

PLACER LAFCO RESOLUTION NO. 26-02

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF PLACER COUNTY MAKING DETERMINATIONS AND APPROVING A REORGANIZATION
“REORGANIZATION OF NEWCASTLE AND PLACER HILLS FIRE PROTECTION DISTRICTS”

DISSOLUTION OF NEWCASTLE FIRE PROTECTION DISTRICT AND CONCURRENT ANNEXATION OF AFFECTED TERRITORY TO PLACER HILLS FIRE PROTECTION DISTRICT

(LAFCO Project No. 2022-05)

WHEREAS, on August 20, 2025, the Board of Directors of the Newcastle Fire Protection District (Newcastle FPD) and on August 27, 2025, the Board of Directors of the Placer Hills Fire Protection District (Placer Hills FPD) adopted a joint resolution of application to initiate proceedings for the reorganization of the districts; and

WHEREAS, on October 11, 2025, Placer Hills FPD and Newcastle FPD filed the joint resolution of application with the Placer Local Agency Formation Commission (Commission or LAFCO) pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act); and

WHEREAS, the application seeks approval of a reorganization involving approximately 9,600 acres or 15 square miles of unincorporated territory in the County of Placer, consisting of the dissolution of Newcastle FPD and the concurrent annexation of its territory to the Placer Hills FPD as successor agency; and

WHEREAS, the reorganization proposal has been initiated by joint resolution of the subject agencies in accordance with Government Code (GC) section 56853, thereby reflecting mutual consent regarding the proposed reorganization; and

WHEREAS, the subject agencies have agreed that the efficiency, effectiveness, and economies of fire protection services to residents and property owners within the affected territory will be improved by the reorganization of the two districts into a single fire protection district; and

WHEREAS, on November 4, 2025, the Placer County Board of Supervisors adopted a resolution approving the transfer of the annual property tax increment of Newcastle FPD to Placer Hills FPD, to which the subject agencies have agreed; and

WHEREAS, the Commission’s Executive Officer has reviewed the reorganization proposal and prepared a report with recommendations; and

WHEREAS, the Executive Officer’s report and recommendations have been presented to the Commission in the manner provided by law; and

WHEREAS, staff published a 21-day public hearing notice in the Auburn Journal (January 14 and January 21) and Loomis News (January 16); and

WHEREAS, the Commission heard and fully considered all the evidence presented at a noticed public hearing on the proposal on February 11, 2026; and

WHEREAS, the Commission considered all the factors required by law under GC sections

56668 and 56668.3 as well as the Commission's local policies and procedures and adopts and incorporates herein the Consideration of Factors for Review attached hereto as Exhibit A;

NOW, THEREFORE, BE IT HEREBY RESOLVED, DETERMINED, AND ORDERED AS FOLLOWS:

1. The hearing was held on the date set therefor, and due notice of said hearing was given in the manner required by law.
2. At the hearing, the Commission called for, heard, and considered all public comments by interested parties and read and considered the Executive Officer's report.
3. The Commission makes the following finding under the California Environmental Quality Act (CEQA):
 - a) The Commission serves as a responsible agency under CEQA for purposes of the proposal. The Commission has considered and independently concurs with the finding of the lead agency – Placer Hills FPD – that the proposal is a “project” under CEQA but is exempt from environmental review under State CEQA Guidelines Section 15320 (Class 20). This exemption appropriately applies because the reorganization will not change the geographical area in which previously existing powers are exercised.
4. The Commission **CONDITIONALLY APPROVES** the reorganization as submitted by the subject agencies with no modifications, subject to the conditions set forth in section 5 below. The reorganization consists of the following:
 - a) Dissolution of the Newcastle FPD as shown in Exhibit B.
 - b) Annexation of the affected territory (the former Newcastle FPD territory) to the Placer Hills FPD as shown in Exhibit C, with Placer Hills FPD serving as the successor agency.
5. The **CONDITIONS OF APPROVAL** consist of all of the following:
 - a) Placer Hills FPD will assume responsibility for providing the services authorized under the Fire Protection District Law of 1987, California (Health & Safety Code § 13800, et seq.), which include fire protection, rescue, emergency medical, hazardous material emergency response, and other services relating to the protection of lives and property, within the affected territory in the same manner as currently provided, subject to the following:
 - Placer Hills FPD will provide Advanced Life Support (ALS) services at all staffed fire stations within the reorganized district. The former Newcastle FPD Station 41 will be upgraded to include one personnel certified as a paramedic, increasing services to ALS for residents within the affected territory.
 - All six Newcastle FPD employees will become Placer Hills FPD employees upon reorganization. All represented employees of the newly reorganized district will operate under a single memorandum of understanding (MOU). Newcastle FPD

employees will be folded into CalPERS under the Public Employees' Pension Reform Act (PEPRA) as new employees. The current Placer Hills FPD CalPERS benefit for new employees is 2% at 57. Newcastle FPD employees will retain seniority credit, carrying forward all years of service with Newcastle FPD as Placer Hills FPD employees. Wages for Newcastle FPD employees will be placed on the approved MOU pay schedule for the corresponding rank, captain or engineer, at the appropriate step for Placer Hills FPD that is at or above their current pay schedule. Newcastle FPD employees will be eligible to enroll in the CalPERS-administered health care benefits offered by Placer Hills FPD. Costs paid by the reorganized district and the employees will be determined by the current MOU for represented employees.

- Neither shift schedules nor International Association of Fire Fighters (IAFF) representation will be changed as a result of the reorganization.
 - Upon reorganization, the former Newcastle FPD will be covered under the Placer Hills FPD policies for both workers' compensation and liability insurance. Placer Hills FPD is covered under the Fire Agency Insurance Risk Authority (FAIRA) for liability, property, and vehicle insurance and the Northern California Special District Insurance Authority (NCSDIA) for workers' compensation coverage.
- b) Placer Hills FPD will assume the authority to levy, assess and/or collect all previously authorized fees, assessments, taxes and charges, levied and collected in support of fire or emergency medical services by the Newcastle FPD in accordance with GC sections 57330 and 56886(t).
- c) Special taxes for the reorganized district shall be levied as follows:
- The existing Placer Hills FPD special taxes shall continue to be levied within the original Placer Hills FPD boundary of the reorganized district, and the existing Newcastle FPD special taxes shall continue to be levied within the original Newcastle FPD boundary of the reorganized district.
 - Pursuant to GC section 56886(t), the Placer Hills FPD Measure A special tax shall be extended to the affected territory, and
 - All revenue from special taxes and property tax allocations will transfer to Placer Hills FPD as successor agency.
- d) All assets and liabilities, including but not limited to liabilities for payment of principal and interest on contractual obligations for real property, furnishings, and equipment, operating expenses, supplies, licenses and permits, and any contingent liabilities for any existing civil litigation belonging to Placer Hills FPD and Newcastle FPD shall accrue to the reorganized district.
- e) As of the effective date of the reorganization, all real property (including

but not limited to Station 41 and any and all lands owned by Newcastle FPD) and personal property (including but not limited to all vehicles or other rolling stock (with remaining fire apparatus to be disposed by Newcastle FPD as approved by Placer Hills FPD)), tools, office furniture, fixtures, equipment, books, records, papers, office equipment, supplies, money, funds, appropriations, licenses, permits, entitlements, agreements, contracts, claims, judgments, and all other assets of Newcastle FPD shall transfer from Newcastle FPD to Placer Hills FPD in "as-is" condition, without any payment to Newcastle FPD.

- f) The initial Board of Directors of the reorganized district shall be composed of three of the existing five directors of the Placer Hills FPD and two of the existing five directors of the NFPD. The initial Board of Directors shall meet as soon as practicable after the effective date of the reorganization and shall classify themselves by lot into two classes: One class consisting of three directors, two from Placer Hills FPD and one from Newcastle FPD, and the other class consisting of two directors, one from each district. The term of office of the class having the smaller number shall be through December 2028 and the term of office of the class having the greater number shall be through December 2030.
 - g) Commencing with the election of directors in November 2028, the reorganized district shall transition to election by divisions pursuant to Health and Safety Code section 13846 et seq. Two director positions shall be subject to election in November 2028, with one elected from the current boundaries of Placer Hills FPD and one from the current boundaries of Newcastle FPD. The remaining three director positions shall be subject to election in November 2030 with two elected from the current boundaries of Placer Hills FPD and one elected at large from the current boundaries of Newcastle FPD.
 - h) The above provisions for the election of the first Board of Directors of the reorganized district are intended to apply to the first two election cycles of the newly constituted Board of Directors. Following these two election cycles, the reorganized district will conduct districtwide elections as provided by law. Except for the initial Board of Directors, the term of office of directors shall be four years, and directors shall be elected or appointed as provided by law.
 - i) The Board of Directors of the reorganized district will authorize an annual work plan for services throughout the reorganized district.
 - j) The initial appropriation limit for the reorganized district shall be the total of the combined existing appropriation limits of Placer Hills FPD and Newcastle FPD.
6. The Commission's conditional approval of the reorganization is further conditioned on the following terms being satisfied by March 13, 2026, unless an extension is required and approved by the Executive Officer.
- a) Completion of the 30-day reconsideration period provided under GC section 56895.
 - b) Submittal to the Commission of the following payments:

- A check made payable to the State Board of Equalization for processing fees in the amount of \$300.
 - Any other fees required under the adopted LAFCO fee schedule as attested by the Executive Officer.
7. Newcastle FPD is prohibited from taking any of the actions contained in GC section 56885.5(a)(4) (except as therein authorized), including:
 - a) Approving any increase in compensation or benefits for members of the governing board, its officers, or the executive officer of the district.
 - b) Appropriating, encumbering, expending, or otherwise obligating, any revenue of the district beyond that provided in the current budget.
 8. The proposal is assigned the following distinctive short-term designation:

“The Reorganization of the Newcastle and Placer Hills Fire Protection Districts”
 9. The affected territory is inhabited as defined in GC section 56046.
 10. The Commission delegates to the Executive Officer or the Executive Officer’s designee responsibility for performing all conducting authority proceedings required under GC section 57000 et seq.
 11. Placer Hills FPD and Newcastle FPD utilize the regular assessment roll of the County of Placer.
 12. As applicable, the affected territory will be liable for any existing bonds, contracts, and/or obligations of the annexing subject agency provided pursuant to GC section 57328, and will be subject to any previously authorized taxes, benefit assessments, fees, or charges under GC section 57330.
 13. Pursuant to GC section 57202, the effective date of the reorganization shall be the date of recordation of the Certificate of Completion.
 14. The Commission authorizes the Executive Officer to make non-substantive corrections to this resolution to address any technical defect, error, irregularity, omission or mistake pursuant to GC sections 56107 and 56883.
 15. The Executive Officer is hereby authorized and directed to mail copies of this resolution as provided in GC section 56882.
 16. All general terms applicable to annexations and dissolutions under part 5 of the CKH Act (GC § 57300 et seq.) apply to this reorganization.
 17. The Executive Officer is further authorized and directed to prepare, execute, and record a Certificate of Completion and make the required filings with the County Assessor, County Auditor, and the State Board of Equalization pursuant to GC section 57200 et seq.

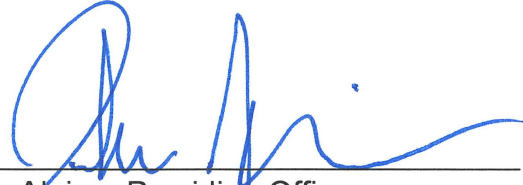
The foregoing resolution was duly passed and adopted by the Local Agency Formation Commission of Placer County at a regular meeting thereof, held on February 11, 2026, by the following vote:

AYES: Alpine, DeMattei, Eklund, Friedman, Landon, Lomen, Rohan

NOES: None

ABSENT: Gustafson

ABSTAIN: None



Joshua Alpine, Presiding Officer
Local Agency Formation Commission
County of Placer, State of California

Attest:



Amy Engle, Clerk to the Commission

**EXHIBIT A
PLACER LAFCO RESOLUTION NO. 26-02**

CONSIDERATION OF FACTORS FOR REVIEW
GOVERNMENT CODE (GC) SECTIONS 56668 & 56668.3

(LAFCO Project No. 2022-05)

- a) Population and population density; land area and land use; assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and adjacent areas, in the next 10 years.**

The affected territory comprises the entire Newcastle Fire Protection District (Newcastle FPD) jurisdictional boundary, located in the Sierra foothills in rural Placer County, within a predominantly agricultural region. Interstate 80 and the Lincoln Newcastle Highway serve as the primary regional transportation corridors within and through the affected territory. There are variations in topography within the affected territory as the North Fork of the American River forms the eastern boundary of Newcastle FPD.

Land uses within the affected territory include a mix of rural residential, agricultural, commercial, and open-space land uses and related community amenities. The total assessed valuation of the affected territory is \$364 million.

Population estimates indicate slow and steady growth since the 2010 census. The affected territory had an estimated population of 4,321 in 2020, with projections anticipating an increase to 5,400 residents by 2060, reflecting an average annual growth rate of approximately 0.55 percent.

- b) The need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.**

Placer County serves as the primary provider of general governmental services to the affected territory, including community planning, road maintenance, and law enforcement. Newcastle FPD currently provides fire protection and emergency medical services, as well as mutual/automatic aid to neighboring fire agencies on the west slope of the county.

The proposed reorganization affects only the fire protection and emergency medical service functions currently provided by Newcastle FPD and proposes the transfer of those functions to Placer Hills Fire Protection District (Placer Hills FPD) as successor agency.

Newcastle FPD’s current service levels are constrained by its financial condition, with minimum staffing of two personnel at Station 41 on a 24/7/365 basis. As part of the reorganization, Placer Hills FPD has committed to maintaining existing staffing levels and increasing service delivery from basic life support to advanced life support services.

Service demand trends indicate increasing calls for service into the future. Combined call volumes for Placer Hills FPD and Newcastle FPD over the last five years are shown below:

Year	Total Calls	Average per Day
2021	1,550	4.2
2022	2,261	6.2
2023	2,181	6.0
2024	2,243	6.1
2025	2,228	6.1

Fiscal analysis indicates Newcastle FPD is currently operating at a structural deficit and is projected to become insolvent in two years (by fiscal year (FY) 2028) if no corrective action is taken. Under the proposed reorganization, the reorganized district is expected to operate with a positive operating balance, supported by the extension of Placer Hills FPD Measure A to the affected territory, in addition to maintaining existing special taxes levied in Newcastle FPD.

c) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on local governmental structure.

The proposed reorganization would formalize existing social, economic, and operational ties between Placer Hills FPD and the affected territory. These ties relate to Placer Hills FPD’s longstanding role in managing fire protection services for Newcastle FPD under an existing services agreement entitled “Agreement for Fire Chief, Duty Chief, and Administrative Services.” Reorganization would formalize governance responsibilities and strengthen coordinated service delivery within the region.

d) The conformity of the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in GC section 56377.

The proposed reorganization is consistent with Commission policies supporting efficient service delivery and consolidation of services under one service provider – Placer Hills FPD – where appropriate. The proposal would not induce urban development or otherwise facilitate the loss of open-space lands, and as such does not conflict with the provisions of GC section 56377.

e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by GC section 56016.

The proposed reorganization would not adversely affect agricultural land resources.

f) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters.

LAFCO is in receipt of a draft map of the affected territory that appear consistent with the standards of the State Board of Equalization and in conformance with lines of assessment. LAFCO approval would be conditioned on approval of the map.

g) A regional transportation plan adopted pursuant to GC section 65080.

The proposed reorganization would not conflict with the 2025 Blueprint Plan, the regional transportation plan established by the Sacramento Area Council of Governments (SACOG).

h) Consistency with city or county general and specific plans.

The affected territory is entirely unincorporated and governed by the Placer County General Plan, which establishes land use and development policies applicable to the area. The proposed reorganization would not alter existing land use designations.

i) The sphere of influence of any local agency affected by the proposal.

Prior to consideration of the proposed reorganization, the Commission will consider a separate action to update the sphere of influence (SOI) for Placer Hills FPD. The SOI amendment is presented as a standalone agenda item and would expand Placer Hills FPD's SOI to include the jurisdictional boundary of Newcastle FPD, which is currently designated with a zero SOI. Approval of the SOI amendment is a statutory prerequisite to the proposed reorganization and is intended to align Placer Hills FPD's planning boundary with its anticipated service responsibility as successor agency. The SOI update is a planning and policy action only and does not, by itself, alter service levels, governance, or taxation, all of which are addressed through the subsequent reorganization item.

j) The comments of any affected local agency or other public agency.

Notice of the proposed reorganization was distributed to all affected and subject agencies as required by law. Written comments have been received as follows:

- Penryn Fire Protection District Chair and Board are in support of the proposed reorganization.
- Greater Auburn Area Fire Safe Council Chair and Board express support for the reorganization.

No other written comments on the proposal were received from local or other public agencies ahead of preparing this agenda report for distribution on February 4, 2026.

k) The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.

Fiscal analysis indicates that, when combining revenues and expenses for both districts and considering opportunities for expense reduction, the reorganized district would initially face an operating shortfall. In order to mitigate a deficit, the reorganization proposes extending the Placer Hills FPD Measure A special tax to the affected territory, while maintaining Newcastle FPD's Measures B and F in place. This is expected to generate approximately \$409,000 in additional annual revenue, resulting in projected annual surpluses ranging from \$50,000 to \$255,000 over the first five years, while maintaining the same fleet replacement schedule as was set forth for the individual districts. The trend is expected to further improve when one of the engine leases is paid off, which would allow the reorganized district to generate a greater surplus of approximately \$525,000 to \$680,000 per year until FY 2034 when the district is projected to have a smaller surplus due to an anticipated large capital outlay.

l) Timely availability of water supplies adequate for projected needs as specified in GC section 65352.5.

Water service within the affected territory is provided by Placer County Water Agency retail service zones, private wells, and local natural water sources. The proposed reorganization does not alter existing water supply conditions.

m) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs.

The proposed reorganization would not affect the County in meeting its assigned regional housing needs allocation (RHNA).

n) Any information or comments from the landowners, voters, or residents of the affected territory.

Several written comments have been submitted to Placer LAFCO staff as of the date of the posting of the agenda report (see Attachment F). Comments submitted in favor of the proposed reorganization primarily cite anticipated improvements in fire protection and emergency medical services, particularly with respect to paramedic staffing level enhancements in the Newcastle area.

One written comment was submitted by a property owner within the Newcastle FPD expressing opposition to the extension of the Placer Hills FPD Measure A special tax to parcels within the Newcastle service area without a separate two-thirds vote of Newcastle voters. The commenter raised concerns regarding voter approval

requirements under Propositions 13 and 218 and requested that the Commission either reject the reorganization as proposed or require tax-neutral terms for Newcastle parcels unless and until voter approval is obtained. The commenter requested that the correspondence be included in the official record and noted that the comment was submitted anonymously.

As explained in the staff report, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) provides that territory annexed to a district shall become subject to previously authorized taxes, assessments, fees, or charges of the district. (GC § 57330). In addition, Government Code section 56886(t) expressly authorizes the extension or continuation of a previously approved charge, fee, assessment, or tax by a successor agency within the affected territory as part of a reorganization.

The California Attorney General has opined that if a local agency formation commission conditions approval of a reorganization upon a requirement that the subject agency levy or fix and collect a previously established and collected tax, benefit assessment, or property-related fee or charge on parcels being annexed to the agency, the voter and landowner approval requirements of the Constitution relating to taxes, assessments, fees, and charges (including those in Proposition 218) do not apply. (82 Ops.Cal.Atty.Gen. 180 (1999).) As stated by the Attorney General, those who would become subject to an existing tax, assessment, fee, or charge upon the reorganization have the opportunity to reject it by rejecting the annexation proposal itself. In this manner, the protest and election procedures under the CKH Act, as described in the staff report, provide the procedural safeguard contemplated by the Constitution.

All written comments received have been provided to the Commission and are included in the administrative record for consideration as part of the public hearing process.

o) Any information relating to existing land use designations.

The proposed reorganization does not alter existing land use designations, zoning, or development entitlements within the affected territory. Land use authority will remain with Placer County following the reorganization, and the proposal is limited to changes in fire protection service governance and delivery.

p) The extent to which the proposal will promote environmental justice.

The proposed reorganization is expected to promote environmental justice by enhancing integrated fire protection and emergency medical services within the affected territory, particularly for populations vulnerable to wildfire and emergency response limitations.

q) Information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone or maps that identify land determined to be in a state

responsibility area, if it is determined that such information is relevant to the affected territory.

The Placer County 2021 Local Hazard Mitigation Plan Update identifies potential fire, flooding, and earthquake hazards applicable to the affected territory. The area is designated within a Moderate Fire Hazard Severity Zone.

r) Whether the proposed annexation will be for the interest of the landowners or present or future inhabitants within the district and within the territory proposed to be annexed to the district. (GC § 56668.3(a)(1).)

In determining whether the proposed reorganization is in the interest of present and future landowners and residents within the affected territory, the Commission has considered the continuity, adequacy, and long-term sustainability of fire protection and emergency medical services, as well as the fiscal implications of the proposal.

The Commission acknowledges public comment expressing concern regarding the extension of the Placer Hills FPD Measure A special tax to parcels within the Newcastle FPD service area without a separate local vote. The Commission notes that this concern has been raised for the record and has been considered as part of its deliberations.

Based on the administrative record, the Commission finds that approval of the proposed reorganization would serve the best interests of current and future landowners and residents within the affected territory by maintaining and improving essential life-safety services, including enhanced emergency medical response and paramedic staffing, while addressing the documented fiscal instability of Newcastle FPD. Fiscal analyses prepared for the reorganization demonstrate that, absent the proposed reorganization, Newcastle FPD is projected to face insolvency, which would adversely affect service reliability and public safety.

The Commission further finds that the proposed reorganization provides a lawful and orderly mechanism under the CKH Act to align service responsibility, governance, and revenue with existing operational realities, and includes procedural safeguards through notice, hearing, and protest rights for affected landowners and voters.

Accordingly, the Commission determines that the proposed dissolution and annexation are in the overall interest of present and future landowners and inhabitants within the affected territory, as required by GC section 56668.3(a)(1).

Newcastle Fire Protection District

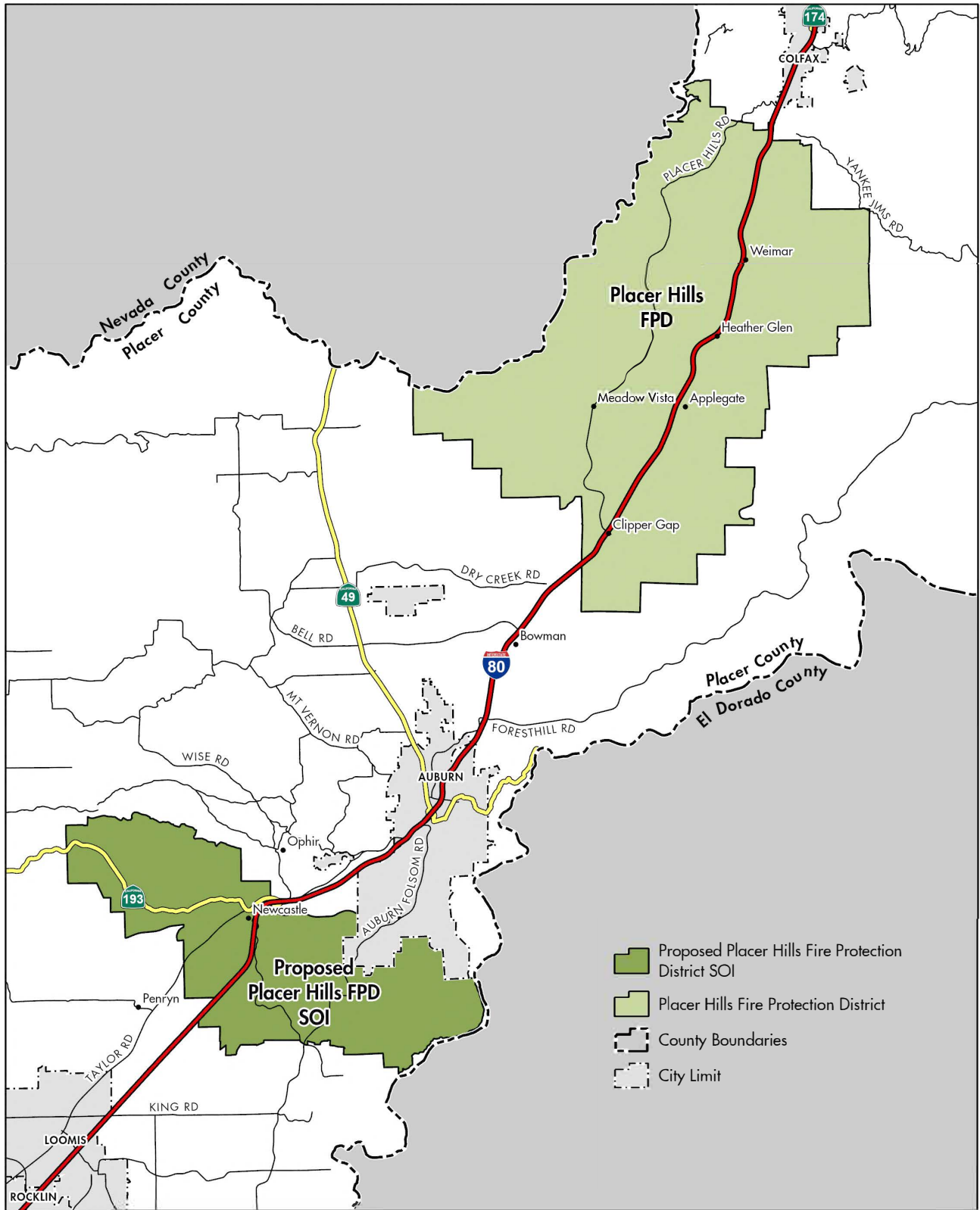
Exhibit B



DATA DISCLAIMER: The features on this map were prepared for geographic purposes only and are not intended to illustrate legal boundaries or supersede local ordinances. Official information concerning the features depicted on this map should be obtained from recorded documents and local governing agencies.

0 0.5 2
Miles

Placer Hill Fire Protection District & Proposed SOI



DATA DISCLAIMER: The features on this map were prepared for geographic purposes only and are not intended to illustrate legal boundaries or supersede local ordinances. Official information concerning the features depicted on this map should be obtained from recorded documents and local governing agencies.

