## **FACILITY CONDITIONS**

Most of the law enforcement agencies provide service from a single facility where headquarters, patrol, crime lab and temporary holding facilities are located. Berkeley, Fremont, Hayward, Oakland and the County Sheriff operate multiple facilities.

The PDs provided the facility age and an assessment of each facility's condition and deficiencies. Table 5-8 provides a summary of each facility's age, condition, and deficiencies, as well as the PD's assessment of its facility needs.

The cities of Albany, Emeryville, and Oakland reported that their main stations were in poor condition. Hayward's police station and the County Sheriff's station in San Leandro were assessed as "fair" to "poor." The agencies assessed each of these stations as inadequate, and in need of replacement or renovation. Pleasanton described its station as in need of facility improvements. The Sheriff's station is being expanded with modular buildings, and station replacement is being studied. None of the other agencies' CIPs identified funding to address these deficiencies.

The cities of Alameda, Berkeley, Fremont, Livermore, Newark, San Leandro, and Union City described their facilities as over-crowded and indicated that they need additional space. EBRPD described its facility as at capacity and unable to accommodate future growth. Alameda, Berkeley, Fremont, Livermore, and San Leandro improvements are not funded. Newark and Union City improvement have funding, according to the respective CIPs.

Several facilities were described to be both in good condition and meeting current needs: the City of Fremont Detention Facility, the Tri-City Animal Shelter, Oakland's Eastmont station, the Piedmont station, the County Sheriff headquarters, and the Dublin police station.

**Table 5-8. Police Facility Conditions, Needs and Deficiencies**

Service Provider	Facility Name	City	Year Built/ Acquired	Condition	Facility Deficiencies	Facility Needs
Alameda	Alameda Police Administration Building	Alameda	1978	good	too small	facility up-grade
Albany	Albany Police Department	Albany	1966	poor	too old and small	retrofit of building or additions, lack of land for new facility due to full growth in city
Berkeley	Ronald Tsukamoto Public Safety Building	Berkeley	2002	good	cannot accommodate growth and not adequate for current use	facility expansion
	Berkeley Traffic Bureau	Leased		NA		
Emeryville	Police Building	Emeryville	1971	poor	not adequate for current use	new facility or up-grade
Fremont	Fremont Police Department	Fremont	1995	excellent	too small to accommodate growth	need 4,320 more square feet
	Fremont Detention Facility	Fremont	2002	excellent		
	Tri-City Animal Shelter	Fremont	1980s	very good		
Hayward	Police Station	Hayward	1975	fair/poor		larger building, training facilities, jail, storage and expanded parking
	Animal Shelter	Hayward	1974	fair		
Livermore	Livermore Police Department	Livermore	1995	good	too small	facility expansion
Newark	City of Newark Police Station	Newark	1966	fair	too crowded	space upgrade
Oakland	Main Police Department Station	Oakland	1961	poor		retrofit/upgrade of station and new admin building and crime lab, joint training center with county, and new airport police office
	Eastmont Station	Oakland	2003	good		
Piedmont	Piedmont Police Station	Piedmont	1982	good		
Pleasanton	Pleasanton Police Station	Pleasanton	NA	fair		facility improvements
San Leandro	Public Safety Building	San Leandro	1960s	good	need more space; conducting space study	
Union City	City Hall (Dept. on 1st Floor)	Union City	1980	fair	too crowded	new facility
AC Sheriff	Headquarters	Oakland	1994	good		new or upgraded facility to house station, crime lab and dispatch
	Eden Township Substation	San Leandro	1962	fair/poor	too small, not adequate for job performed and technology used	
	Peralta Community College District	Oakland	NA	NA		
Dublin	Dublin Police Station	Dublin	1989	excellent		
EBRPD	EBRPD Police HQ	Castro Valley	1978	fair	at capacity	new growth will require larger facility

Source: Agency responses to LAFCo Request for Information

## ADEQUACY

No State or national established standards were identified for law enforcement agencies relating to emergency response times, crime clearance rates, patrol staffing levels, or citizen satisfaction levels. In the areas of police management, training and selection, various standards were identified for California law enforcement agencies.

### Police Management

The Commission on Accreditation for Law Enforcement Agencies (CALEA) is a national organization that functions as an independent accrediting authority. Law enforcement agencies may voluntarily choose to apply for CALEA accreditation. CALEA accreditation does not require the law enforcement agency to meet specific benchmarks in terms of response time, staffing levels or crime clearance rates. CALEA accreditation requires the police service provider to pass inspection and to meet dozens of requirements including the following:

- Annual documented performance evaluation of each employee;
- Community relations staffing, regular reports to the chief, and surveying of citizen attitudes;
- Investigation of all complaints against the agency and its employees;
- Annual review of allocation and distribution of personnel;
- Report and review of incidents where force or weapons are used;
- Clear and written policy on the use of force and deadly force;
- Clear and written policy on motor vehicle pursuits; and
- Provision of body armor to all uniformed officers.

The Alameda County Sheriff is the only full-service law enforcement agency in Alameda County with CALEA accreditation.<sup>126</sup> The Piedmont Police Department is currently in the process of being assessed for CALEA accreditation.

Police management guidelines from the California Peace Officers Association (CPOA) include having written agency policies on use of force, use of safety belts, review of complaints about personnel, fitness for duty evaluations, and law enforcement values. CPOA guidelines indicate that “it should be standard practice for all law enforcement agencies to conduct comprehensive and thorough investigations into any allegation of misconduct or substandard service, whether such allegations are from citizen complaints or internally generated.”<sup>127</sup>

The law enforcement agencies in Alameda County investigate all complaints, maintain use of force and seat belt policies, and conduct fitness for duty evaluations. Although the agencies reported that they investigate complaints, some providers—Alameda, Emeryville, Hayward, Livermore, Newark, Pleasanton, and San Leandro—did not provide the number of complaints received.

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<sup>126</sup> The Oakland Housing Authority security force is also accredited by CALEA.

<sup>127</sup> California Peace Officers Association, 2004.

## **Staffing**

No established State or national standards for police staffing levels were identified. Research indicates that the time spent by officers on patrol may not have a significant effect on crime rates. A watershed experiment conducted in Kansas City led to the conclusion that increases or decreases in patrol time in a police beat does not affect the number of crimes committed, and similarly does not affect citizen fear of crime or citizen satisfaction with police.<sup>128</sup> This research led to the conclusion that police time may be better spent on crime prevention activities than focused solely on patrol.

The number of sworn officers per capita is one indicator of the police staffing level. As discussed earlier in this chapter, the City of San Leandro has a relatively low number of sworn officers per capita despite the fact that its crime rate was 19 percent higher than the median city crime rate.

The City of Berkeley reported difficulty maintaining an adequate staffing level due to retirement system changes allowing early retirement of police officers. These enhanced retirement benefits have resulted in relatively high (65 - 75 percent) turnover rates in the last five years, and a significant increase in officer training and orientation needs. The City does not have adequate training funds to meet these needs.

Staffing challenges are not uncommon among cities. Both the cities of Alameda and Union City reported that staffing was inadequate, particularly dispatch staffing. Union City reported that it faces challenges in providing service to accommodate future growth with its current staffing level. Alameda anticipates needing more officers when Alameda Point is developed. Albany reported that dispatch staffing and equipment were inadequate.

## **Training**

The California Commission on Peace Officer Standards and Training (POST) has developed standards for the testing and selection of police officer applicants as well as the training of police officers, dispatchers and detectives.

POST selection standards for entry-level police officers and dispatchers include candidates passing a test measuring literacy and cognitive skills, medical screening, and a background investigation. The POST selection standard for police officers also requires passing psychological screening. Law enforcement agencies may opt to conduct additional screening of police officer candidates, including physical abilities or agility testing, drug screening, a polygraph examination or voice stress analysis.

In addition to selection standards, POST has developed standards for the educational and physical basic training of police officers. The POST educational standard for basic training is that police officer candidates be trained and tested in at least 41 separate areas including patrol techniques, crimes in progress, search and seizure, and investigative report writing. The POST physical conditioning standard for basic training is that police officer candidates be trained and tested in terms of physical ability to perform tasks typically required of police officers. In addition to basic training standards, POST has developed minimum training and testing standards for field

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<sup>128</sup> Kelling, et al., 1975

training of entry-level officers, ongoing firearms training of officers, management training, and supervisory training.

All police service providers in Alameda County abide by POST standards.

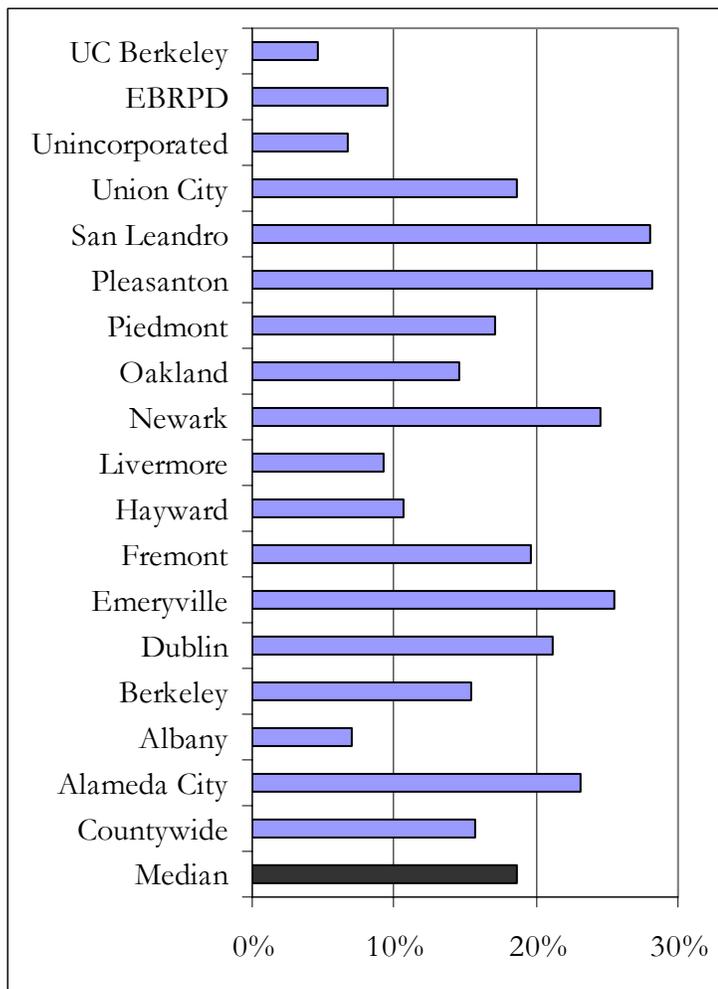
### **FBI Crime Clearance Rates**

The effectiveness of a law enforcement agency can be gauged by many factors, including serious crime clearance rates, or the proportion of serious (FBI Crime Index) offenses that are solved. Again, however, there are no clear-cut standards or guidelines on the proportion that should be solved.

Due to the time needed for the investigation and criminal court proceedings, the crime clearance rates in 2000 were deemed the most relevant for comparison. The median jurisdiction cleared 19 percent of serious crimes.<sup>129</sup> The violent crime clearance rate was much higher at 36 percent in 2000.

The crime clearance rates are shown in Figure 5-9. Relatively low crime clearance rates were reported by Albany, Hayward, Livermore, EBRPD and the UC Berkeley Police Department. The cities of San Leandro, Pleasanton and Emeryville had relatively high clearance rates.

*Figure 5-9. FBI Crime Clearance Rate, 2000*



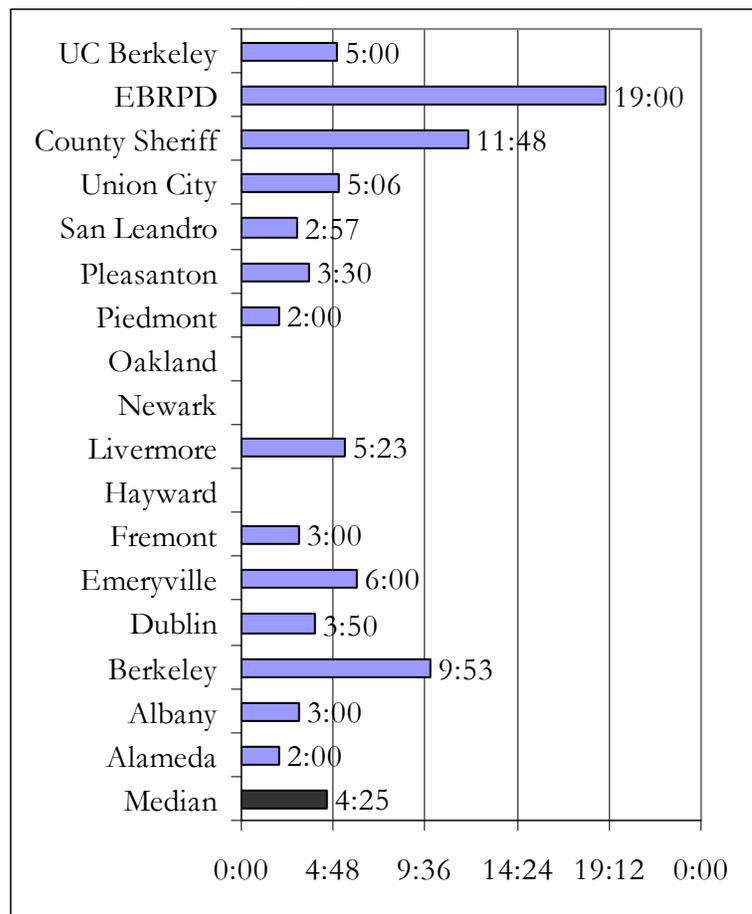
<sup>129</sup> Crime clearance rates were provided by the California Attorney General, Office of Criminal Justice Statistics. Cleared crimes refer to serious (FBI Crime Index) offenses for which at least one person was arrested, charged with the offense, and turned over to the appropriate court for prosecution. Law enforcement providers may also clear crimes when the offender dies, the victim refuses to cooperate, or extradition is denied, by reporting clearance by exceptional means to the FBI. Clearances reflect the number of offenses, not the number of arrests. The arrest of one person may clear several crimes. Conversely, the arrest of many persons may clear only one offense.

## Response Times

Police response times for serious crimes in progress are one important indicator of service adequacy.

While quick response is important for emergency calls, recent research indicates that response time does not have a significant effect on crime-solving, because most crimes are “cold” crimes and victims do not tend to call police immediately after the crime is committed. The modern approach to response time—differential response—is to ensure quick response to serious crimes (priority-one) in progress, when there are opportunities to save a victim and/or to apprehend the criminal, and to inform lower-priority callers that response time may be lengthy.<sup>130</sup> Experiments indicate that differential response leads to both citizen and officer satisfaction.<sup>131</sup>

*Figure 5-10. Priority-One Response Times (minutes: seconds), 2002*



Most of the law enforcement agencies provided average response times (in minutes and seconds) for priority-one incidents in 2002, as shown in Figure 5-10. Although EBRPD and County Sheriff response times were relatively long, these agencies serve the largest service areas and must travel the longest distances to provide service. In Berkeley, traffic congestion is an impediment to fast response time; officers on bicycles often achieve higher response times than officers in vehicles. The cities of Hayward, Newark and Oakland did not provide priority-one response times. Oakland indicated that it is currently unable to measure travel time, but is implementing a new system that will allow measurement. Newark indicated that average response time for all service calls was 9 minutes and 4 seconds, but that it did not track average response time for priority-one incidents.

The agencies described a number of areas where prompt response is challenging due to lengthier travel time or access issues. These areas are listed in Table 5-11.

<sup>130</sup> Priority-one calls require an immediate emergency response. Priority-two calls require an urgent response, but are not emergencies.

<sup>131</sup> Walker and Katz, 2002.

*Table 5-11. Difficult-to-Serve Areas*

<b>Jurisdiction</b>	<b>Area</b>	<b>Reason</b>
Albany	Waterfront	Rural area with unpaved roads
Albany	San Pablo Hwy (123) during rush hour	Traffic congestion slows response
Oakland	Panoramic area located north of the Claremont Canyon Regional Preserve	Access requires driving several miles through Berkeley
UC Berkeley	Hilly area on the east side of campus	Longer travel time
Hayward	near the City of Pleasanton at the I-580 and I-680	Longer travel time
Hayward	Salt flats near the City of Union City	Access
Hayward	Areas surrounding the Palomares and Santos Ranch Roads	Longer travel time
Pleasanton	Western ridge area of the City	Longer travel time
Newark	Freeway cloverleaf located in northeast corner of the city	Access issues and longer travel time
Fremont	Avalon Homes located on the south end of Scott Creek Road	Gated community
Fremont	Bay marshlands	Largely inaccessible to police units
Fremont	Don Edwards Wildlife Preserve	Access requires driving through Newark
EBRPD	Rural areas and open space land	Access by helicopter only
EBRPD	Sunol—secluded backpacking trails	Access issues

Several areas were identified that could be more easily accessed by another jurisdiction. Oakland police officers must drive through Berkeley in order to serve the panoramic area that is located north of the Claremont Canyon Regional Preserve and south of UC Berkeley. Fremont police officers must drive through Newark in order to serve the Don Edwards Wildlife Preserve. In addition, Union City indicated that Hayward personnel must drive through Union City to provide service to several parcels on Whipple Road that are east of I-880.

## **OPPORTUNITIES FOR SHARED FACILITIES**

Law enforcement agencies in Alameda County engage in extensive sharing of animal control, jailing, and crime lab facilities through contract service arrangements.

The Alameda County Sheriff provides access to its training facility on a fee basis.

The Hayward PD reported that there may be additional opportunities to share jailing facilities with other agencies to help save costs.

Dispatch and communications is one area with potential for further shared facilities. Hayward and San Leandro share radio repeater sites. Albany reported that its radio communications equipment is out-dated, and that it would likely benefit from a shared approach under a JPA. Alameda and Union City reported that they are currently understaffed in dispatch.

There may be opportunities for law enforcement agencies to share dispatch facilities through a consortium or JPA. Traditionally, each police department has provided dispatch services for the fire

department in its jurisdiction. A number of Alameda County fire providers have opted out of this arrangement in favor of dispatch consolidation with other fire and EMS providers. The County Sheriff, Alameda, Fremont and Union City police departments no longer provide dispatch services to their fire departments or the ACFD. Police departments may benefit from a shared arrangement in order to reap cost savings from economies of scale in operations and the purchase of modern communications equipment.

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## **FINANCING CONSTRAINTS AND OPPORTUNITIES**

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Financing constraints and opportunities, which have an impact on the delivery of services, are discussed in this section. This section identifies the revenue sources currently available to the service providers, as well as long-term debt and reserves. The section discusses innovations for contending with financing constraints, cost-avoidance opportunities, and opportunities for rate restructuring.

### **FINANCING CONSTRAINTS**

The most significant constraints on the financing of police services are legal requirements that limit property taxes and require voter approval of new taxes and tax increases. The financing constraints that affect police service are the same constraints affecting fire and EMS service, and are discussed in Chapter 4.

### **FINANCING SOURCES**

Among the 14 cities, 97 percent of police department (PD) budgets are financed by general fund sources. General fund revenue sources include revenues generated by police departments such as contract service fees, parking citations, and false alarm fees. Revenues designated for public safety use include federal and state grants, funds from seizure of criminals' assets, parcel taxes, and Proposition 172 funds.<sup>132</sup> General fund revenue sources are discussed in Chapter 4.

#### **Grant Funds**

Each agency qualifies for entitlement grants. The following three main entitlement grant programs provide just over \$6 million in annual funding to law enforcement agencies in Alameda County.

The State Citizens' Option for Public Safety entitlement grants are allocated to local law enforcement agencies based on population. These grants may be used for hiring officers. The minimum grant is \$100,000 per jurisdiction. In FY 2003-04, Alameda County law enforcement agencies received \$3.4 million in funding from this source.

The Local Law Enforcement Block Grant is allocated based on Part I crimes to law enforcement agencies, and may be used for hiring officers, paying overtime, training or equipment purchases.

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<sup>132</sup> See discussion of Proposition 172 funds in Chapter 4. See discussion of general fund revenues in Chapter 4. See also citations per capita in the Service Demand section of this Chapter.

Alameda County law enforcement agencies received \$2 million in funding from this source in FY 2003-04.<sup>133</sup>

The California Law Enforcement Equipment Program (CLEEP) grant is allocated based on population by the State Controller's Office to city and county law enforcement agencies for purchase of high-technology equipment. Alameda County law enforcement agencies received \$0.7 million in funding from this source in FY 2003-04.

Each law enforcement agency is eligible to compete for additional federal grant funds.

Federal Traffic Safety grants are available to California law enforcement agencies on a competitive basis for traffic safety projects such as sobriety checkpoints, and may be used for salaries, travel, education and training materials. In FY 2003-04, the law enforcement agencies in Alameda County received \$1.1 million in funding from traffic safety grants.

**Table 5-12. COPS grants, 1995-2003**

The Office of Community Oriented Policing Services (COPS) at the U.S. Department of Justice awards competitive grants for newly hired officers engaged in community policing, newly hired school resource officers, equipment like mobile in-car computers, and overtime for homeland security. In FY 2003-04, the law enforcement agencies in Alameda County received \$1.4 million in funding from federal COPS grants. On a per capita basis, the cities of Emeryville, Oakland and Union City have secured the most police funding from the federal COPS grants since 1995, as indicated in Table 5-13.

	COPS Grants 1995-2003	Grants per Capita	COPS Grant Positions	Total Sworn
Emeryville	\$583,596	\$85	8	38
Oakland	\$25,901,338	\$65	328	875
Union City	\$2,038,209	\$30	21	76
Alameda County	\$6,024,722	\$23	57	198
Berkeley	\$1,866,654	\$18	31	199
Hayward	\$2,423,600	\$17	50	202
Alameda City	\$1,116,560	\$15	9	104
Pleasanton	\$594,000	\$9	12	84
Livermore	\$681,061	\$9	4	97
San Leandro	\$619,763	\$8	6	94
Albany	\$125,000	\$8	1	28
Fremont	\$1,449,356	\$7	17	212
Piedmont	\$75,000	\$7	1	20
Newark	\$290,246	\$7	3	60
Dublin	\$125,000	\$4	1	47
EBRPD	\$255,000	NA	4	60

The State formerly reimbursed law enforcement agencies for training costs through POST. The \$28 million POST reimbursement program was eliminated in budget cutbacks in FY 2003-04.<sup>134</sup>

<sup>133</sup> Part I crimes include homicide, rape, robbery, aggravated assault, burglary, motor vehicle theft, larceny-theft, and arson.

POST continues to provide both training standards and courses; however, the training reimbursement program was eliminated.

### **Parcel Taxes**

Three local agencies rely on parcel taxes to supplement general fund financing of police service.

Hayward's emergency facilities tax was imposed in 1990. The general fund parcel tax of \$36 per household finances seismic retrofitting of police and other facilities. This revenue stream raised \$1.8 million, or two percent of the City's general fund revenues, in FY 2003-04.<sup>135</sup>

Union City voters approved a parcel tax in March 2004 to finance police and fire services, which currently constitutes 72 percent of the City's general fund expenses. The tax of \$84 per household is scheduled to sunset after five years, and must be reaffirmed by a two-thirds vote every five years.

EBRPD levies a parcel tax for public safety and park maintenance services. The tax of \$12 per household is scheduled to sunset after 12 years, and must be reaffirmed by a two-thirds vote to provide financing after 2014.

### **Contract Service Fees**

The County Sheriff is the only law enforcement agency that generates significant fees for contract services.

The County Sheriff provides contract service to various entities under an arrangement whereby the service recipient may choose the staffing and service level. Anticipated contract service fee revenue for the County Sheriff for service in Dublin in FY 2003-04 is \$7.6 million. Contract law enforcement expenses per capita in Dublin equate to \$203 per capita, comparable to law enforcement expenses per capita in the neighboring cities of Livermore and Pleasanton.

In addition, the Sheriff provides contract service to the Peralta Community College District, Oakland-Alameda County Coliseum complex, the Alameda-Contra Costa Transit District, the Oakland Airport, Highland Hospital, and John George Psychiatric Pavilion. These contracts generated \$14.6 million in revenues.

The Hayward PD provides contract services to Chabot College for the services of one sergeant and one police officer, the Southland Mall for the services of one police officer, and the Hayward Unified School District contracts for the services of three police officers to act as school resource officers on their campuses. These contracts generate \$0.8 million in revenue, less than two percent of Hayward's PD budget.

The Fremont PD generates \$0.4 million in booking fees for use of its holding facility. This constitutes one percent of the department's \$39 million budget for FY 2003-04.

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<sup>135</sup> City of Hayward Adopted Budget, FY 2003-04.

## Development Impact Fees

The County, cities, special districts, school districts, and private utilities impose development impact fees on new construction for purposes of defraying the cost of putting in place public infrastructure and services to support the new development. The fees must be committed within five years to the projects for which they were collected, and the city or county must keep separate funds for each development impact fee.

The MSR determined that only the cities of Alameda and Newark levy police-related development impact fees. The cities of Dublin, Fremont and Union City levy general capital facilities development impact fees that are sometimes used to finance police-related infrastructure expansion. Other cities could potentially impose such fees.

## Regulatory Fees

Regulatory fees are designed to discourage certain behavior such as parking in handicapped spots or setting off false alarms.

Some of the primary regulatory fees for police service are parking and moving violation citations and false alarm fees. See citations issued per capita in the service demand section of this chapter.

**Table 5-13. Police Permits and False Alarm Fees, FY 2003-04**

Most of the agencies require those with burglar alarms to maintain a police permit, and to pay fees for excessive false alarm incidents. The City of Alameda, the County and EBRPD are the only agencies not to charge for false alarm incidents, as shown in Table 5-13.

False alarm fees are highest in Livermore, and the standard for charging the fee is most strict in Oakland where the second incident within a 12-month period triggers a fee.

The City of Newark indicated that 98 percent of alarm calls were false alarms, and Pleasanton indicated that 99 percent of alarm calls were false alarms. Since the other agencies did not provide the proportion of alarm calls that were false alarms, the effectiveness of the various false alarm fee policies is unknown; this may be an appropriate question for further research in the 2009 MSR.

Agency	Permit	Fee	Incident	Incident Period
Alameda	none	none		
Albany	none	\$40	4th	60-day
Berkeley	none	\$50	2nd	90-day
Dublin	none	\$50	3rd	90-day
Emeryville (1)	\$81	none		
Fremont	\$40	\$60	4th	120-day
Hayward	\$25	\$50	2nd	180-day
Livermore	none	\$127	3rd	30-day
Newark	\$35	\$55	2nd	90-day
Oakland—residential	\$25	\$100	2nd	12-month
Oakland—commercial	\$35	\$100	2nd	12-month
Piedmont	none	\$50	4th	12-month
Pleasanton	none	\$50	4th	90-day
San Leandro	none	\$75	3rd	90-day
Union City	\$35	\$60	3rd	12-month
AC Sheriff (2)	none	none		
EBRPD	none	none		
(1) Permits include business only.				
(2) County false alarm fees are not implemented at the present time.				
Sources: RFI responses; municipal codes				

## **FINANCING OPPORTUNITIES**

Financing opportunities include opportunities to increase various general fund taxes (such as business license taxes) with voter approval, opportunities to impose unique fees, and opportunities to increase various fees.

There are various approaches used to finance police services, many of which are used in Alameda County.

- 911 fee: Imposing a fee to finance dispatching (e.g., Union City).
- Towed Vehicle Fee: Charging an administrative fee to cover the cost of handling impounded vehicles (e.g. Newark, Livermore, Oakland)
- Fees for Extraordinary Police Services: Hiring out police officers for special events (e.g. Oakland).
- DUI Cost Recovery: Recovering emergency response costs for DUI incidents (e.g., Newark, Riverside). Government Code § 53150 et seq. authorizes fees of up to \$1,000 per incident.
- Abandoned Vehicle Charges: Imposing a fee for abandoned vehicles (e.g., Newark, Riverside).
- Burglary/Robbery Fee: Imposes a fee for the cost of handling burglary and robbery incidents (e.g., Daly City).
- Animal Shelter Fees: Imposing animal shelter fees (e.g., Berkeley, Oakland, Long Beach).
- Business Improvement District (BID): Forming a BID to finance supplemental public safety service in its rapidly growing retail centers. BIDs may not be used to finance existing service, but may be used to finance supplemental service in commercial areas. (Union City is considering)
- False Alarm Fees: Charging for multiple responses to false alarms at the same location.
- Development Plan Review Fees: These fees are charged for reviewing land use applications.

These options, as well as the options presented below, should be considered.

Financing opportunities that require voter approval include parcel taxes, increases in general taxes such as utility taxes, business license taxes, and transient occupancy taxes, bonded indebtedness, and formation of a business improvement district to finance supplemental services.

## **OPPORTUNITIES FOR RATE RESTRUCTURING**

Traditional rate charges are not a source of revenue for police providers. Rates generally refer to charges for use of a revenue-producing enterprise such as water and sewer treatment, supply or collection facilities, airports, garbage disposal service, or parking lots.<sup>136</sup> However, there are opportunities for jurisdictions to restructure certain tax rates for significant general fund taxes with voter approval, as well as opportunities to restructure various fees.

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<sup>136</sup> League of California Cities, 2001.

For general fund tax rate restructuring opportunities, please refer to the discussion in Chapter 4 under the Opportunities for Rate Restructuring section.

### **Fee Restructuring Opportunities**

In addition to opportunities for restructuring certain general fund tax rates, the jurisdictions also have opportunities to restructure user fees, regulatory fees and development impact fees. However, there are limits to the increases that may be enacted. In order to raise user fees, the jurisdiction must document that the fee recoups only the costs of providing the fee-related service. For development impact fees, the jurisdiction must justify the fees as an offset to the future impact that development will have on facilities. In setting regulatory fees such as false alarm fees, the jurisdiction may impose fees that include the costs of inspection, investigation, enforcement and administration.

As discussed in the section entitled “Financing Sources”, the jurisdictions vary significantly in their practices of imposing user fees, false alarm fees, and development impact fees. There are opportunities for jurisdictions to increase these fees, and many jurisdictions do increase the fees on an annual basis.

### **COST AVOIDANCE OPPORTUNITIES**

Cost avoidance opportunities are potential actions to eliminate unnecessary costs. Unnecessary costs may involve duplication of service efforts, higher than necessary administrative costs, use of outdated or deteriorating infrastructure and equipment, underutilized equipment or buildings or facilities, overlapping or inefficient service boundaries, inefficient purchasing or budgeting practices, and lack of economies of scale.<sup>137</sup>

Alameda County’s law enforcement agencies have implemented a number of strategies to avoid unnecessary costs. Agencies share or use each other’s facilities or expert staff to achieve levels of service they could not otherwise obtain. The Alameda County Sheriff and the UC Berkeley Police Department both provide bomb squad services at no charge to other local law enforcement agencies. Most cities rely on the Sheriff’s crime lab. However, Oakland maintains an independent lab; and the cities of Fremont, Newark, Hayward, Alameda, San Leandro, and Livermore provide their own fingerprint analysis.

The Alameda County Sheriff allows agencies to use its training facility for a fee. Both the Sheriff and the City of Fremont permit most agencies to use their long-term holding facilities for a fee. There are various multi-city animal control facilities: Fremont, Newark and Union City share a facility, San Leandro contracts with Hayward for use of its facility, Piedmont uses the Emeryville facility, and the cities of Dublin, Livermore and Pleasanton have a joint agreement for animal shelter operations. The East Bay Regional Parks District provides helicopter support to any agencies requesting mutual aid.

The Alameda County Sheriff provides SWAT service to Albany, Piedmont and East Bay Regional Parks District, while Oakland provides SWAT service to Emeryville. Oakland provides temporary holding facilities to Emeryville and Piedmont. The Sheriff provides both temporary

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<sup>137</sup> Local Agency Formation Commission of Alameda County, 2002.

holding facilities and dispatch services to the U.S. Army for its Camp Parks operation, and provides contract service to AC Transit and the City of Dublin.

The City of Berkeley and UC Berkeley police departments share responsibilities for policing areas around the university campus.

Other avoidance strategies identified as a result of this study include:

- **Regionalization of SWAT:** Although the County Sheriff provides special weapons and tactics (SWAT) services to local law enforcement agencies at no charge, most of the police departments maintain their own SWAT teams. Regionalization of SWAT could reduce training and management costs, and potentially enhance service by standardizing response and providing economies of scale in purchasing and training.
- **Regionalization of Police Dispatch:** Although there are clear economies of scale in dispatch, the individual law enforcement agencies are generally providing their own dispatch services. Staffing levels and redundant equipment costs could be reduced through regionalized efforts. However, legal constraints regarding 911 calls would need to be examined.
- **Demand Management Strategies:** False alarm fees, 911 call response fees, and public outreach could be used to reduce the number of unnecessary service calls and related costs.
- **Incentive Based Management:** Provide bonuses or other incentives for department heads to come up with innovative ways to reduce the ongoing cost of doing business
- **Expand Contract Services:** The Sheriff could provide comprehensive police services to smaller agencies that are less able to invest in specialized facilities, training and equipment.

### **Unincorporated Islands**

The elimination of inefficient service configuration in unincorporated islands is another cost avoidance opportunity. Unincorporated islands exist in the cities of Hayward, Livermore and Pleasanton. These are unincorporated areas totally surrounded by a city which remain under County jurisdiction. Even though the residents of these properties often benefit from police, fire, library, parks, sewer, water and other city services similar to city residents and landowners, the city receives limited revenues to pay for services to these parcels. Likewise, annexing these “islands” to the city would allow the residents to participate fully in municipal affairs, including city council elections.

The Sheriff serves unincorporated islands in the cities of Hayward and Livermore. The City of Pleasanton provides patrol services in the unincorporated islands in Pleasanton due to their proximity, but any investigative responsibility or need for police documentation is performed by the Sheriff. Pleasanton does not receive property tax revenues or contract service fees for this service.

In 1999, the Legislature enacted AB 1555 (the "island bill"). This bill authorizes LAFCOs to approve *without an election* the annexation or reorganization of an unincorporated island within city limits under specified conditions.<sup>138</sup>

In response to this legislation, the Alameda LAFCo, with the help of the County Surveyor's Office, identified the following islands in the County which meet the AB 1555 criteria:

- There are five islands located in the City of Hayward - all in the Mt Eden area.
- There are three islands located in the City of Pleasanton - Vineyard Ave and Dublin Canyon area, Bernal Ave and Vineyard Ave area, and Foothill Road and Muirwood area.
- There are three islands located in the City of Livermore - Airway Blvd and I580 area, Hillker Place and Los Positas area, and Arroyo Road and Cabernet Way area.

LAFCo previously notified the cities of these islands, and encouraged them to proceed with annexation. This municipal services review provides another opportunity to promote logical boundaries and the efficient provision of municipal services in Alameda County.

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<sup>138</sup> The conditions require that the island: 1) does not exceed 75 acres, 2) must be an entire island, 3) is substantially developed or developing, 4) is not prime agricultural land, and 5) citizens will benefit from the annexation.

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## POLICY ANALYSIS

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This section provides policy analysis that is focused on the local government agencies providing police services. The policy analysis includes assessment of local accountability and governance, evaluation of management efficiencies, as well as identifying government structure options that may be considered by LAFCo.

### LOCAL ACCOUNTABILITY AND GOVERNANCE

The section discusses local accountability and governance for the limited purpose agency, provides an overview of indicators of local accountability and governance for the multi-purpose agencies, and discusses agency data disclosure practices in response to MSR inquiries.

The assessment of local accountability and governance is generally an agency-wide assessment. All agencies hold open elections for their governing bodies, prepare meeting agendas and minutes, and have accessible staff and elected officials.

*Table 5-14. Accountability Indicators, Limited-Purpose Agencies*

Although the Police Protection CSA is not a direct service provider, the CSA finances services provided by the County Sheriff in the unincorporated areas. The CSA is governed by the County Board of Supervisors. There have been no recent uncontested elections, and voter turnout at the most recent election was comparable to the countywide voter turnout rate. The Board updates constituents, broadcasts its meetings, solicits constituent input, discloses its finances, and posts public documents on its website. The County Sheriff's Office cooperated with LAFCo inquiries.

	<b>Police CSA</b>
Direct service provider	No
Uncontested elections since 1994	No
Latest contested election	Nov-02
Latest voter turnout rate	52%
Countywide turnout rate	53%
Efforts to broadcast meetings	Yes
Constituents updated	Yes
Solicits constituent input	Yes
Discloses finances	Yes
Discloses plans	Yes
Posts public documents on web	Yes

Table 5-15 provides accountability indicators for each of the multi-purpose agencies, and Appendix A provides discussion of local accountability and governance at these agencies.

Assessment of each multi-purpose agency's cooperation with the MSR process will be provided in the third MSR report.

**Table 5-15. Accountability Indicators, Multi-Purpose Agencies**

	Alameda	Albany	Berkeley	Dublin	Emeryville	Fremont	Hayward	Livermore
Direct service provider	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
Uncontested elections since 1994	No	No	No	No	No	No	No	No
Latest contested election	Nov-02	Nov-02	Nov-02	Nov-02	Nov-03	Nov-02	Mar-02	Nov-03
Latest voter turnout rate	58%	64%	59%	52%	25%	51%	30%	36%
Countywide turnout rate	53%	53%	53%	53%	22%	53%	35%	22%
Efforts to broadcast meetings	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Constituents updated	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Solicits constituent input	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Discloses finances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Discloses plans	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Posts public documents on web	Yes	Yes	Yes	Partially	Yes	Yes	Yes	Yes
	Newark	Oakland	Piedmont	Pleasanton	San Leandro	Union City	EBRPD	
Direct service provider	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Uncontested elections since 1994	No	No	No	No	No	No	No	
Latest contested election	Nov-01	Nov-02	Mar-02	Nov-02	Nov-02	Nov-01	Nov-02	
Latest voter turnout rate	26%	61%	51%	59%	51%	22%	40%	
Countywide turnout rate	21%	53%	35%	53%	53%	21%	53%	
Efforts to broadcast meetings	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Constituents updated	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Solicits constituent input	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Discloses finances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Discloses plans	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Posts public documents on web	Yes	Yes	Yes	Yes	Yes	Yes	Yes	

Table 5-16 provides an indication as to whether and how completely each provider responded to each of the key indicators.

**Table 5-16. Police Service Data Disclosure**

	Police CSA	Alameda	Albany	Berkeley	Dublin	Emeryville	Fremont	Hayward
Calls for service	Yes	Partial	Yes	Yes	Yes	Partial	Yes	Yes
Response times	Yes	Yes	Partial	Yes	Yes	Partial	Yes	No
Service complaints	Yes	No	Yes	Yes	No	No	No	No
Staffing	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Costs	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Facilities	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Growth & service challenges	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Regional collaboration	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
	Livermore	Newark	Oakland	Piedmont	Pleasanton	San Leandro	Union City	EBRPD
Calls for service	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Response times	Yes	No	No	Partial	Partial	Yes	Yes	Yes
Service complaints	No	No	Yes	Yes	No	No	Yes	Yes
Staffing	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Costs	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Facilities	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Growth & service challenges	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Regional collaboration	No	Yes	Yes	No	Yes	Yes	Yes	Yes

Four of the law enforcement agencies—the County Sheriff, Berkeley, Union City and EBRPD—provided a complete response to LAFCo’s MSR questions.

The other agencies provided incomplete information relating to police service.

- Hayward, Newark and Oakland did not provide response times. Albany, Emeryville, Piedmont and Pleasanton provided minimal information on response times, estimating

average response time with a fairly wide range.

- Alameda and Emeryville provided incomplete information on calls for service.
- Albany, Livermore, and Piedmont did not describe regional collaboration efforts.
- Half of the agencies did not report the number of service-related complaints.

## EVALUATION OF MANAGEMENT EFFICIENCIES

This section provides analysis of management efficiencies at the local law enforcement agencies. This section considers the effectiveness of each agency in providing efficient, quality public services.

*Figure 5-17. Police Expenditures per Capita, FY 2000-01*

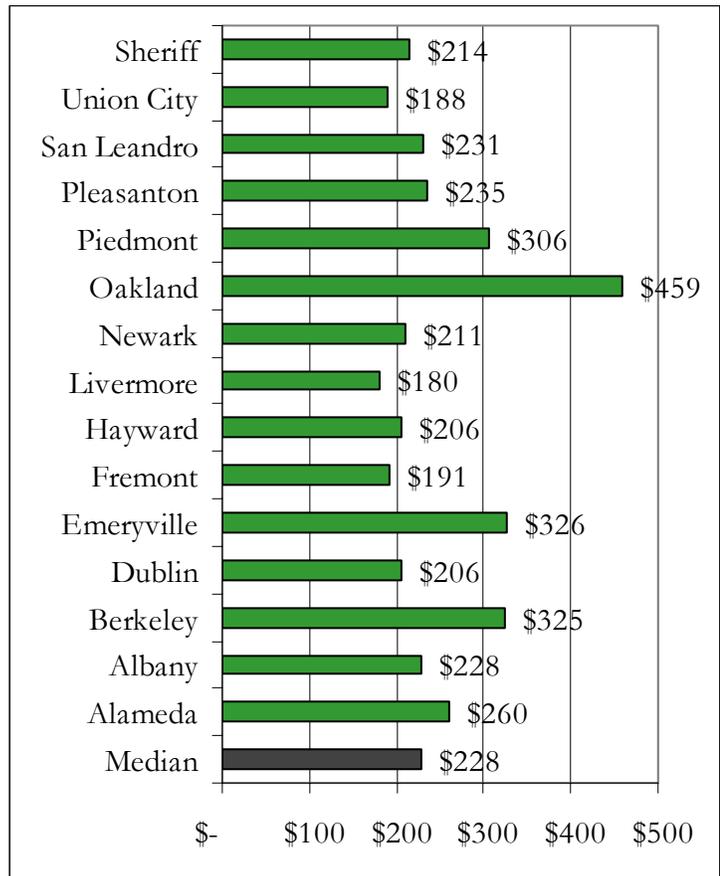
### Service Costs

Police expenditures per capita are an indicator of efficiency. Figure 5-17 shows the ratio of expenditures to the 2001 population.<sup>139</sup> The median cost was \$228 per capita.

In comparing the costs per capita across jurisdictions, it is important to consider differences between the jurisdictions in services provided.<sup>140</sup>

The cities of Livermore, Union City and Fremont had relatively low policing costs per capita.

The cities of Oakland, Emeryville, Berkeley, and Piedmont had relatively high policing costs per capita. Oakland and Emeryville also experienced the highest serious crime rates. Oakland, Piedmont, Emeryville and Albany had relatively high numbers of sworn officers per capita. Notably, Albany is able to maintain costs by keeping the number of civilian staff relatively low compared with other departments.



<sup>139</sup> The State Controller provided expenditure data for FY 2000-01 that is reported by the cities in a standard and comparable format. The Alameda County Sheriff expenditures include law enforcement services in the unincorporated area, as well as the net cost of the Crime Lab and animal control services.

<sup>140</sup> The City of Dublin has noted that it does not provide police services to its institutional population (5,700 inmates). If the institutional population were removed from its residential population, the City's per capita service costs would be higher (\$251 rather than \$206).

## **Management Practices**

The County Sheriff has demonstrated effective management practices. As a CALEA accredited agency, the Sheriff passed inspections and met dozens of requirements including regular review of staff allocation, staff location, crime patterns and location, and citizen attitudes, among other management practices.

The City of Oakland participates in service benchmark studies and is developing performance-based budgeting and monitoring workload. Albany, Emeryville, Piedmont and the County Sheriff also monitor workload as part of the budget process. Although the other service providers indicated that they make efforts to monitor productivity, the agencies' budgets track accomplishments rather than workload indicators/performance.

Most agencies could improve management practices by benchmarking and by tracking workload and performance.

Best practices involve annually updating user fees and maintaining a master fee schedule, as is done by Oakland.

## **Conclusion**

In conclusion, it is difficult to fully assess agency management efficiencies due to the number of variables and service preferences, the lack of data, and service review constraints. Because this is the first round of compliance with a new State law, agencies are learning how to respond to LAFCo's service review requests. Many have pledged to track needed types of data, which are not currently gathered or evaluated. Feedback from the current process will enable better future reviews. Additional evaluation should occur before or in conjunction with the next MSR cycle.

## **GOVERNMENT STRUCTURE OPTIONS**

One government structure option under LAFCo's jurisdiction—special district formation to regionalize SWAT and/or dispatch services—was identified, and is discussed in this section along with alternative approaches that are not under LAFCo's jurisdiction. The MSR identifies government structure options, advantages and disadvantages, and evaluation issues, but does not recommend these options. The Commission or the affected agencies may or may not initiate future studies of these options, although LAFCo is required to update all SOIs by January 1, 2006.

### **Special District Formation**

The only government structure option potentially under LAFCo's jurisdiction is formation of a special district to regionalize and finance SWAT and/or dispatch services. Formation may be initiated by petition of registered voters, or by resolution of a special district board, a city council, or the County Board of Supervisors depending on the Principal Act. Alternative approaches to regionalizing SWAT and/or dispatch functions involve forming a JPA or contract service arrangements. Advantages include cost avoidance opportunities and service improvements; disadvantages include loss of control by individual agencies. The consortium model used for regionalizing fire and EMS dispatch or the JPA model used for consolidating the Livermore and Pleasanton fire service are organizational structures that are more likely to gain the support of the various local agencies. Although formation of a special district to address regional policing issues is

not presently being proposed, there is potential for LAFCo to play a role in encouraging the agencies to work together to form cooperative solutions to regional needs.

For small agencies and departments, regionalization and consolidation of services may provide greater efficiency in dispatch, investigative and supervisory functions and other purchasing. Other advantages include cost savings and enhanced promotional opportunities for personnel. Disadvantages of regionalization through the formation of new local agencies include a potential loss of community identity and local perspective, rigidity in a larger bureaucracy, higher costs that sometimes occur in large police departments, and loss of control by the individual agencies.

If the Commission determines that evaluation of this option is warranted, some potential areas on which evaluation might focus include (1) opportunities to streamline operations and reduce management costs; (2) potential to avoid duplication of effort and improve communications if a single district manages SWAT and/or dispatch operations; (3) potential service improvements (dispatch technology, staff training level) from use of single provider; (4) potential disruptions or advantages of dispatch changes to Fire Departments; (5) potential effects on staff through transfer and re-assignment; and (6) technological obstacles to regionalization (e.g., communications inter-connectivity).

## CHAPTER 6: SPHERE OF INFLUENCE OPTIONS

This chapter identifies SOI policy options for the agencies providing public safety services, and recommends SOI options for the limited purpose agencies. Vicinity maps corresponding to the various SOI policy options are located in Appendix B.<sup>141</sup> For limited purpose agencies exclusively providing public safety services, the Commission will consider updating SOIs after adoption of this report. This report recommends SOI policy options only for limited purpose agencies. This report does not provide analysis or recommendations of SOI policy options for multipurpose agencies. The consultant is charged with recommending SOI policy options for multipurpose agencies **after** completing MSR studies of utility and other services.

Before updating the SOIs, the CKH Act and LAFCo's guidelines require that the Commission review and consider a number of factors, including the following:

- Existing and planned land uses and policies,
- Potential effects on agricultural and open space lands,
- Opportunity for infill development rather than SOI expansion,
- Projected growth in the affected area,
- Services to be provided to any areas added to the SOI,
- Service capacity and adequacy,
- The location of facilities, infrastructure, and natural features like rivers and ridge lines,
- Effects on other agencies,
- Potential for consolidations or other reorganizations when boundaries divide communities, and
- Social or economic communities of interest in the area.<sup>142</sup>

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<sup>141</sup> In most cases, Appendix B agency maps have been reviewed and approved by both the affected agency and by LAFCo, as generally depicting the agency's SOI. Maps that have not yet been verified by LAFCo are stamped as "Draft" maps. The City of Livermore map has been approved by the City, but has not yet been verified by LAFCo. The maps of the cities of Oakland and Pleasanton have not yet been approved by the affected agencies, and have not yet been verified by LAFCo.

<sup>142</sup> Guidelines, Policies and Procedures, Alameda Local Agency Formation Commission, 2003.

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**CITY OF ALAMEDA HEALTH CARE DISTRICT**

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The City of Alameda Health Care District was formed in 2002 after a comprehensive evaluation of service issues and conditions. Voters approved the District formation and LAFCo affirmed an SOI that is coterminous with its boundaries. The District now owns and operates the Alameda Hospital. District residents recently voted to finance the hospital through a special parcel tax. The District’s SOI is coterminous with its boundaries. The District has not recommended any changes to its SOI.

At the present time, we have identified one SOI option:

- 1) **Retain Existing SOI:** If the Commission considers the existing agency boundary/SOI relationship to be the desired government structure option, retention of a coterminous SOI is appropriate.

**ANALYSIS**

As the District is a relatively new public agency, limited information is available. The District’s financial and operational performance is unknown, because financial indicators relate to the hospital prior to formation of the District. The OSHPD data on hospital finances and occupancy indicate that prior to District formation in 2002, the Alameda Hospital had more excess operating room and inpatient bed capacity than any other hospital in Alameda County. Administrative expenses were also above average.

Insufficient time has elapsed since the City of Alameda HCD’s formation to permit a thorough evaluation. Hence, analysis of other SOI alternatives is premature. No information has been identified which suggests a modification to the District’s existing boundaries. LAFCo will be better able to evaluate municipal services and SOI issues in the next round of MSR’s.

In conclusion, SOI options at the District should be evaluated in the next SOI update cycle when adequate time has elapsed since the formation of the District.

*Table 6-1. City of Alameda HCD SOI Issues Analysis*

Issue	Comments
SOI Update Recommendation	Retain existing SOI which is coterminous with boundary.
Services to be provided	Heath Care
Existing and planned land uses and policies	In 2001, LAFCo determined that the District’s SOI did not conflict with planned land uses; that the District had no authority over land use, and the City of Alameda was an urban area needing the District’s services. City and County policies support the provision of adequate health care for City and County residents. City plans include land uses and population growth needing supportive health care services.

Potential effects on agricultural and open space lands	Services are already being provided. Existing and recommended SOI boundaries are coterminous with a full service city. Hospital and health care services are needed in all areas, and do not, by themselves induce or encourage growth on agricultural or open space lands. No Williamson Act contracts will be affected. In 2001, LAFCo found that the District Formation and SOI would not adversely affect agricultural or open space land or be growth inducing. Conditions have not changed.
Opportunity for infill development rather than SOI expansion	None. The District is not a land use authority and has no control over the location of infill development.
Projected growth in the affected area	There is a growing population needing emergency, acute care and other medical services. The District population is expected to grow by almost 5% in the next five years. The senior share will grow substantially, further increasing the need for health care services.
Services to be provided to any areas added to the SOI	Not applicable as no additions to the District's SOI are under consideration.
Service capacity and adequacy	The District was formed in 2001 so pertinent data on many service indicators are not yet available. However, the District is fully accredited for hospital services. It has received service awards, and its emergency room care consistently ranks in the top ten for patient satisfaction in the State, and was voted number three in the County. The hospital received 100-130 complaints in 2002 and had a relatively low occupancy rate compared to other hospitals. In 2002, the Hospital closed its emergency room (ER) to incoming patients 1% of the time, compared to 42% of hospitals nationwide that did not close ERs, and 17% who closed ERs more than 10% of the time. ER capacity has since been upgraded. In 2001, it had a below average investment rate in new or upgraded facilities, possibly related to the timing of District Formation.
The location of facilities, infrastructure, and natural features like rivers and ridge lines	The Alameda Hospital is somewhat centrally located and is accessible to District residents. Water, sewer, and transportation infrastructure is already available. Topographical features do not affect decisions regarding location of the SOI boundary because the cost and adequacy of hospital services is unaffected by topography. The unique geographical features of the island city of Alameda, and the accompanying need for an acute care hospital in the City, were used as a justification for District formation. It is possible that bridges could collapse or be inaccessible as a result of earthquake or storm events.
Effects on other agencies	SOI boundaries are not contiguous to any other hospital district boundaries. In 2001, LAFCo determined that District formation was consistent with the general and specific plans and spheres of influence of affected agencies. Circumstances have not changed.

Potential for consolidations or other reorganizations when boundaries divide communities	In 2001, after reviewing Alameda Hospital’s extensive research, including results of discussions with potentially affected agencies, LAFCo determined that reorganization with other agencies was infeasible. Circumstances have not changed, or new technical data been found, to support a different conclusion.
Social or economic communities of interest in the area	The District was primarily formed to serve the residents of the City of Alameda. Approximately 74% of patients served by Alameda Hospital live in the City. City residents voted to tax themselves to pay for District services, and have an economic interest in receiving those services. In 2001, LAFCo found that District Formation, and accompanying SOI determination, would ensure acceptable levels of emergency, acute care and other medical services for residents and visitors of the area. Residents of the Cities of Oakland and San Leandro also use District services and have an interest in cost and adequacy of such services.
Willingness to serve	The District wishes to continue to provide services within its boundary and SOI.

**RECOMMENDATION**

The authors recommend that LAFCo retain the existing coterminous SOI for the District.

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**EDEN TOWNSHIP HEALTH CARE DISTRICT**

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The Eden Township Health Care District no longer operates a hospital and no longer provides health care services directly. The District’s primary activities involve hospital oversight, grant funding, and funding hospital building projects. The District’s SOI is coterminous with its boundaries. The District has not recommended any changes to its SOI.

Two potential options are identified with respect to the SOI for the Eden Health Care District:

- 1) **Retain Existing SOI:** If the Commission determines that the existing coterminous district boundary/SOI boundary is the desired government structure, retention of the existing SOI is appropriate.
- 2) **Zero SOI:** If the Commission believes that the agency should be dissolved, adopting a zero SOI is appropriate.

**ANALYSIS**

The primary arguments in favor of dissolution are that the District is no longer a direct hospital service provider, that the District’s facility financing activities could possibly compromise the public interest, that the District may be ineffective as a watchdog, that the District is not visible to constituents, and that there would be modest cost savings if the District were dissolved.<sup>143</sup> The

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<sup>143</sup> Please refer to Chapter 3 of this report for a related discussion of government structure options for this agency.

District does not update constituents or post agendas or other public documents on its website; however, the District has recently begun to post meeting notices and minutes on its website.

The primary arguments against dissolution are that dissolution would reduce oversight and accountability of the privately-owned EMC to constituents, that the District may decide in the future to provide services directly, and that District voters approved the Sutter Health affiliation. Through its affiliation agreement with Sutter Health, the District offers local governance by empowering the community’s elected representatives to veto significant operational changes at Eden Medical Center (EMC) facilities, among other powers.<sup>144</sup>

The prospect that the District could decide to provide services in the future is a compelling argument against dissolution. The District could potentially provide health clinics to the medically needy population in the future. The District is unlikely to regain control of the Eden or San Leandro facilities.<sup>145</sup>

The District’s agreement not to compete may complicate transfer to a local successor agency if the District were dissolved before the 2008 sunset of that agreement. It may also be complicated for a successor agency to assume all of the District’s functions under existing agreements with Sutter Health. Dissolution of the District is subject to voter confirmation and the ballot process. The Commission is authorized to conduct special studies, and may initiate a study of the District, potential successors, and dissolution options.

*Table 6-2. Eden Township HCD SOI Issues Analysis*

<b>Issue</b>	<b>Comments</b>
SOI Update Recommendation	Conduct further study
Services to be provided	Health care grant and capital improvement funding
Existing and planned land uses and policies	The District has no authority over land use. City and County policies support the provision of adequate health care for City and County residents. City and County plans include land uses and population growth needing supportive health care services.
Potential effects on agricultural and open space lands	There is substantial agricultural and open space land within the District. Hospital and health care services are needed in all areas, and do not, by themselves induce or encourage growth on agricultural or open space lands. Services are already being provided so growth inducement is not a factor. No Williamson Act contracts will be affected. LAFCo found that the SOI would not adversely affect agricultural or open space land or be growth-inducing in 1984 when the SOI was adopted.
Opportunity for infill development rather than SOI	None. The District is not a land use authority and has no control over the location of infill development.

<sup>144</sup> The District representatives hold block-voting privileges in which a majority vote of the District representatives is required for the approval of budgets, unbudgeted capital expenditures, new programs, closure of programs, strategic plans, and CEO appointment; for such decisions, a majority vote of the Sutter representatives is also required. Both the District and Sutter have the right to approve or veto significant organizational changes to the Eden Medical Center such as merger, dissolution, sale, or changes to the bylaws or articles of incorporation.

<sup>145</sup> The Eden campus does not meet seismic requirements and is being replaced by a new facility. Under the San Leandro Hospital lease agreement, the District agreed not to operate the hospital after the lease expires in 2024; however, with the approval of Sutter Health, the District could potentially operate the hospital after the lease expires in 2024.

expansion	
Projected growth in the affected area	There is a growing population needing emergency, acute care and other medical services. The District population is expected to grow by almost 3% in the next five years. The senior share will grow substantially, further increasing the need for health care services.
Services to be provided to any areas added to the SOI	Not applicable as no additions to the District's SOI are under consideration.
Service capacity and adequacy	The District is not a direct provider of health care services. In 1998, the District sold its medical center to a Sutter Health affiliate. Eden Medical Center has seismic deficiencies; the affiliate plans to replace the hospital with a new facility by 2011. The District owns San Leandro Hospital, which is leased to and operated by the Sutter Health affiliate. Both hospitals are fully accredited for hospital services. The District's primary activities involve hospital oversight, financing capital facilities, and grants management. Grant funds are distributed to non-profits and government agencies providing health care, Meals on Wheels, legal services and other support services to low-income people. EMC has seismic deficiencies, although the affiliate plans to replace the hospital with a new facility by 2011. The replacement facility will be funded primarily by Sutter Health and secondarily by the District. The District reported that very few complaints are received, less than five for the past year.
The location of facilities, infrastructure, and natural features like rivers and ridge lines	The District has an oversight and capital finance role in the Eden Medical Center and San Leandro Hospital. The Eden campus and San Leandro Hospital are somewhat centrally located and accessible to District residents. Water, sewer, and transportation infrastructure is already available. Topographical features do not affect decisions regarding location of the SOI boundary because the cost and adequacy of hospital services is unaffected by topography.
Effects on other agencies	The District's current SOI boundaries are contiguous to the Washington Township HCD along its southern boundary. The District includes territory in the cities of Hayward and San Leandro, and in the unincorporated Castro Valley, Ashland, Cherryland and San Lorenzo areas. Adopting a zero SOI would not directly affect other agencies.
Potential for consolidations or other reorganizations when boundaries divide communities	Update of the SOI at this time may be premature in light of cogent arguments both in favor of and against dissolution. LAFCo may wish to undertake further study to ensure that the relationship between the public agency and private hospital purveyor does not result in a gift of public funds or compromise the public interest. Further study may determine whether dissolution is optimal.

Social or economic communities of interest in the area	The District was primarily formed to serve the residents of central Alameda County. Approximately 76% of patients served by the Eden Medical Center live in the District, and approximately 73% of patients served by San Leandro Hospital live in the District. The District has not collected any property taxes since 1976. County residents living outside the District also use the Eden Medical Center and San Leandro Hospital, and have an interest in cost and adequacy of services.
Willingness to serve	The District wishes to continue to provide services within its boundary and SOI.

## RECOMMENDATION

Update of the SOI at this time may be premature in light of cogent arguments both in favor of and against dissolution. LAFCo may wish to undertake further study to ensure that the relationship between the public agency and private hospital purveyor does not result in a gift of public funds or compromise the public interest.<sup>146</sup>

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## WASHINGTON TOWNSHIP HEALTH CARE DISTRICT

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The Washington Township Health Care District owns and operates Washington Hospital in Fremont, and through its affiliates, operates various other clinics and facilities. The District's SOI is coterminous with its boundaries. The District has not recommended any changes to its SOI, and is not currently considering a boundary adjustment relating to Sunol. The District indicated that it had not analyzed its boundaries for several years, but would consider expansion if warranted by patient volume in nearby areas. This may be an issue in the next SOI update cycle.

One option has been identified for the SOI update for the Washington Health Care District:

- 1) **Retain Existing SOI:** If the Commission determines that the existing coterminous agency boundary/SOI boundary is the desired government structure, retention of the existing SOI is appropriate.

## ANALYSIS

The District's hospital is located centrally within the District; however, the District faces competition within its service area with the recently opened Kaiser Hospital in Fremont. The District does not levy taxes or have a defined service area; the boundary only affects board elections.

Within the next five years, it is unlikely that any annexation proposals would be made. Hence, it is unlikely that the SOI would need to extend beyond the existing boundary within the next five years.

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<sup>146</sup> At the September 16, 2004 Commission meeting, EMC Legal Counsel Craig Cannizzo testified that the Superior Court and Fair Political Practices Commission had affirmed that there was no gift of public funds.

**Table 6-3. Washington Township HCD SOI Issues Analysis**

<b>Issue</b>	<b>Comments</b>
SOI Update Recommendation	Retain existing SOI, which is coterminous with the boundary.
Services to be provided	Health Care
Existing and planned land uses and policies	The District has no authority over land use. City and County policies support the provision of adequate health care for City and County residents. City and County plans include land uses and population growth needing supportive health care services.
Potential effects on agricultural and open space lands	There is substantial agricultural or open space land within the existing and recommended SOI boundaries. However, hospital and health care services are needed in all areas, and do not, by themselves induce or encourage growth on agricultural or open space lands. No Williamson Act contracts will be affected. LAFCo found that the SOI would not adversely affect agricultural or open space land or be growth-inducing in 1984 when the SOI was adopted.
Opportunity for infill development rather than SOI expansion	None. The District is not a land use authority and has no control over the location of infill development.
Projected growth in the affected area	There is a growing population needing emergency, acute care and other medical services. District population is expected to grow by 4.2% in the next five years. The senior share will grow substantially, further increasing the need for health care services.
Services to be provided to any areas added to the SOI	Not applicable as no additions to the District's SOI are under consideration.
Service capacity and adequacy	The District is fully accredited for hospital services. It has received service awards for overall hospital services, cardiac services, and maternity services. The District's annual management report reveals consistently increasing patient volume, dedication to community service and charitable care, and responsible approaches to cost savings. Hospital bed occupancy is consistently higher than the County average. The heart attack death rate at Washington Hospital was slightly lower than the countywide average. In 2002, the Hospital closed its ER to incoming patients 2% of the time. By comparison, 42% of hospitals nationwide did not close ERs, and 17% closed ERs more than 10% of the time in 2002. ER capacity in the District has since been enhanced due to the 2003 opening of a private hospital. In 2001, the District had an above-average investment rate in new or upgraded facilities, and higher than average costs.
The location of facilities, infrastructure, and natural features like rivers and ridge lines	The Washington Hospital is centrally located and is accessible to District residents. Water, sewer, and transportation infrastructure is already available. Topographical features do not affect decisions regarding location of the SOI boundary because the cost and adequacy of hospital services is unaffected by topography.

Effects on other agencies	The District's SOI boundaries are contiguous to the Eden Township Health Care District along its northern boundary. The District includes territory in the cities of Fremont, Newark, Union City, and Hayward and the unincorporated Sunol community. The District SOI boundary is consistent with the general and specific plans and does not conflict with the spheres of influence of affected agencies.
Potential for consolidations or other reorganizations when boundaries divide communities	The MSR identified potential for consolidation with the Eden Township HCD, but indicated that option was unlikely. No potential options for reorganization with other agencies were identified.
Social or economic communities of interest in the area	The District was primarily formed to serve the residents of southern Alameda County, including Fremont, Newark, Union City, southern Hayward and Sunol. Approximately 85% of patients served by Washington Hospital in 2001 were District residents. County residents located outside the District also use District services and have an interest in the cost and adequacy of such services. The District does not levy taxes or have a defined service area; the boundary only affects board elections.
Willingness to serve	The District wishes to continue to provide services within its boundary and SOI.

**RECOMMENDATION**

The authors recommend that LAFCo retain the existing coterminous SOI for the District.

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**ALAMEDA COUNTY FIRE DEPARTMENT**

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The Alameda County Fire Department provides fire service to most unincorporated areas in the County and to a number of other jurisdictions under contract. The District's boundaries were approved by LAFCO in 1993 in conjunction with a fire service consolidation. The District's boundary includes all unincorporated areas except the Fairview FPD in the unincorporated Castro Valley area. The District's SOI includes the entire county. The District has not recommended any changes to its SOI.

In addition to direct services, the District provides contract service to the cities of Dublin and San Leandro, as well as the Lawrence Berkeley Lab and the VA hospital in Livermore. Further, the District is potentially available to provide contract service to other cities that currently have their own fire departments.

Thus far, three potential policy approaches have been identified with respect to SOI update for the District:

- 1) **Retain Existing SOI:** If the Commission considers the existing agency boundary/SOI relationship to be the desired government structure, retention of the existing SOI is appropriate.
- 2) **Reduced SOI:** If the Commission wishes to adjust the SOI to recognize the District's

current direct and contract service area, an SOI encompassing the District’s current boundaries plus the cities of Dublin and San Leandro would be appropriate.

- 3) **Coterminous SOI:** If the Commission does not expect the remainder of the County to annex to the District, adoption of a SOI that is coterminous with the District boundary is appropriate. A potential variant on this approach would involve excluding the unincorporated islands from the SOI to encourage logical boundaries.

**ANALYSIS**

The ACFD SOI currently includes 12 cities with independent fire departments, as well as the Fairview Fire Protection District. In addition, the ACFD SOI includes the territory in the contract cities of Dublin and San Leandro.

Given that the SOI represents the probable ultimate boundary, incorporated territory should be included within the SOI if it is probable that it would be annexed to ACFD in the future. It is possible that certain cities may wish to have their territory annexed to ACFD in the future. In fact, the sister agency to ACFD in Los Angeles County—the Consolidated Fire Protection District (CFPD)—annexes the territory within its contract cities. CFPD has a large number of contract cities, and requires any new contract cities to annex to the District.

To date, however, there have been no proposals or recommendations for the cities of Dublin and San Leandro to be annexed to ACFD. In fact, the City of Dublin has recently stated that it remains the City’s option to contract with ACFD or to provide services through other means. Within the next five years, it is unlikely that any annexation proposals would be made. Hence, it is unlikely that the SOI would need to extend beyond the existing boundary within the next five years.

*Table 6-4. ACFD SOI Issues Analysis*

Issue	Comments
SOI Update Recommendation	Reduce existing countywide SOI such that SOI is coterminous with District boundary.
Services to be provided	Fire and Paramedic Services
Existing and planned land uses and policies	The recommended SOI does not conflict with planned land uses. The District has no authority over land use. LAFCo did not include land use determinations in its resolution adopting the SOI in 1993. County policies support the provision of adequate fire services for County residents. County plans include land uses and population growth needing fire and paramedic services. The District requires that new development comply with the Uniform Building Code, and various fire ordinances and policies.
Potential effects on agricultural and open space lands	Substantial agricultural and open space land needing fire protection is already located within the District’s service area. Fire and paramedic services are needed in all areas, are already provided, and do not, by themselves induce or encourage growth on agricultural or open space lands. The recommended SOI boundary involves a reduction in the current District SOI. No Williamson Act contracts will be affected.

Opportunity for infill development rather than SOI expansion	None. The District is not a land use authority and has no control over the location of infill development.
Projected growth in the affected area	There is a growing population needing fire and paramedic services. The District population is expected to grow by almost 5% in the next five years. The senior share will grow substantially, further increasing the need for paramedic services.
Services to be provided to any areas added to the SOI	Not applicable as no additions to the District's SOI are under consideration.
Service capacity and adequacy	ACFD is able to respond to calls within five minutes 90 percent of the time, meeting the NFPA and California EMS Agency guidelines. ACFD's last Insurance Services Organization (ISO) rating was done approximately 5 years ago with a Class 2 level assigned. ACFD receives less than one complaint or inquiry per month, less than 10 annually. On a per capita basis, the cost of providing fire service in ACFD's service area was comparable to the countywide median cost. Three of the County's fire stations are inadequate and require replacement.
The location of facilities, infrastructure, and natural features like rivers and ridge lines	ACFD has eight fire stations located in the unincorporated areas and twelve stations in contract service areas. Topographical features do not affect decisions regarding location of the SOI boundary because fire services are provided in all areas of the County. The cost and adequacy of fire services can be affected by topography, which can affect response times and access to water and other resources. Water, sewer, and transportation infrastructure, such as fire hydrants, is not available in many rural and open space areas. Water may need to be transported to some fire locations. The District requires installation of fire hydrants and provision of adequate water pressure when it reviews urban development proposals.
Effects on other agencies	Currently, the District's SOI boundary is countywide and overlaps with all other fire protection agencies. The cities of Dublin and San Leandro contract with the District for services, but wish to reserve the right to provide fire protection services at a later date. In 1993, LAFCo determined that District formation would provide more improved, efficient, and consistent fire service delivery in the unincorporated areas of the County. No potential adverse effects were discovered.
Potential for consolidations or other reorganizations when boundaries divide communities	The MSR identified the potential to add the Fairview FPD territory to the District through consolidation or annexation; however, the MSR determined that this outcome is unlikely. In 1996, there was a failed attempt to dissolve and add the Fairview FPD territory to the ACFD. In addition, the MSR identified the potential, albeit unlikely, for the District to annex territory within its contract cities (Dublin and San Leandro).

Social or economic communities of interest in the area	The District was primarily formed to serve the residents of the unincorporated areas of Alameda County. District residents voted to tax themselves to pay for fire services, and have an economic interest in receiving those services. In 1993, LAFCo found that District Formation would ensure improved levels of fire and paramedic services for residents and visitors of the area. Residents of the Cities of Dublin and San Leandro, and other contract service recipients, also use District services and have an interest in the cost and adequacy of such services. The ACFD participates in mutual and automatic aid agreements to provide services to a number of communities when needed or requested.
Willingness to serve	The District wishes to continue to provide services within its boundary, service area and SOI.

**RECOMMENDATION**

The authors recommend that LAFCo reduce the SOI for this District to reflect that its probable future boundary is unlikely to be more expansive than its existing boundary. The authors recommend that, at a minimum, territory within the cities with independent fire departments and the Fairview FPD be removed from the ACFD SOI. If, during the course of LAFCo’s deliberations, a contract city should indicate the intention to have its territory annexed to ACFD in the future, then it would be appropriate to include that territory within the ACFD SOI.

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**ALAMEDA COUNTY EXTENDED POLICE PROTECTION CSA**

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The Public Protection County Service Area (CSA) is a dependent special district governed by the Alameda County Board of Supervisors. It serves as a funding mechanism to provide extended police protection services to the unincorporated area. The CSA is administered by the County Sheriff’s Office. The District currently does not have an existing SOI. The County Sheriff has recommended that LAFCo adopt a coterminous SOI for this CSA encompassing the unincorporated area.

Three options have been identified with respect to adopting an SOI:

- 1) **Coterminous SOI:** If the Commission determines that no annexations are likely to occur, the District’s SOI could include only the unincorporated area.
- 2) **Countywide SOI:** If the Commission determines that future annexation of all incorporated territory is likely, the District’s SOI should be coterminous with the County boundary.
- 3) **Potential Service Area SOI:** If the Commission determines that future annexations are likely, the District’s SOI could encompass the unincorporated area and known potential service areas, provided the boundaries are logical and no islands are created.

## ANALYSIS

Cities may propose to annex territory to the CSA by a majority vote of their legislative bodies. Although territory within cities may be annexed to the CSA, there is no incentive at the present time for cities to do so. If, in the future, the CSA were to finance additional services through a special tax, it is possible that other cities may wish to have their territory annexed to the CSA to receive additional services. However, there are currently no proposals or ballot measures under consideration relating to imposition of such a special tax. Within the next five years, it is unlikely that any annexation proposals would be made. Hence, it is unlikely that the SOI would need to extend beyond the existing boundary within the next five years.

Because the CSA is a financing mechanism, there is almost no potential for impacts to agricultural or open space lands, social or economic communities of interests, or the operations of other agencies in the County. For this and other reasons, there is no need at this time to conduct further analysis with regard to this agency.

*Table 6-5. Police Protection CSA SOI Issues Analysis*

<b>Issue</b>	<b>Comments</b>
SOI Adoption Recommendation	Adopt an SOI which is coterminous with the CSA boundary.
Services to be provided	Police Protection
Existing and planned land uses and policies	County policies support the provision of adequate police service for County residents. County plans include land uses and population growth needing police services. The CSA has no authority over land use and the County has present and future needs for the provision of police services.
Potential effects on agricultural and open space lands	Police services are already provided throughout the County. The recommended SOI boundaries are coterminous with the unincorporated areas served by the Alameda County Sheriff's Office. Police services are needed in all areas, and do not, by themselves induce or encourage growth on agricultural or open space lands. No Williamson Act contracts will be affected.
Opportunity for infill development rather than SOI expansion	None. The CSA is not a land use authority and has no control over the location of infill development.
Projected growth in the affected area	There is a steadily growing population needing services, with a 5% population increase expected in the next five years. The worker population is also relevant, because police services are also provided to the business community and commuters. Over the next 15 years, job creation is expected to increase the daytime population in the District by 9,000 and its service area, which includes the City of Dublin, by 21,000. If the Sheriff continues to contract with the City of Dublin, population growth rates for the next ten years may be higher.
Services to be provided to any areas added to the SOI	Not applicable as police services are already provided by the CSA and a coterminous SOI is recommended.

Service capacity and adequacy	The CSA formed in 1991; the Sheriff was providing police services to the same area before CSA formation. The average response time for emergency calls in 2002 for the Alameda County Sheriff's Office was 11:48 minutes, compared with the median countywide response time is 4:25 minutes. On a per capita basis, the Sheriff's sworn staffing equates to 1.4 per 1,000 residents, compared with 1.6 sworn officers per 1,000 residents countywide. On a per capita basis, the cost of providing police service was lower than the countywide average. The Sheriff needs facility upgrades or building replacements for its main police station, crime lab facilities, and a dispatch center. The number of service complaints reported by the Sheriff for 2002 was 132.
The location of facilities, infrastructure, and natural features like rivers and ridge lines	Because of the location and shape of the unincorporated Alameda County, it is not economically feasible to provide centrally located facilities in all sub-areas. Sheriff headquarters is located in Oakland. Water, sewer, and transportation infrastructure is already available for stations, but not for a substantial portion of unincorporated areas needing service. The Sheriff is mandated to provide police services to all unincorporated areas in the County, regardless of topography that may affect service provision. Hence, the decision regarding the location of the SOI boundary is unaffected by topographical features.
Effects on other agencies	The CSA boundary is coterminous with the unincorporated area, and overlaps the SOIs of several cities. Adopting a coterminous SOI does not affect other agencies as overlapping areas reflect future city expansions. If city expansions are ultimately approved, concurrent reductions in the CSA boundary would be likely. As a result, in 1991, LAFCo determined that CSA formation was consistent with the spheres of influence of affected agencies. Circumstances have not changed.
Potential for consolidations or other reorganizations when boundaries divide communities	No government structure options were identified.
Social or economic communities of interest in the area	The CSA was primarily formed to supplement funding for police services provided by the Alameda County Sheriff's Office. Although the Sheriff provides certain countywide services to all residents in Alameda County, the CSA funds municipal police services only to unincorporated areas. The business community and commuter populations are projected to grow at higher rates than the resident populations and can cause higher demands for police services. Residents of the City of Dublin also use CSA services and have an interest in cost and adequacy of such services.
Willingness to serve	The CSA wishes to continue to provide services within its boundary and SOI.

## RECOMMENDATION

The authors recommend that LAFCo adopt a coterminous SOI for this CSA encompassing the unincorporated area.

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## EMERGENCY MEDICAL SERVICES CSA

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The Emergency Medical Services (EMS) County Service Area (CSA) is a dependent special district governed by the Alameda County Board of Supervisors. It is responsible for countywide EMS coordination, regulation and planning. Its boundary and SOI are countywide. Given the District’s mission, the countywide SOI is appropriate. The District’s SOI is coterminous with its boundaries. The District has not recommended any changes to its SOI.

One option is identified with respect to the District SOI:

- 1) **Retain Existing SOI:** If the Commission determines that the existing coterminous agency boundary/SOI boundary is the desired option, retention of the existing SOI is appropriate.

## ANALYSIS

This CSA already exists, and covers the entire County. Because it is a financing mechanism, there is almost no potential for impacts to agricultural or open space lands, social or economic communities of interests, or the operations of other agencies in the County. For this and other reasons, there is no need at this time to conduct further analysis with regard to this agency.

*Table 6-6. EMS CSA SOI Issues Analysis*

Issue	Comments
SOI Update Recommendation	Retain existing SOI which is coterminous with the CSA boundary.
Services to be provided	Emergency Medical Services
Existing and planned land uses and policies	The CSA SOI is countywide, and does not conflict with existing or planned land uses. The CSA has no authority over land use and the County has present and future needs in the provision of emergency services. County policies support the provision of adequate emergency medical services for all County residents. County plans include land uses and population growth needing emergency medical services.
Potential effects on agricultural and open space lands	The existing and recommended SOI boundaries are coterminous with the boundaries and full service area of the CSA. Emergency medical services are needed in all areas, and do not, by themselves induce or encourage growth on agricultural or open space lands. No Williamson Act contracts will be affected. In 1984, LAFCo found that CSA formation and SOI would not adversely affect agricultural or open space land or be growth inducing. Conditions have not changed.

Opportunity for infill development rather than SOI expansion	None. The CSA is not a land use authority and has no control over the location of infill development.
Projected growth in the affected area	There is a growing population needing ambulance transport and other emergency medical services. CSA population is expected to grow by 4.2% in the next five years. The senior share will grow substantially, further increasing the need for emergency medical services.
Services to be provided to any areas added to the SOI	Not applicable as no additions to the CSA's SOI are under consideration.
Service capacity and adequacy	The CSA delivers unique services as a regulatory agency. The CSA conducts a self-evaluation, and assesses its success in meeting minimum standards and suggested guidelines relating to issues regulated by the California EMS Authority. For the majority of the issues assessed, the CSA meets the minimum standards but does not meet the guidelines. The CSA reviews quarterly response time reports from all first responder ALS providers. The CSA periodically reviews growth in formerly rural areas to ensure that response time standards in newly urbanized areas are consistent with the urbanized response time standards. The CSA receives about 15 reports each month of unusual occurrences in the EMS system that are investigated by the CSA. The State and Federal governments regulate most of the services provided by the CSA.
The location of facilities, infrastructure, and natural features like rivers and ridge lines	The main facility is in San Leandro. There are no other facilities used directly by the agency. Facilities used in the provision of EMS include fire stations, 13 receiving hospitals, pediatric critical care centers, trauma centers, and burn centers. Medical helicopters are available from several different providers. Ambulances are strategically positioned throughout the County to ensure adequate response times based on the expected location and volume of emergency calls. Water, sewer, and transportation infrastructure are already available in urban areas, but not available in many rural and open space areas. As a result, emergency response times differ depending on location. Topographical features do not affect decisions regarding location of the SOI boundary because it is already coterminous with the Alameda County boundary and the cost and adequacy of regulatory emergency medical services is unaffected by topography.
Effects on other agencies	The SOI boundary is currently coterminous with the Alameda County and the boundary of the CSA. In 1984, LAFCo determined that CSA formation provided a needed service that is not provided by any other agency in the County. Other emergency service providers rely on EMS services and will not be affected by approval of the recommended SOI.

Potential for consolidations or other reorganizations when boundaries divide communities	In 1984, LAFCo determined that the Alameda County line is the most appropriate boundary for emergency medical services, which are needed countywide. Circumstances have not changed, or new technical data been found, to support a different conclusion.
Social or economic communities of interest in the area	The CSA was primarily formed to serve all residents of Alameda County. All County residents benefit from services provided by the CSA. The growing County senior population will have the greatest need for paramedic, ambulance transport, and other emergency medical services. In 1984, LAFCo found that CSA Formation would ensure an adequate level of emergency medical services for residents and visitors of the area. Other County providers depend on EMS services.
Willingness to serve	The CSA wishes to continue to provide services within its boundary and SOI.

**RECOMMENDATION**

The authors recommend that LAFCo retain the existing countywide SOI for this CSA.

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**FAIRVIEW FIRE PROTECTION DISTRICT**

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The Fairview Fire Protection District (FPD) provides fire and paramedic services to the unincorporated Fairview community through a contract with the City of Hayward. The District’s SOI is currently coterminous with its service boundary. The District is also within the SOI of the ACFD, which does not provide fire service in the District. A portion of the District also lies within the SOI of the City of Hayward, which provides fire service to the District under contract.<sup>147</sup> The District has not recommended any changes to its SOI.

Two options are identified with respect to SOI update for the District:

- 1) **Retain Existing SOI:** If the Commission determines that the existing coterminous agency boundary/SOI boundary is the desired option, retention of the existing SOI is appropriate.
- 2) **Zero SOI:** If the Commission determines that the agency should eventually be dissolved, adoption of a zero SOI is appropriate, in which case, the Commission should consider placing the District within the SOI of either the City of Hayward or the ACFD. The Commission may determine that further study of various issues including management and fiscal efficiencies, would be necessary to clarify concerns raised during this service review process.

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<sup>147</sup> Most of the Fairview FPD boundary is inside the SOI of ACFD as well as the City of Hayward. The Five Canyons area of the District is not in the City of Hayward’s SOI. The entire FPD boundary is within the SOI of ACFD. For a discussion of government structure options for Fairview FPD, please refer to Chapter 4 of this report.

## ANALYSIS

The primary arguments in favor of dissolution are that the District is no longer a direct provider of fire and EMS services, that the District is not as visible to constituents as it could be, and that there would be modest cost savings if the District were dissolved. The District does not broadcast its meetings, update constituents, or post public documents on its website; however, the District has recently launched its own website to improve accountability.

The primary arguments against dissolution are that District voters oppose dissolution, that the District opposes annexation to Hayward, and that the District prefers the contract service arrangement with Hayward due to street access, shared facilities, and low-cost service. District voters opposed dissolution less than a decade ago, and it is unlikely that public opinion has changed subsequently.

The District offers local governance in this unincorporated area, allowing the area to receive fire and EMS service from its selected provider. The MSR found that cost savings would be modest (less than \$75,000) if the District were dissolved, and found that the service cost per capita is among the lowest in the County.

Given the District is making good-faith efforts to improve accountability, believes that the service configuration is the best option, and that dissolution was previously rejected by the voters, the authors do not consider dissolution a feasible option in the next five years.

In the next MSR cycle, LAFCo should consider service response times in the southwestern portion of the District if the temporary FY 2004-05 closure of the Hayward Fire Station providing service to this area becomes permanent.

*Table 6-7. Fairview FPD SOI Issues Analysis*

<b>Issue</b>	<b>Comments</b>
SOI Update Recommendation	Retain existing SOI, which is coterminous with the District boundary.
Services to be provided	Fire and Paramedic Services per contract with City of Hayward.
Existing and planned land uses and policies	LAFCo found that the SOI was consistent with land uses in 1990 when the SOI was last amended. The District has no authority over land use. The County has land use authority within District boundaries. The District also lies within the planning area for the City of Hayward SOI. City and County policies support the provision of adequate fire and paramedic services. City and County plans include land uses and population growth needing fire and paramedic services. The District requires fire code compliance when approving development plans.
Potential effects on agricultural and open space lands	Fire and paramedic services are needed in all areas, are already being provided, and do not, by themselves, induce or encourage growth on agricultural or open space lands. No Williamson Act contracts will be affected.
Opportunity for infill development rather than SOI expansion	None. The District is not a land use authority and has no control over the location of infill development.

Projected growth in the affected area	There is a growing population needing fire and paramedic services. District population is expected to grow by 4.7% in the next five years. The senior share will grow substantially, further increasing the need for paramedic services.
Services to be provided to any areas added to the SOI	Not applicable as no additions to the District's SOI are under consideration.
Service capacity and adequacy	Fire services for the Fairview FPD are provided by the City of Hayward. The Hayward FD ISO rating is 3. By comparison, the ACFD's ISO rating is 2. The average response time for the FFPD is approximately 5 minutes, which is comparable to the median response time of Alameda County fire service providers. According to the District, one complaint was received in 2002 relating to the speed of fire apparatus. The FFPD is primarily served by the fire station located within the District and secondarily by other fire stations in Hayward. Facilities are in good condition. On a per capita basis, the cost of providing fire service in FY 00-01 was less than the countywide median cost, indicating an efficient operation.
The location of facilities, infrastructure, and natural features like rivers and ridge lines	The Fairview FPD is primarily served by Fire Station No. 8, which is centrally located and accessible to District residents. Water, sewer, and transportation infrastructure is already available in the urbanized area, but is not yet available in all areas. Topographical features do not affect decisions regarding location of the SOI boundary, because it is coterminous with the District boundary. They do affect response times and the District's decision to contract with the City of Hayward for service.
Effects on other agencies	The Fairview FPD SOI overlaps the ACFD and the City of Hayward SOIs. The District participates in mutual aid agreements, which ensure that potential boundary-related service conflicts are avoided. It contracts with the City of Hayward, which participates in mutual and automatic aid agreements. At the time of SOI adoption in 1983, the District was entirely within the Hayward SOI. Currently, the District SOI is consistent with the SOIs of affected agencies.
Potential for consolidations or other reorganizations when boundaries divide communities	The MSR identified Fairview FPD dissolution, annexation to the City of Hayward, and annexation or consolidation with ACFD as potential government structure options. These options were deemed improbable.
Social or economic communities of interest in the area	The Fairview community, which is located in the unincorporated area of Alameda County, desires to continue receiving locally controlled fire and emergency services as evidenced by a 1996 vote against District dissolution. The City of Hayward's SOI reflects long-term plans to annex the area. The District's service provider provides mutual aid to other areas in Alameda County. Commuters and Hayward residents are also service users.
Willingness to serve	The District wishes to continue to provide services within its boundary and SOI.

## RECOMMENDATION

The authors recommend that LAFCo retain the existing coterminous SOI for the District.

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## MULTIPURPOSE AGENCIES

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The SOI updates for multipurpose agencies, including the cities and the East Bay Regional Park District, will be deferred until all applicable services reviews are complete.<sup>148</sup> For multipurpose agencies, recommendations regarding feasible policy options will be included in the third and final MSR report covering the remainder of municipal services.

The cities of Hayward, Dublin, Livermore, Pleasanton, Fremont, and Union City have urban growth boundaries (UGBs) or the equivalent. The CKH Act charges LAFCo generally with the goal of preserving open-space and prime agricultural lands, but empowers LAFCo to make its own determinations about the relative importance of efficiently extending government services and preserving open-space lands. LAFCo decisions must consider but are not required to conform to locally adopted UGBs.<sup>149</sup> In adopting SOIs, LAFCo must consider and make determinations about the present and planned land uses in the area, including agricultural and open-space lands.<sup>150</sup>

## CITY OF HAYWARD

Hayward's SOI includes territory outside its boundaries, and excludes the Ridglands area that lies within its boundary. To date, the City has suggested that parcels along the east side of Oak Street north of Grove Way be added to the SOI.

Hayward's UGB prohibits the extension of urban services to shoreline and hill areas.<sup>151</sup> The protected shoreline area includes the Eden Landing Ecological Reserve, HARD Marsh (former Oliver Salt Ponds), public lands, and salt ponds owned by Cargill.<sup>152</sup> The UGB coincides with the Ridglands Protection Boundary, which protects hill areas within Hayward's eastern city limits. The UGB protects some areas within Hayward's SOI, but much of this area is outside the SOI.

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<sup>148</sup> Pursuant to Government Code §56430, LAFCo may not update the SOIs of agencies until it has reviewed all relevant municipal services that are provided by those agencies. Hence, the SOIs of multipurpose agencies will be updated after review of utility services (covered in the second MSR) and all other services (covered in the third and final MSR).

<sup>149</sup> According to the Alameda County Counsel and *Growth Within Bounds*, in the case of certain SOI and annexation proposals, LAFCo must consider conformity with the County's general plan as a factor in its deliberations, but the existence of an urban growth boundary need not control LAFCo's ultimate decision (James Sorensen and Brian Washington, 2001; Commission on Local Governance for the 21<sup>st</sup> Century, 2000).

<sup>150</sup> California Government Code §56425(e)(1)

<sup>151</sup> Outside the UGB, density is limited to one home per 100 acres.

<sup>152</sup> Hayward's 2002 General Plan indicates that Cargill plans to cease operations at this location and consolidate its operations at its Newark plant. The Cargill lands may potentially be used as a wildlife refuge.

The County UGB does not affect territory within Hayward's city limits or SOI. However, Hayward's 2002 General Plan recommends that the Ridgeland area policies be reevaluated in light of Measure D.<sup>153</sup> Those policies were agreed upon by Hayward, Pleasanton and Alameda County in 1993 prior to Measure D.<sup>154</sup> Under the agreement, the majority of the Pleasanton Ridgeland would remain as unincorporated land, the City of Hayward would retain its existing SOI (west of Palomares Road), the City of Hayward would detach parcels east of Pleasanton Ridge and annex comparable area from the County, and the City of Pleasanton would amend its western SOI to lie at the top of the Pleasanton and Main Ridges.<sup>155</sup>

Hayward's SOI excludes territory that lies within its boundary in the vicinity of Pleasanton Ridge Regional Park, including Pleasanton Ridge itself which lies within the City of Pleasanton SOI. Hayward has designated this area as open space, and the area lies entirely outside Hayward's UGB. This area was originally annexed in 1967 to accommodate rural home sites, and is mostly in agricultural use.

Hayward's SOI also excludes territory that lies within its boundary south of Alameda Creek. This area is within the City of Fremont's SOI, even though it is within the City of Hayward's boundaries.

There is a small overlapping SOI area that resulted from an SOI amendment that was approved for neighboring Union City without a reciprocal action taken for Hayward.<sup>156</sup> The Union City SOI was expanded in 1989 to include a small (5.3 acre) area of Hayward that formed a land peninsula surrounded on three sides by Union City. Although this area was annexed to Union City, it appears that it was not removed from Hayward's SOI and it should be.

The Five Canyons area of the Hayward's SOI was removed prior to the Castro Valley incorporation vote. Given the voters' rejection of incorporation, returning the area to Hayward's SOI may be appropriate. The City of Hayward provides fire and EMS service to the Fairview FPD. The Five Canyons portion of the Fairview FPD territory is outside Hayward's SOI. If the Five Canyons area is returned to Hayward's SOI, the entire area of the Fairview FPD would again be within Hayward's SOI.

The San Lorenzo unincorporated neighborhood between Hayward and San Leandro is not within the SOI of either city. The County Sheriff and fire departments currently serve the San Lorenzo community. The area lies outside the territory included in the City's land use planning map.

Seven options were identified with respect to SOI update for Hayward:

- 1) **Reduced SOI (UGB):** If the Commission determines that areas designated for no development should be excluded from municipal SOIs, it is appropriate to exclude the area

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<sup>153</sup> Measure D adopted a UGB for Alameda County in unincorporated areas. Density outside the County UGB is limited to one dwelling unit per 100-320 acres, with the precise density limit based on evaluation of the property and surrounding land.

<sup>154</sup> Subsequent court action invalidated only that section of the Ridgeland Area Policies which required the approval of all three jurisdictions for any subsequent amendments to the policies.

<sup>155</sup> City of Hayward General Plan, Policy 7, page J-2.

<sup>156</sup> LAFCo Resolution Nos. 89-17 and 89-18.

outside the City's UGB from Hayward's SOI. This exclusion would affect only the lands outside the City's boundary.

- 2) **Reduced SOI (Overlapping):** If the Commission determines that the Union City-Hayward overlapping SOI area should remain within Union City's boundaries, it would be appropriate to exclude this area from Hayward's SOI.
- 3) **Expanded SOI (Alameda Creek):** If the Commission determines that the Hayward area south of Alameda Creek should remain within Hayward, it would be appropriate to include this area in Hayward's SOI and remove it from Fremont's SOI.
- 4) **Expanded SOI (Pleasanton Ridge):** If the Commission determines that the Pleasanton Ridge area should remain within Hayward, it would be appropriate to include this area in Hayward's SOI.<sup>157</sup>
- 5) **Expanded SOI (Five Canyons):** If the Commission determines that the Five Canyons area, currently served by Hayward's Fire Department, should be annexed to Hayward in the next 5-15 years, the Hayward SOI should be expanded to include this area.
- 6) **Expanded SOI (San Lorenzo):** If the Commission determines that the San Lorenzo area should be annexed by Hayward, the Commission should include this area within Hayward's SOI.
- 7) **Expanded SOI (East Oak Street):** If the Commission determines that the parcels on the east side of Oak Street should be annexed by Hayward, the Commission should include this area within Hayward's SOI.
- 8) **Retain Existing SOI:** If the Commission determines that the existing SOI is consistent with growth projections and other plans, it should retain the existing SOI.

## CITY OF SAN LEANDRO

San Leandro's SOI includes the unincorporated Ashland area. The City is considering expanding its SOI to include the San Leandro Rock Quarry site (open space) located on the east side of town on Lake Chabot Road. The City's General Plan envisions inclusion of this area in the City limits.

The El Portal Ridge area of the San Leandro's SOI was removed in accordance with the proposed incorporation of the City of Castro Valley. Given that the voters of Castro Valley defeated the proposed incorporation, returning this area to San Leandro's SOI may be appropriate.

The San Lorenzo unincorporated neighborhood between Hayward and San Leandro is not within the SOI of either City. The County Sheriff and fire departments currently serve the San Lorenzo community.

There are several options with respect to the SOI update for San Leandro:

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<sup>157</sup> Please refer to the discussion of SOI options for the City of Pleasanton, as a portion of this area currently lies within the City of Pleasanton SOI.

- 1) **Expanded SOI (El Portal Ridge):** If the Commission determines that the El Portal Ridge area should be annexed to San Leandro, the San Leandro SOI should be expanded to include this area.
- 2) **Expanded SOI (San Lorenzo):** If the Commission determines that the San Lorenzo area should be annexed to San Leandro, the San Leandro's SOI should be expanded to include this area.
- 3) **Expanded SOI (Quarry):** If the Commission determines that the Rock Quarry site should be annexed to San Leandro, the San Leandro's SOI should be expanded to include this area.
- 4) **Retain Existing SOI:** If the Commission determines that the El Portal Ridge, San Lorenzo and Rock Quarry areas should not be annexed to San Leandro, the existing SOI should not be changed.

## CITY OF DUBLIN

Dublin's SOI extends outside its boundary in western and northeastern Dublin. Dublin has recently annexed a significant amount of land, and has not recommended any changes to its SOI.

In the west, the SOI lies outside both the City's adopted 30-year urban limit line and the County's UGB. The western portion of the growth boundary coincides with the city limits; hence, the western SOI area is entirely outside the projected growth boundary. Density in the western SOI area is limited to one home per 100 acres, primarily because the area currently lacks water service. The City Council may approve denser residential development under certain conditions despite the urban limit line.

Although unaffected by the City's urban limit line, portions of the northeastern SOI area are outside the County's UGB. If the City were to annex territory outside the County UGB, then that territory would no longer be subject to County density and development limits. The City is reviewing several residential projects in this area for annexation purposes, and indicated that removal of this area from the SOI would have a detrimental effect on these projects.<sup>158</sup>

Two options have been identified with respect to SOI update for Dublin:

- 1) **Retain Existing SOI:** If the Commission determines that the existing SOI is consistent with growth projections and other plans, it should retain the existing SOI.
- 2) **Reduced SOI (Urban Limit Line):** If the Commission determines that areas designated for no development should be excluded from municipal SOIs, it is appropriate to exclude the western area outside the City's urban limit line from Dublin's SOI.

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<sup>158</sup> Letter from City of Dublin City Manager Richard C. Ambrose to LAFCo Executive Officer, July 19, 2004.

## CITY OF LIVERMORE

Livermore's SOI is larger than its boundaries, and includes substantial unincorporated areas.<sup>159</sup> The City of Livermore recommended that its SOI be expanded to include all of a parcel located northwest of I-580 near Springtown Boulevard in order to correct a parcel split.

In 2000, the Livermore electorate adopted a UGB in the southern portion of the City. In December 2002, the Livermore City Council adopted a UGB that completed the UGB around the northern part of the City and removed all previously planned urban uses for the north Livermore area and replaced them with agricultural designations consistent with Alameda County's East County Area Plan. Any urbanization or extension of urban services into this area is prohibited unless voter approved. Density is limited to one home per 100 acres.

There are substantial SOI areas outside Livermore's UGB and city limits. The first such area is in northeast Livermore north of Raymond Drive, including Frick Lake. The City's eastern SOI lies outside the UGB, except that Lawrence Livermore National Lab (LLNL) and Sandia National Laboratories are inside the growth boundary. Areas of southeast Livermore including three wineries are outside the UGB but inside the SOI. In southern Livermore, areas west of Sycamore Grove Park and the Veterans Medical Center are outside the UGB, but inside the city limits.

There are two small areas in southern Livermore that are outside Livermore's UGB but inside the city limits. These areas are east and south of Ravenswood Park, and include a winery.

Otherwise, there are only three areas that could be added to Livermore's SOI and be consistent with the City's UGB. These three areas are within Livermore's UGB but outside its current SOI. Two of these areas are south of the Livermore Municipal Airport; the other area is north of the 580 near Las Colinas Road.

In addition to the City's UGB, there is a County-approved UGB allowing development outside that boundary only under very limited specified circumstances.<sup>160</sup> The County UGB limits development in unincorporated areas within Livermore's SOI, but does not prevent the annexation of those areas to Livermore.

The CKH Act charges LAFCo generally with the goal of preserving open-space and prime agricultural lands, but empowers LAFCo to make its own determinations about the relative importance of efficiently extending government services and preserving open-space lands. LAFCo decisions must consider but are not required to conform to locally adopted UGBs. In adopting SOIs, LAFCo must consider and make determinations about the present and planned land uses in the area, including agricultural and open-space lands.

There are several options with respect to SOI update for Livermore:

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<sup>159</sup> The Appendix B agency map has been approved by the agency, but has not yet been verified by LAFCo.

<sup>160</sup> Measure D limits sprawl development in eastern Alameda County as well as in the canyon lands east of Castro Valley, Hayward, Union City and Fremont. The Measure D density limit is one home per 100 acres.

- 1) **Reduced SOI (UGB):** If the Commission determines that areas designated outside of the UGB should be excluded from SOIs, because growth is not anticipated in the near future, then it is appropriate to exclude areas outside the UGB from Livermore's SOI.
- 2) **Expanded SOI (Springtown):** If the Commission determines that the split Springtown parcel should be annexed, the Livermore SOI should be expanded to include this area.
- 3) **Expanded SOI (Airport):** If the Commission determines that areas inside the Livermore UGB should be included in SOIs, it is appropriate to include the areas in Livermore's SOI. This inclusion would involve the lands south of the Livermore Municipal Airport, and potentially the area north of I-580 and southwest of the Springtown community.<sup>161</sup>
- 4) **Retain Existing SOI:** If the Commission determines that the existing SOI will accommodate Livermore's planned growth, the existing SOI may be appropriate.

## CITY OF PLEASANTON

Pleasanton's SOI extends beyond its boundary.<sup>162</sup> The City did not recommend any changes in its SOI.

Pleasanton's SOI includes substantial lands located outside Pleasanton's UGB, including the Pleasanton Ridge area that is within the boundaries of the City of Hayward. Pleasanton's UGB lies inside its city limits in several areas, and lies inside the SOI in most areas. Hence, there are substantial areas inside the SOI and limited areas within the City limits to which extension of urban services by the City is prohibited unless they are minor new developments and do not include new housing.

The largest SOI area excluded from the UGB is south of the City. The area includes parts of Pleasanton Ridge Regional Park and mostly undeveloped areas east of the park. The second area outside the UGB and within the City's SOI includes water storage areas east of the City and south of the Los Positas Golf Course in Livermore. This area extends east following the western boundary of the City of Livermore. The area includes many water storage ponds and restricted roads. Other areas include small pockets along the western edge of the City where the UGB is mostly consistent with the City boundaries, as well as northern pockets that include portions of Pleasanton Ridge Regional Park in the City of Hayward.

In the Pleasanton area, the City's UGB was also adopted as a County-approved UGB; development outside that boundary is allowed only under very limited specified circumstances.<sup>163</sup> The County UGB limits development in unincorporated areas within Pleasanton's SOI, but does not prevent the annexation of those areas to Pleasanton. Although the County UGB lies inside the

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<sup>161</sup> The area north of I-580 and southwest of the Springtown community is inside the City's UGB, but is outside the County (Measure D) UGB.

<sup>162</sup> The Appendix B agency map has not yet been approved by the agency or verified by LAFCo, as of the date of this report.

<sup>163</sup> Measure D limits sprawl development in eastern Alameda County as well as in the canyon lands east of Castro Valley, Hayward, Union City and Fremont.

Pleasanton city limits, it is not applicable within Pleasanton's city limits unless such areas are detached from Pleasanton.

LAFCo decisions must take into consideration locally adopted UGBs. In all cases, LAFCo considers conformity with the existing general plans as a factor in its deliberations. In adopting SOIs, LAFCo must consider and make determinations about the present and planned land uses in the area, including agricultural and open-space lands.<sup>164</sup> The CKH Act charges LAFCo generally with the goal of preserving open-space and prime agricultural lands, but empowers LAFCo to make its own determinations about the relative importance of efficiently extending government services and preserving open-space lands.

Three options are identified with respect to the SOI update for Pleasanton:

- 1) **Reduced SOI (UGB):** If the Commission determines that areas designated outside of the UGB should be excluded from SOIs, because growth is not anticipated in the near future, then it is appropriate to exclude areas outside the UGB from Pleasanton's SOI.
- 2) **Reduced SOI (Pleasanton Ridge):** If the Commission determines that the Pleasanton Ridge area in the City of Hayward should remain within the City of Hayward, then it is appropriate to remove this area from Pleasanton's SOI.
- 3) **Retain Existing SOI:** If the Commission determines that the existing Pleasanton SOI is appropriate, no change should be made.

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<sup>164</sup> California Government Code §56425(e)(1)

## CITY OF FREMONT

Fremont's SOI extends beyond its boundaries in the eastern area. Fremont has not recommended changes to its SOI.

There are two annexable areas in the Mission Peak and Vargas Plateau areas, and a detachable area near Mission Creek. In the Coyote Hills area, the Fremont SOI follows Alameda Creek and includes a small portion of the City of Hayward. There are unincorporated areas east of Fremont that could potentially be added to the SOI.

Development in the northeastern hill area is limited by several initiatives. The Fremont hills are subject to density limits of one home per 100 acres in unincorporated areas by Measure D (2000), to the same density limit for unincorporated areas annexed to Fremont in the future by Measure T (2002), and to density limits of one home per 20 acres by the Hill Area Initiative of 2002 (Measure T).

Development in the SOI area in eastern Mission Peak Regional Preserve is not subject to the Measure T and 1981 Fremont Hill Initiative as it is outside the affected area. However, if the area becomes part of the City of Fremont, Measure T would apply. The City considers the area east of its city limits to be part of an "Expanded Planning Area". The City's General Plan states that development in this area would have a significant impact on the City and adjacent lands.

Thus far, six potential policy approaches have been identified with respect to SOI update for the City:

- 1) **Reduced SOI (Measure T/SOI):** If the Commission determines that areas designated by Measure T for limited development should be excluded from Fremont, it would be appropriate to exclude the eastern hill areas outside the city limits from Fremont's SOI.<sup>165</sup> This exclusion would include only the lands outside the City's boundary.
- 2) **Reduced SOI (Mission Peak):** If the Commission determines that the Mission Peak Regional Preserve area east of the City's current limits should be excluded from Fremont, it is appropriate to exclude the regional park from Fremont's SOI. This exclusion would presumably include only lands currently outside the City.
- 3) **Reduced SOI (Hayward):** If the Commission determines that the portion of Hayward that is south of Alameda Creek should not be annexed to Fremont, it is appropriate to exclude this area from Fremont's SOI.
- 4) **Expanded SOI (Mission Creek):** If the Commission determines that the Mission Creek area within Fremont's boundary but outside its SOI is planned for growth in the near future, then it is appropriate to include the area in Fremont's SOI.
- 5) **Coterminous SOI:** If the Commission determines that a coterminous city boundary/SOI boundary is the desired option, adopting a coterminous SOI is appropriate.

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<sup>165</sup> Measure T limits new development to the same density (one dwelling unit per 100 acres) as the current County Measure D policy.

- 6) **Retain Existing SOI:** If the Commission determines that the existing SOI conforms to growth plans, the Commission may retain the existing SOI.

## CITY OF NEWARK

Newark's boundary and SOI are coterminous, and there are no adjacent unincorporated areas. The City has not recommended changes to its SOI.

One option is identified with respect to the SOI update:

- 1) **Retain Existing SOI:** If the Commission determines that the existing city boundary/SOI boundary is appropriate, it should retain the existing SOI.

## CITY OF UNION CITY

Union City's current SOI is nearly coterminous with its boundaries except for a small area within the City of Fremont. It includes two small areas, which overlap with the SOIs of Hayward and Fremont respectively.

The Union City SOI was expanded in 1989 to include a small (5.3 acre) area formerly in Hayward's city limits that formed a land peninsula surrounded on three sides by Union City; this area has not been removed from Hayward's SOI but has been both annexed to Union City and placed within Union City's SOI. In 1998, Fremont annexed a very small (0.2 acre) area near Mission Boulevard to correct three split parcels. Although Fremont's SOI was amended to include the area, Union City's SOI was not amended to remove the area. Hence, the area remains in both Fremont and Union City's SOIs.

The eastern hillside area, which is inside both the City's boundary and SOI, is subject to development limits under the Hillside Area Plan adopted by voters in 1995. Voter approval is required for any future development of this area pursuant to Measure II passed in 1996. The Hillside Area Plan requires a minimum lot size of 200 acres in areas designated as open space. Although there are unincorporated areas in the eastern hills of Union City along Palomares Road that could potentially be added to the SOI, development in this unincorporated area is limited under Measure D and would be expected to be limited by Union City's development policies if annexed. Most of the Hillside Area cannot be developed due to topography, however, approximately 700 acres is developable with no more than three homes per acre.<sup>166</sup>

Two options are identified with respect to SOI update for the City:

- 1) **Reduced SOI (Overlapping):** If the Commission determines the Union City-Fremont overlapping SOI area should remain within Fremont, it is appropriate to exclude this area from Union City's SOI.
- 2) **Retain Existing SOI:** If the Commission determines that the existing city boundary/SOI boundary is appropriate, no change should be made in the SOI.

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<sup>166</sup> The Draft MSR included an SOI option for reducing the Union City SOI to exclude the Measure II areas outside the city limits from Union City's SOI. This option has been deleted, because there is no Measure II territory that is outside the city limits and inside the existing SOI.

## CITY OF OAKLAND

Oakland's SOI is generally coterminous with its boundaries with the exception of fringe eastern hill areas south of Redwood Road and outside Redwood Regional Park as well as three fringe areas—Manzanita Court, Starkeville and Diablo Courts—that are in Contra Costa County.<sup>167</sup> An additional fringe area on Winding Way in Contra Costa County is not currently included in the SOI. There are additional fringe areas north of Redwood Road and outside Redwood and Chabot Regional Parks that are not in Oakland's SOI or boundary.

LAFCo found that “there are many illogical boundaries involving parcels causing inefficient provision of public services that should be corrected” and recommended that development be precluded in Contra Costa County adjacent to Oakland until the area is annexed to Alameda County and the City of Oakland.<sup>168</sup> Before LAFCo may annex these areas to Oakland, the Boards of Supervisors of both Alameda and Contra Costa Counties must approve a county boundary change.

Oakland has not recommended changes to its SOI.

Five options are identified with respect to SOI update for the City:

- 1) **Reduced SOI (Contra Costa):** If the Commission determines that Oakland is unlikely to annex the eastern hill areas, it is appropriate to remove the area from Oakland's SOI.
- 2) **Expanded SOI (Winding Way):** If the Commission determines that Oakland is likely to annex the properties on Winding Way in Contra Costa County, it is appropriate to add the area to Oakland's SOI.
- 3) **Reduced SOI (Redwood):** If the Commission determines that the fringe areas south of Redwood Road should not be annexed to Oakland, it is appropriate to exclude the eastern hill areas outside the city limits from Oakland's SOI.
- 4) **Expanded SOI (Redwood):** If the Commission determines that the sliver areas north of Redwood Road but outside Redwood and Chabot Regional Parks should be annexed, it is appropriate to include them in the SOI.
- 5) **Retain Existing SOI:** If the Commission determines that the existing city boundary/SOI boundary is appropriate, the existing SOI should be retained.

## CITY OF BERKELEY

Berkeley's boundary and SOI are coterminous, and there are no adjacent unincorporated areas. Berkeley has not recommended changes to its SOI.

Only one option is identified for the SOI update:

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<sup>167</sup> The Appendix B agency map has not yet been approved by the agency or verified by LAFCo, as of the date of this report.

<sup>168</sup> Local Agency Formation Commission of Alameda County, Resolution No. 83-12.

- 1) **Retain Existing SOI:** If the Commission determines that the existing city boundary/SOI boundary is appropriate, the existing SOI should be retained.

### **CITY OF ALAMEDA**

Alameda's boundary and SOI are coterminous, and there are no adjacent unincorporated areas. The City has not recommended changes to its SOI.

Only one option for the SOI is identified:

- 1) **Retain Existing SOI:** If the Commission determines that the existing city boundary/SOI boundary is appropriate, the existing SOI should be retained.

### **CITY OF ALBANY**

Albany's boundary and SOI are coterminous, and there are no adjacent unincorporated areas. The City has not recommended changes to its SOI.

Only one option for the SOI has been identified:

- 1) **Retain Existing SOI:** If the Commission determines that the existing city boundary/SOI boundary is appropriate, the existing SOI should be retained.

### **CITY OF EMERYVILLE**

Emeryville's boundary and SOI are coterminous, and there are no adjacent unincorporated areas. The City has not recommended changes to its SOI.

Only one option for the SOI has been identified:

- 1) **Retain Existing SOI:** If the Commission determines that the existing city boundary/SOI boundary is appropriate, the existing SOI should be retained.

### **CITY OF PIEDMONT**

Piedmont's boundary and SOI are coterminous, and there are no adjacent unincorporated areas. The City has not recommended changes to its SOI.

Only one option for the SOI has been identified:

- 1) **Retain Existing SOI:** If the Commission determines that the existing city boundary/SOI boundary is appropriate, the existing SOI should be retained.

### **EAST BAY REGIONAL PARKS DISTRICT**

The District includes all of Alameda and Contra Costa counties. The District's boundary and SOI are coterminous, and there is no potential for SOI expansion unless the District was to expand

to other counties. The District has not recommended changes to its SOI.

The District acquires new park lands, working with the relevant city or the County on issues like park access and park-related infrastructure needs. In certain areas like Hayward, regional parks located within or adjacent to cities have been excluded from the respective city's SOI. However, in other areas, regional parks have been included in city SOIs.

One potential policy approach has been identified with respect to SOI update for the District:

- 1) **Retain Existing SOI:** If the Commission determines that the existing District boundary/SOI boundary is appropriate, the current SOI should be retained.

# CHAPTER 7: SUMMARY OF DETERMINATIONS

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires LAFCo to prepare Municipal Service Reviews. Part of that process is the adoption of written determinations for nine specific evaluation categories which are enumerated in Government Code §56430.

A determination is a declaratory statement or conclusion, based on the information and evidence presented to the Commission in the administrative record. These determinations are supported by evidence in the record of the service review proceedings, including all of the information collected, the LAFCo's analysis and interpretation of the information, oral and written information presented by the public, and oral and written testimony given at public hearings.

Determinations included in Chapter 7 are based upon information compiled and analyzed in this MSR. LAFCo staff has reviewed the information in this report and enhanced determinations based on their knowledge of Alameda County's unique economic, social, political and governing structures, previous LAFCo policy decisions, and Alameda LAFCo's Guidelines, Policies and Procedures.

## 1. INFRASTRUCTURE NEEDS AND DEFICIENCIES

### General

- The infrastructure needs of providers differ due to local conditions. Older cities and urban areas possess infrastructure that is often deteriorating, or in need of replacement or upgrade. Newer cities and urban areas need to fund new facilities.
- Some providers, or city departments, had different perceptions of projected population growth and its effect on capacity needs, than land use planners or ABAG. Improved communication and coordination among local and regional land use planners and infrastructure planners should be encouraged.
- With few exceptions, most capital improvements are unfunded. Capital Improvement Plans, Master Plans and General Plans need to place additional emphasis on implementation and financing.

### Health Care Services

- Collectively, public and private health care providers in Alameda County currently have significant capacity to provide health care services.
- To maintain current service levels during the next 15 years, health care agencies will need to increase capacity, including 470 new acute care beds, 17 new operating rooms, 38 new emergency room treatment stations and a new acute care hospital.
- The specific nature and type of needed infrastructure depends upon the location and pace of growth and upon changing demographics. For example, the number of elderly needing care is expected to increase substantially changing the nature and type of facilities needed to provide adequate health care. Providers need to consider changing demographics when

developing long-term infrastructure and financing plans.

- The Tri-Valley area has inadequate hospital resources to meet current demand forcing residents to travel distances to hospitals outside the sub-region in Alameda County, and to facilities in Contra Costa County.
- A number of Alameda County ER facilities experience temporary closures and high inpatient occupancy rates. Diversion of ambulances to other facilities can decrease survival chances or increase the severity of injury. There is a need to develop strategies to reduce the number and type of ER closures through education to decrease unnecessary visits, to increase in capacity at hospitals, or by other means.

### **Fire and Emergency Medical Services**

- Future needs will be determined by such factors as the aging of the population, the availability of alternative services, such as primary care and telephone-based service, and demand management practices, such as better fire prevention training, fire code improvements, and building rehabilitation and upgrades especially in redevelopment and blighted areas.
- Fire and EMS dispatch is becoming increasingly regionalized in Alameda County with a growing number of agencies using the Lawrence Livermore National Laboratory (LLNL) Dispatch Center, and more (Albany and Berkeley) considering regional collaboration and dispatch. 911 callers in most jurisdictions, except Albany, Berkeley and Piedmont, receive medical procedure instructions while the paramedics and ambulances are en route. Continued regionalization and specialization should be encouraged.
- 911 services could be improved. There are as many as two call transfers required during dispatch for 911 calls placed from cellular phones, adding delay to response time. Most freeway service calls, and calls from EBRPD land, are made via cellular phone. Calls from cellular phones are difficult to locate and are received by the California Highway Patrol rather than local agencies. By 2006, new cellular telephones are expected to be equipped with GPS, allowing most 911 calls from cellular phones to be dispatched directly to the locale.
- There are communications deficiencies in that some fire departments are unable to communicate via radio with other departments. Continued efforts toward connectivity should be encouraged.
- Dispatch services and response times could be improved if neighboring agencies were to link their Computer Aided Dispatch (CAD) systems together.
- Most ambulance transport services in Alameda County are provided by AMR whose capacity increases are based upon service demands. Exceptions are the cities of Alameda, Albany, Berkeley and Piedmont who individually develop capacity plans.
- There are 104 fire stations in use in Alameda County, which are operated by the County, individual cities, fire protection districts, and the State. The conditions of these facilities vary. Local service providers have identified needs for new or upgraded facilities, which will be difficult to finance considering the lack of new revenue options, potential cuts to revenue sources such as VLF, and proposed property tax shifts.
- Infrastructure needs are identified and addressed in capital improvement programs, implementation of which is based upon local financing ability and priorities. Some identified

needs include: (1) training facilities (Emeryville, Newark and Fremont); and (2) fire station replacement (Alameda, Oakland, and the ACFD). None of these agencies have identified construction funds.

### **Police Services**

- Regional infrastructure includes police stations and substations, short and long-term detention facilities, training facilities and crime labs.
- There are communications deficiencies in that police departments are unable to communicate via radio with other police and fire departments, and currently rely on dispatch systems. The County and several of the cities are collaboratively seeking federal grant funds to finance communications upgrades.
- Dispatch services and response times could be improved if neighboring agencies were to link their Computer Aided Dispatch (CAD) systems together.
- Services are provided from a variety of city and County facilities, some of which require replacement or renovation. Agencies need to (1) upgrade or replace crime lab, station and dispatch facilities (County); (2) replace crime lab (Oakland); (3) upgrade or augment training facilities (Hayward, Fremont, Oakland and the County); (4) replace or renovate stations (Albany, Emeryville, Hayward, Oakland and the County); and (5) add facility capacity/space (Alameda, Berkeley, Fremont, Livermore, Newark, San Leandro, EBRPD and Union City).
- Financing for most needed capital improvements has not been identified. It is reasonable to expect that new capacity will need to be added to detention facilities to accommodate increased demands based on future population growth. The pace of improvements will depend on available financing and their relative priority in local capital improvement programs.

## **2. GROWTH AND POPULATION PROJECTIONS**

### **General**

- Alameda County's population is projected to increase by 12 percent, or approximately 189,000, during the next 15 years. Growth is projected to occur more quickly in some locations than others, especially Eastern Dublin, Oakland, Southern Livermore, Pleasanton, Alameda Point, Bay Farm Island, Marina Village and portions of Emeryville and Union City.
- Population demographics are projected to change over time. For example, the number of persons age 65 and over living in Alameda County will grow from the current 10 percent to about 16 percent of the population in 15 years. Demographic change can dramatically affect health, fire, police and emergency service providers. Increases in younger population groups are associated with certain types of crime and affect law enforcement. An aging population stresses health and emergency services. Persons living in poverty affect various social and housing services. Service providers need to prepare for expected demographic changes so that adequate services can be maintained at the lowest possible cost.
- The County's daytime population, i.e. employment, is expected to increase by 23 percent over the next 15 years. This is nearly double the rate of residential population growth, indicating an increased number of job opportunities for Alameda County residents and others, and added stress on services. Associated increases in demand need to be factored

into agency planning processes.

### **Health Care Services**

- In the next 15 years, the number of ER visits, surgeries, and inpatient bed days in Alameda County is projected to increase by at least 12 percent, creating a need for proactive planning to ensure that health services capacity keeps pace with demand.
- In the next 15 years, the County's population aged 65 and older is projected to increase by nearly 75 percent creating a potential for actual growth in service demand to exceed projections, and changing the nature and type of facilities needed to provide adequate health care.

### **Fire and Emergency Medical Services**

- The number of ambulance responses and fire department service calls in Alameda County is projected to increase by at least 12 percent over the next 15 years, as a result of population growth.

### **Police Services**

- Population growth, the success of programs to revitalize blighted areas, changes in the crime rate, advances in policing strategies and police management, success and continuation of community oriented policing, growth in the crime-prone population, traffic congestion and other factors are expected to affect the need for officers, and other service demands.

## **3. FINANCING CONSTRAINTS AND OPPORTUNITIES**

### **General**

- Public, as opposed to private service providers, are unable to recover all service costs through charges for service and insurance, and are, therefore, required to seek creative ways to obtain financing and reduce financing costs.
- The cost of financing is affected by the performance of the providers. The bond and financial ratings of providers in Alameda County differ based on their history of bond repayment, revenue forecasts, the amount of reserves, management efficiencies, and other factors. Providers need to maximize efficiency and accountability to minimize the costs of borrowed funds.
- It is difficult to get voters to approve tax increases. Some providers have been more successful than others. Their approaches to community outreach could be used as models to others who need to seek voter approval.
- Newer cities and new growth areas have more options in financing infrastructure because developers can be required to fund infrastructure and some services, and several financing vehicles, such as Mello-Roos Districts, are available for some new facilities and services.

## **Health Care Services**

- Increasing health care costs are a societal and systemic issue not limited to Alameda County.
- Major financing sources for health care—private patient insurance, State and Federal sources including Medicare and Medi-Cal, and County indigent coverage—are constrained by economic and policy factors.
- Financing strains on the health care system are affected by the number of service recipients who are indigent, uninsured and underinsured, and therefore dependent on public resources.
- Some medical facilities have long term debt, which represents increased capacity to be repaid by future hospital users. This debt may limit the ability of the agency to fund current service levels or future facility expansions.
- Local hospitals and trauma centers are utilizing creative financing approaches including local special taxes and various fundraising activities to supplement hospital budgets.

## **Fire and Emergency Medical Services**

- Among the 14 cities, 94 percent of budgets are financed by general fund sources with fire and EMS absorbing 21 percent of total general fund revenues.
- Contract service fees, ambulance fees, parcel taxes, and first-responder ALS (FRALS) payments collectively finance 14 percent of city fire department budgets countywide.
- Dependency on types of revenue sources varies among service providers: (1) The cities of Piedmont, Emeryville and Oakland generate the highest amounts of general fund revenues per capita among the cities in Alameda County; (2) Piedmont relies heavily on property taxes and property transfer taxes; (3) Emeryville's general fund receives little property tax, because of size and redevelopment tax increment financing, and accrues relatively high levels of sales tax, business tax, utility tax, and transient occupancy tax (TOT) revenues; (4) Oakland receives relatively low per capita sales tax revenues, and relies heavily on business license, utility users and property transfer taxes; (5) The cities of Fremont, Newark and Union City accrue the lowest amounts of general fund revenues per capita; (6) the cities of Fremont and Union City are most dependent on vehicle license fee (VLF) revenues; and (7) the City of Newark generates relatively high TOT revenues, and is less dependent on VLF. The type of revenue available substantially affects the ability of various agencies to maintain service levels and respond to growth in service demand.
- Fairview FPD, Union City, Piedmont, EMS CSA, Hayward, Oakland, Albany and Berkeley rely on parcel taxes to supplement general fund financing for fire departments. Some taxes (Piedmont and Union City) will sunset, which makes the revenue vulnerable and subject to reaffirmation by two-thirds of the voters.
- The four cities providing direct ambulance transport services (Alameda, Albany, Berkeley, and Piedmont) receive ambulance fees. The cities of Albany and Piedmont could charge usual and customary rates for recovering ambulance service costs.
- Agencies could enhance revenues by charging fees to recover actual costs of services.
- Financing for fire prevention, suppression and emergency medical services are constrained by a number of factors, including limitations on property tax revenues, revenue transfers to the State, and voter-approved restrictions on implementing revenue

enhancements. Some State-proposed changes to VLF revenue resources, which have become a major source of local discretionary funding, or additional property tax transfers, may further reduce critical revenue source.

- Revenue limitations have led local agencies to either utilize revenue enhancements, such as parcel taxes and increased use of service fees, to help fund services or delay needed service improvements. LAFCo should continue to support legislation and regulations which enhance revenue and financing opportunities for local agencies.
- Agencies could consider financing facility improvements through bond instruments that do not require voter approval.
- The ACFD reported that it lacks direct access to capital markets due to the complexity of accessing bond markets resulting from its dependent district status. The ACFD has thus far been unable to borrow to finance the replacement of three deficient stations and the seismic retrofit of three other stations. ACFD could consider borrowing capital through bond markets or private banks.

### **Police Services**

- Constraints to funding local law enforcement services are derived from an array of voter-approved tax limitations similar to those listed above for fire and emergency services.
- Most city and county law enforcement costs are financed by general fund sources.
- Ninety-seven percent of city police services are financed by general fund sources with department budgets utilizing 35 percent of available general fund revenues. Contract services and grants represent significant revenue resources.
- Union City relies on parcel taxes to supplement general fund financing for local law enforcement. The Union City parcel tax will sunset, which makes the revenue vulnerable and subject to reaffirmation by two-thirds of the voters.
- Local agencies are implementing various revenue enhancements and fees to supplement law enforcement budgets, though these revenue sources are limited to recovering the actual cost of providing the service. Several agencies could enhance revenues by acting to recover actual costs of services such as development plan review and code enforcement.
- The Alameda County PP CSA is a financing mechanism for enhanced law enforcement services in the unincorporated areas, which is currently limited to financing Sheriff services through taxes or assessments approved by voters.

## **4. COST-AVOIDANCE OPPORTUNITIES**

### **General**

- Local agencies utilize a variety of methods to avoid or minimize costs to provide service. Interagency cooperation, including contracts for services and joint activities, presents opportunities to avoid duplication of administrative capacity and cost.
- Land use planning designed to promote infill development, redevelopment of underutilized urban lands, and creation of compact, well-served communities presents opportunities to minimize future public service costs through strategic growth and annexation of

unincorporated islands.

### **Health Care Services**

- Health care costs are escalating throughout our nation. There may be opportunities to reduce or avoid some expenses in Alameda County if service providers engage in collaborative planning and develop resource-sharing approaches to health care service provision.
- Increased use of demand management strategies, such as increased insurance co-payments, patient education, provision of alternative services like primary care and telephone-based service, could reduce the number of non-urgent ER visits and 911 calls.
- County indigent coverage paid more revenue for inpatients per day and per outpatient visit than most other payment resources including Medi-Cal. This issue should be evaluated further by the County to determine if there are appropriate and feasible ways to reduce indigent care costs, such as prevention.
- Certain operating expenses could be avoided by dissolving special districts that do not provide services directly. The Eden Township HCD no longer directly operates a hospital (although its Directors are seated on the Eden Medical Center Board, and its Director also manages the EMC). A portion of Eden Township HCD's operating expenses could be reduced if another agency assumes operation.

### **Fire and Emergency Medical Services**

- Technological improvements and the need for increased efficiency have fostered cooperation and regional approaches in providing some emergency response services.
- Regionalized training and sharing of training facilities have been successful in reducing costs and should be encouraged.
- Implementation of demand management strategies by all providers could reduce unnecessary service calls and related costs and should be encouraged. Strategies include false alarm fees, 911 call response fees, and enhanced fire prevention education and outreach. Other strategies, such as increased insurance co-payments, patient education, and availability of alternative medical and urgent care services like primary care and telephone-based service, could reduce the future number of ambulance transports for non-urgent ER visits and related costs.
- Some operating costs could be avoided through various government reorganizations. LAFCo should continue to encourage the annexation of unincorporated islands located within the cities of Livermore, Hayward and Pleasanton, and undertake further study of reorganization options for the Fairview FPD.
- Agencies that implement benchmarking, continuous improvement and other management efficiency programs can minimize costs over the long term. Agencies should be encouraged to provide incentives for managers to implement innovative ways to reduce the ongoing cost of doing business.
- The cities of Livermore and Pleasanton have achieved substantial overhead savings by

forming the Livermore-Pleasanton Fire Department, a Joint Powers Authority that serves residents of both cities. Additional consolidations of service providers could produce additional savings.

### **Police Services**

- Increased regionalization of police dispatch and training services is a potential cost avoidance opportunity. Continuation and augmentation of contract police service, functional consolidation of bomb squads, crime labs, training and long-term holding facilities, animal control and helicopter services, and regionalization of police dispatch and training services should be encouraged to avoid costs derived from duplication of efforts and loss of economies of scale.
- Shared policing in overlapping jurisdictions, as is currently practiced by the City of Berkeley and UCPD, may provide cost savings and/or enhance service effectiveness.
- The County, including the Sheriff, provides various services to several unincorporated islands within the cities of Livermore, Pleasanton and Hayward. LAFCo should facilitate annexation of these small (75 acres or less) unincorporated islands in order to reduce duplication, enhance service efficiency and reduce costs.
- The County Sheriff provides special weapons and tactics (SWAT) services to local law enforcement agencies. Nevertheless, most police departments maintain their own SWAT teams. Consolidation of SWAT programs could reduce duplication of efforts and related costs, and could improve and standardize service quality.
- Demand management strategies like false alarm fees, 911 call response fees, augmented community oriented policing, and public outreach could be used to reduce growth in unnecessary service calls.

## **5. OPPORTUNITIES FOR RATE RESTRUCTURING**

### **General**

- Opportunities to restructure rates are constrained by State laws that limit the ability of local governments to increase rates for taxes, assessments or fees for services. With voter approval, local agencies do have some flexibility to restructure rates of taxes or other revenue measures.
- Agencies control rates charged to recover actual service costs, such as medical care, building inspection and code enforcement. Agencies should annually review these rates to ensure that they keep pace with inflation and increased costs.
- General obligation bond financing presents opportunities for local agencies to restructure property tax rates to finance facilities.

### **Health Care Services**

- Rates for hospital care in the Tri-Valley sub-region may be high because of the area's limited number of hospital facilities. The County and hospital service providers need to develop a plan for augmenting capacity in the hopes of achieving rate reductions.
- Due to the cost and timing of the first round of MSR implementation, and lack of compiled

data, a detailed comparison of the rates charged for various medical procedures and administration was not conducted. Analysis of data relating to average revenue per patient for each hospital was undertaken.

- It may be appropriate to undertake a more detailed evaluation of specific rates in the next round of MSRs.
- Average revenue per patient per day varies among hospitals based on types of procedures performed, types of clients, expenses, rates, profit margins and other local conditions. Because private providers are not required to release proprietary rate information, it was not possible to make significant comparisons of charges.

### **Fire, Police and Emergency Medical Services**<sup>169</sup>

- Traditional rate charges are not a major revenue source for fire and police providers. However, service providers may set rates for a variety of fees used to recover actual service costs including development plan review, development impact, ambulance transport, fire prevention classes, false alarms, etc. Providers should be encouraged to annually review the cost of providing services and set or adjust rates to maximize cost recovery.
- While rate restructuring is limited, there are some opportunities: (1) subject to voter approval, agencies may restructure certain general fund tax rates and may impose parcel taxes to increase the financing available for fire, police and EMS services; and (2) development impact fees may be imposed in the nine cities that do not currently have such fees or increased in the cities of Alameda, Dublin, Fremont, Pleasanton, and Union City to recover actual costs.
- Data on rates for each type of service (plan check, copying, training classes, etc.) was not compiled for this report because the results were not expected to lead to substantive improvement in service or revenue increases.
- AMR, a private provider, is able to charge actual costs for ambulance transport and adjust rates to reflect actual cost increases. Albany and Piedmont could restructure ambulance rates so service users pay usual and customary charges.

## **6. OPPORTUNITIES FOR SHARED FACILITIES**

### **General**

- A significant degree of inter-agency facility sharing is occurring in Alameda County.
- The ability of local agencies to identify and implement opportunities to share facilities is predicated upon interagency communication and cooperation.

### **Health Care Services**

- Health care facilities and services need to be dispersed throughout the County so that no citizen is left unserved. Nevertheless, there may be opportunities to share facilities for specialized services at selected locations in the County. The objectives of such an approach would be to (1) utilize excess specialized capacity, or capacity which could be modified for

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<sup>169</sup> Note that police and fire services are not separated because of substantial overlap.

specialized uses, (2) provide economies of scale in purchasing special equipment, and (3) attract higher caliber specialists and grants for specialized teaching or training programs.

- The three Kaiser-affiliated hospitals and the four Sutter-affiliated hospitals have capacity to share facilities amongst affiliated hospitals. Alameda Hospital and St. Rose Hospital have excess operating room and inpatient bed capacity, which could be made available to other providers. Partnerships should be developed to encourage facility sharing among public and private providers by overcoming barriers, such as distance between facilities, competition and bureaucracy, that may be undermining shared health care goals. Doctors and insurers could be notified and encouraged to share public facilities, especially if associated costs could be contained.
- Sharing training facilities, human resources and other functions has the potential to reduce costs and should be explored further, especially for those services that do not need to be provided at a specific medical facility.

### **Fire and Emergency Medical Services**

- Facility sharing is a common practice among area service providers. A consortium for sharing fire and emergency medical dispatch facilities has been formed and currently includes the ACFD, the cities of Alameda, Fremont, Union City and the U.S. Army. Significant sharing of dispatch services and training facilities is occurring. The cities of Hayward and San Leandro currently share radio repeater sites.
- Service providers should be encouraged where possible with implementation of programs to expand facility and program sharing. There are opportunities for more providers to join the dispatch consortium. Some providers, such as the cities of Emeryville, Newark and Fremont, currently have unfunded training or other facility needs, that could be met if they utilize the capacity of other providers.

### **Police Services**

- Many law enforcement agencies in Alameda County share animal control, holding facilities, radio repeater sites, training and crime lab facilities through contractual or other arrangements. The County Sheriff currently provides access to its training facility on a fee basis. Consideration is being given to further regional approaches with potential cost savings, efficiency and standardization of response times. These arrangements should be encouraged and augmented where feasible.
- There are opportunities for law enforcement agencies to develop a consortium arrangement for sharing dispatch facilities. Police departments with outdated communications equipment, such as the cities of Alameda and Albany, may benefit from shared dispatch facilities. These opportunities should be explored further.

## 7. GOVERNMENT STRUCTURE OPTIONS<sup>170</sup>

### General

- Government structure options should be pursued only if there are potential benefits in terms of reduced costs, greater efficiency, greater accountability or other advantages to the public.
- For small agencies and departments, regionalization and consolidation of services may provide greater efficiency in dispatch, and investigative and supervisory functions as well as other purchasing savings. Other advantages include cost savings and enhanced promotional opportunities for personnel. Disadvantages of regionalization through the formation of new local agencies include a potential loss of community identity and local perspective, rigidity in a larger bureaucracy, higher costs that sometimes occur in large departments, and loss of control by individual agencies.

### Actions Subject to LAFCo Approval

- Regionalization of various law enforcement services could result in the more efficient provision of services and reduce costs per unit of service. A special district formed to provide regionalized law enforcement services, such as SWAT or dispatch, could enhance services for all County residents and could be explored further by law enforcement agencies.
- LAFCo has identified two agencies with SOIs whose constituents might benefit from a government reorganization action: Eden Township HCD (visibility, public accountability, and modest cost savings) and Fairview Fire Protection District (modest cost savings). Additional study of potential government structure options presented in this report may be undertaken in cooperation with the districts and with sensitivity to local control issues. Options for future consideration include:
  1. Dissolution of the Eden Township Healthcare District and transfer of remaining assets and liabilities to the appropriate successor agency.
  2. Dissolution of the Fairview Fire Protection District and transfer of remaining assets and liabilities, to the appropriate successor agency.
- In the long-term, LAFCo may consider other government structure options such as health care district formation in the Tri-Valley area and boundary realignment for the Washington Township Health Care District.

### Actions not Subject to LAFCo Approval

- Regionalization of various law enforcement services could result in the more efficient provision of services and reduce costs per unit of service. Formation of Joint Powers Authorities for various regional services could be explored by local agencies desiring to implement regional approaches to various law enforcement functions, such as SWAT or dispatch.
- Expansion of hospital capacity in the Tri-Valley area could be achieved by private hospital providers.

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<sup>170</sup> SOI policy options are discussed in Chapter 6. This is the first of three MSR volumes. Multi-purpose agencies will be discussed in the second and third volumes. SOI options for multi-purpose agencies will be finalized in the third and final report.

## 8. EVALUATION OF MANAGEMENT EFFICIENCIES

In the context of MSRs, “management efficiency” refers to the organized provision of the highest quality services at the lowest reasonable cost with services provided in the most cost-efficient and effective manner.

### General

- As the population grows and changes, increased attention to management efficiencies will be necessary, especially given the fiscal constraints affecting local governments in California. Intergovernmental cooperation, regionalization of services, and joint efforts for efficiency warrant continued attention.
- The individual agencies that have been reviewed generally exhibit the characteristics of well-managed local governments, which strive to serve their residents and constituents effectively. Many agencies have instituted programs to evaluate and improve service provision. All service providers use accepted budgeting procedures, balance their budgets, and maintain contingency reserves that meet or exceed Government Finance Officers Association (GFOA) guidelines.
- Local agencies need to continue to take actions to increase efficiency, reduce unnecessary duplication of effort, and streamline antiquated procedures in order to maximize management efficiencies.
- Management practices that improve efficiency are encouraged. For example, most agencies could improve efficiency by benchmarking (i.e., comparing their basic performance indicators to those in comparable jurisdictions) and implementing improvements where indicated. The City of Oakland participates in service benchmark studies, is developing performance-based budgeting, and monitors workload. The ACFD and cities of Albany, Emeryville and Piedmont also monitor workload as part of their budget process. Although other service providers reported efforts to monitor productivity, their budgets often track accomplishments rather than workload indicators/performance.
- Elimination of unnecessary local governments, or inefficient service structure should be pursued with sensitivity to retaining local accountability.

### Health Care Services

- The efficiency of the Eden Township HCD operation cannot be compared to other HCDs or hospitals, because the District no longer operates the Eden Medical Center and does not currently provide health care services directly, although the District does provide hospital oversight and health care funding. The State has expressed concerns regarding the continued existence of health care districts that were formed to operate hospitals, but no longer own or manage them. Further study of this agency’s operation may be appropriate.
- The Washington Township HCD appears to be managed effectively, despite relatively high costs. Evaluation of data and receipt of management awards supports this conclusion.
- It is premature to draw conclusions about the City of Alameda HCD because it was recently formed. In addition, its SOI does not need to be updated until 2007.

## **Fire and Emergency Medical Services**

- Staffing levels per capita are relatively low in the cities of Fremont, Union City, Livermore and Pleasanton compared with the countywide fire department median. Staffing levels per capita are relatively high in the smaller cities, such as Piedmont, Emeryville and Albany. Not enough information was available to determine whether extra staffing corresponds to a commitment to providing higher services, is a sign of inefficiency, or is related to other factors.
- The trend toward enhanced retirement benefits, including early retirement, is significantly increasing officer training and orientation costs for some providers, such as the City of Berkeley.
- The service area and population served by the Emeryville and Piedmont fire stations are significantly lower than the countywide median. The small size of Piedmont and Emeryville contributes to high per capita service costs because of economy of scale factors.
- All fire departments in Alameda County have response times that average six minutes or less, except in rural and difficult-to-serve areas. The industry standard is a response time of six minutes or less 90 percent of the time. The agencies did not all have response time data comparable to the standard, but all anticipate having such data for the next MSR. Providers should be encouraged to continue to decrease response times.
- The Insurance Services Organization (ISO) ratings for all agencies were favorable. ISO ratings reflect insurance industry perspectives on the overall effectiveness of their operations.
- More efficient management could be accomplished through annexation of unincorporated islands in the Hayward, Livermore and Pleasanton areas.

## **Police Services**

- There are a number of indicators of management efficiencies including cost per unit of service, staffing levels, response times, crime clearance rates, crime rates, service quality, organizational structure, training practices, budgeting and reserve practices. Indicators were reviewed and assessed with consideration of local conditions and circumstances.
- Management efficiencies could not be effectively measured due to the number of variables and service preferences, the lack of data, and service review constraints. Because this is the first round of compliance with a new State law, agencies are learning how to respond to LAFCo's service review requests. Many have pledged to track needed types of data, which are not currently gathered or evaluated. Feedback from the current process will enable more comprehensive reviews in the future. LAFCo should work with providers to develop better methods for compiling MSR data and responding to State required MSR requests, in preparation for the next MSR cycle.
- The trend toward enhanced retirement benefits, including early retirement, is significantly increasing officer training and orientation costs for some providers.
- The cities of Albany, Hayward, Livermore, EBRPD and the UC Berkeley PD had below-average serious crime clearance rates.

- The City of San Leandro had a relatively low number of sworn officers per capita in FY 2002-03, and its crime rate was 19 percent higher than the median city crime rate.
- The cities of Piedmont, Oakland, and Emeryville had relatively high policing costs and relatively high numbers of sworn officers per capita. Nevertheless, the cities of Oakland and Emeryville have relatively high crime rates; whereas, the City of Piedmont's crime rate is significantly lower than the median.
- The County Sheriff is accredited by the Commission on Accreditation for Law Enforcement Agencies (CALEA). CALEA accreditation is an indicator of efficient management. Law enforcement agencies should be encouraged to pursue CALEA accreditation if the process leads to the identification, implementation and maintenance of more efficient management practices.

## **9. LOCAL ACCOUNTABILITY AND GOVERNANCE**

### **General**

- The County and its cities demonstrate a high degree of public participation in elections and other forms of citizen participation. Special districts for the most part also experience significant voter participation, both in electing and holding accountable the members of the governing boards, and in supporting revenue measures to enable agencies to provide adequate services. All agencies prepare meeting agendas and minutes, and have accessible staff and elected officials.
- Most local agencies make information about their activities available to the public through a variety of sources, including Internet websites, distribution of agenda and related documents, public access to city council and board meetings, sending information to constituents and similar methods. With few exceptions, which are documented in the report, local agencies appear to operate in an open manner that facilitates the public's ability to learn about and participate in current civic affairs.
- Government Code Section 56378 requires that local and State agencies provide information requested by LAFCOs. LAFCo was unable to obtain needed information from some agencies included in this review due to lack of compiled data resources, staffing, time or other constraints. Public agency operations and management should be transparent to the public. LAFCo should encourage local agencies to develop better methods for information compilation and exchange so that constituents have access to information about their service providers, and LAFCo is able to make informed decisions.
- To ensure accountability, agencies that do not provide services directly are encouraged to maintain independent staffing to oversee the service provider.
- The EBRPD and the 14 cities are multi-purpose agencies. A final assessment of local accountability and governance for these agencies will be provided with the third MSR.

### **Health Care Services**

- Since the sale of the Eden Medical Center, the Eden Township Health Care District has affiliated with a private provider. Further study of this agency may be appropriate

- The Eden Township HCD needs to continue to improve its communication to its constituents by: (1) maintaining updates to its website, including meeting agendas and minutes, plans and important documents; and (2) more outreach to its constituents.
- The City of Alameda HCD needs to substantively improve its communication to its constituents by upgrading its website to include meeting minutes, plans and important documents.

### **Fire and Emergency Services**

- All service providers cooperated with LAFCo's requests for information.
- The Fairview Fire Protection District responded to LAFCo questionnaires and information requests; however, accountability could be improved by broadcasting its meetings and posting public documents on its website.
- The EMS CSA could contribute to countywide accountability by updating its system plan regularly and including each provider's service calls, response times, and basic benchmarks.
- It might improve local accountability if the PSAPs were required to report statistics on dispatch response times, hold times and busy signals to a central agency, such as the EMS CSA.
- To the extent that cooperation with the MSR reflects local accountability, there were agencies that did not provide requested information. Most fire and EMS providers did not disclose information on service complaints. Some providers did not provide response times, the types of service calls, or facility conditions. Agencies need to develop a plan to facilitate data exchange among agencies, LAFCo and the public.

### **Police Services**

- All agencies conduct periodic elections for their governing bodies, prepare and post meeting agenda and minutes, receive and respond to customer complaints, and have accessible staff and elected officials.
- The PP CSA is the only limited purpose agency included in the MSR. The District updates constituents, broadcasts its meetings, solicits constituent input, discloses its finances, and posts public documents on its website. The County Sheriff's Office is responsible for management of the CSA, and cooperated with LAFCo inquiries.
- LAFCO had difficulty obtaining needed information because providers are unaccustomed to responding to these types of requests. Much needed information is not collected, or is compiled in differing formats, making review and comparisons difficult. Providers should be encouraged to work with LAFCo and other providers to develop methods for gathering and disseminating information the State requires.

# ACRONYMS

ABAG	Association of Bay Area Governments
ACFD	Alameda County Fire Department
ALS	Advanced Life Support (paramedic)
AMR	American Medical Response
BART	Bay Area Rapid Transit
BLS	Basic Life Support (technician)
CALEA	Commission on Accreditation of Law Enforcement Agencies
CCOPS	California Citizens' Option for Public Safety
CDF	California Department of Forestry
CHP	California Highway Patrol
CIP	Capital improvement plan
CKH Act	Cortese-Knox-Hertzberg Local Government Reorganization Act
CLEEP	California Law Enforcement Equipment Program
COPS	Community Oriented Policing Services
CSA	County Service Area
DNA	Deoxyribonucleic acid
DUI	Driving under the influence of alcohol
EBRPD	East Bay Regional Park District
EMD	Emergency medical dispatch
EMS	Emergency Medical Services
ER	Emergency room
ERAF	Educational Revenue Augmentation Fund
FBI	Federal Bureau of Investigation
FD	Fire Department
FPD	Fire Protection District
FRALS	First-response Advanced Life Support payments
FY	Fiscal year
GPS	Global positioning system
HCD	Health Care District
ISO	Insurance Services Organization
JPA	Joint Powers Authority
LAFCo	Local Agency Formation Commission
LLNL	Lawrence Livermore National Laboratory
LPFD	Livermore Pleasanton Fire Department
MSR	Municipal service review
MUD	Municipal Utility District
NFPA	National Fire Protection Association
NP	Not Provided
OSHPD	California Office of Statewide Health Planning and Development
PD	Police Department
POST	California Commission on Peace Officer Standards and Training
SOI	Sphere of influence
SWAT	Special Weapons and Tactics
UCPD	University of California Police Department
UGB	Urban Growth Boundary

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Long-Term Debt: California State Controller; MuniStatements; Moody's; Standard and Poors; Comprehensive Annual Financial Reports

Demographic data: U.S. Bureau of the Census

Hospital usage and financial data: California Office of Statewide Health Planning and Development

Jobs and population projections: Association of Bay Area Governments

Revenue: California State Controller; Alameda County Auditor/Controller; Comprehensive Annual Financial Reports

## INTERVIEWS

The following agencies and individuals provided in-depth information by telephone interview.

<i>Alameda City:</i>	<i>Lieutenant Craig Ojala, Captain Steve Jones, Chief Chris Reilly</i>
<i>Albany:</i>	<i>Chief Greg Bone, Chief Marc McGinn</i>
<i>Berkeley:</i>	<i>Captain Bobby Miller, Chief Reg Garcia</i>
<i>Emeryville:</i>	<i>Chief Ken James, Chief Steve Cutright, Commander Gennie Wong</i>
<i>Fremont:</i>	<i>Police Business Manager Susan Aro, Fire Business Manager Teri Killgore</i>
<i>Livermore:</i>	<i>Captain Steve Sweeney, Chief Stewart Gary</i>
<i>Newark:</i>	<i>Lieutenant Lance Morison, Fire Analyst Carrie Gibbany, Police Analyst Misa Leal</i>
<i>Oakland:</i>	<i>Sgt. Robert Stewart, Assistant Chief Ron Carter</i>
<i>Piedmont:</i>	<i>Chief John Moilan, Chief John Speakman</i>
<i>Pleasanton:</i>	<i>Lieutenant Dave Spiller, Kerry Burns</i>
<i>San Leandro:</i>	<i>Captain Dale Attarian</i>
<i>Union City:</i>	<i>Police Analyst Pat Suk, Dora Ramirez</i>
<i>Alameda County Sheriff:</i>	<i>Captain Rich Lucia Dispatch Supervisor Robert Bassett</i>
<i>Alameda County Fire Department:</i>	<i>Finance Manager Don Graff, Deputy Chief Sheldon Gilbert, Training Captain John Walsh</i>
<i>Eden Township Health Care District</i>	<i>General Manager George Bischaney</i>
<i>Fairview Fire Protection District:</i>	<i>City of Hayward Analyst Steve Jolly</i>
<i>East Bay Regional Park District:</i>	<i>Lieutenant Matt Madison, Chief Rain</i>
<i>Alameda EMS CSA:</i>	<i>Cindy Abbissinio, Director</i>
<i>UC Berkeley:</i>	<i>Captain Cooper</i>
<i>U.S. Army:</i>	<i>Sgt. Gregory Maskew, Patrick Reed</i>

<i>Lawrence Livermore National Laboratory:</i>	<i>Chief Randy Bradley</i>
<i>California Department of Forestry:</i>	<i>Chief Steve Woodill</i>
<i>San Ramon Valley Fire Protection District</i>	<i>Assistant Chief Mike Sylvia</i>
<i>POST</i>	<i>Management Counseling Services Bureau Chief Jack Garner</i>