

COUNTY OF SAN LUIS OBISPO ADMINISTRATIVE OFFICE

DEC 27 REC'D

Wade Horton County Administrative Officer

December 17, 2021

Will Clemens, General Manager Oceano Community Services District 1655 Front Street, P.O. Box 599 Oceano, ca 93475

Mr. Clemens:

I am responding to your letter dated December 8, 2021 regarding a request for consultation with the County on possible options and service level should Oceano Community Services District (OCSD) need to divest of its medical emergency and fire response services. As has been communicated in the past, while the County has no legal obligation to take over fire service, the Board has indicated that the protection of public safety is its highest priority. If the successor agency is determined to be the County, any plan for services would have the County determine the appropriate level of service, considering all available resources and financing options, in consultation with the affected community and County Fire.

Your letter is requesting clarification on the six questions if the June 2022 special tax does not pass and the OCSD pursues divestiture of medical and emergency and fire response services through the San Luis Obispo County Local Agency Formation Commission.

Regarding question 1:

1. What level of service could the County provide to Oceano with the existing tax revenue stream?

<u>County Response</u>: Your letter states that the current property taxes available for transfer to the County for services are approximately \$1,050,000 annually. The amount stated would fund 3 days per week 24 hours per day of fire response services.

Regarding questions 2-6:

- 2. Will the County allocate any additional funding needed to provide 24/7 service to Oceano?
- 3. Will the County expect OCSD to transfer ownership of the Oceano Fire Station?
- 4. Will the County expect OCSD to transfer ownership of the Sheriff Substation in Oceano?
- 5. Will the County expect OCSD to transfer any other real property?
- 6. Will the County expect OCSD to transfer its solid waste franchise authority?

<u>County Response</u>: If the District were to move forward with the process of a services transfer to the County as the Successor Agency, the County would first need to develop a Plan for Services, which would determine the following two important issues:

- a. Proposed Level of Service.
- b. All potential options for the transfer of assets, facilities, property taxes and other funding mechanisms from the District to the County to fund the proposed Level of Service, while minimizing any impact to the County General Fund.

It should be noted that if the successor agency is determined to be the County and additional General Fund is required to provide service, any supplemental General Fund would be weighed against other General Fund requirements in the budget process, potentially impacting other services in Oceano.

Sincerely,

Wade Horton

County Administrator