

**AGREEMENT TO PROVIDE FUNDING FOR RURAL FIRE PROTECTION
AND EQUIPMENT**

AGM# 525-F1411

THIS AGREEMENT is made and entered into by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County") and the Garden Valley Fire Protection District, Georgetown Fire Protection District, Mosquito Fire Protection District, Pioneer Fire Protection District, Rescue Fire Protection District, and the Fallen Leaf Lake Community Services District (herein collectively referred to as "Districts").

RECITALS

WHEREAS, between fiscal year 2000-01 and fiscal year 2008-09 the County provided supplemental funding to eight rural fire protection districts representing approximately 13% of the property tax revenue within each district's tax rate areas, the cumulative funding for all districts across nine fiscal years was \$8,569,957; and

WHEREAS, on June 2, 2009 the County adopted Resolution 111-209 which determined that the allocation of supplemental funds historically provided to the Districts for fire protection and emergency services, when considered in light of competing demands for County resources, would impair the provision of other important services and the achievement of County objectives, and thereby terminated supplemental funding; said Resolution also expressed the County's intent to work cooperatively with the Districts to explore ways to address their long term financial viability; and

WHEREAS, the County executed a Memorandum of Understanding with the Local Agency Formation Commission and funded the Fire and Emergency Services Study by Citygate Associates, LLC (hereinafter referred to as the "Citygate Report") for a high-level assessment of current fire and emergency services and potential alternatives for service delivery; and

WHEREAS, on February 15, 2011 the County executed Agreement 344-F111 in the amount of \$593,244 with the Garden Valley Fire Protection District, Georgetown Fire Protection District, Latrobe Fire Protection District, Mosquito Fire Protection District, and the Rescue Fire Protection District to provide for emergency medical services with fund balance then available through County Service Area No. 7; and

WHEREAS, on September 13, 2011 the County executed Agreement 416-F111 with the Fallen Leaf Lake Community Services District, providing \$38,690 from the County General Fund for fire protection, emergency medical services and related equipment; and

WHEREAS, on January 24, 2012 Agreement 344-F111 was subsequently extended providing an additional \$593,244 to the Garden Valley Fire Protection District, Georgetown Fire Protection District, Latrobe Fire Protection District, Mosquito Fire Protection District, and the Rescue Fire Protection District; and

WHEREAS, on April 9, 2013 the Commission of Collaborative Fire Departments gave a presentation to the Board of Supervisors regarding the current status and uncertain future of fire districts within the County, and requested the Board of Supervisors to participate in renewed discussions to find a permanent solution for sustainable fire and Emergency Medical Services funding through all El Dorado County fire districts, and

WHEREAS, on September 24, 2013 the Fire Advisory Group, consisting of two members of the Board of Supervisors, two rural fire board members, and two fire chiefs, presented its analysis of the financial condition of rural fire districts, and recommended a two-step strategy for improving fire service including short-term funding for seven rural districts, followed by a service level analysis and renegotiation of the property tax distribution; and

WHEREAS, following the September 24, 2013 presentation, the Board unanimously directed the Chief Administrative Office to return to the Board with potential funding contracts allowing dispersal of funds based on agreed financial triggers; and also directed the Chief Administrative Office to return to the Board with letters from each Fire Protection District Board in the County indicating their intent to participate in a long term, sustainable funding solution;

NOW, THEREFORE, County and Districts mutually agree as follows:

ARTICLE I

Payment of Funds: County agrees to appropriate and disburse funds in the following not-to-exceed amounts Fiscal Year 2013-14 as follows:

| | |
|--|-----------|
| Fallen Leaf Lake CSD Fire Department | \$125,000 |
| Garden Valley Fire Protection District | \$99,385 |
| Georgetown Fire Protection District | \$300,000 |
| Mosquito Fire Protection District | \$68,000 |
| Pioneer Fire Protection District | \$150,000 |
| Rescue Fire Protection District | \$70,000 |

If any of the above Districts fail to execute this Agreement by **April 22, 2014**, then no disbursement shall be made to that District and the funds shall be retained by the County.

ARTICLE II

Source of Funds: The sole source of funds provided under this Agreement shall be from the County General Fund. In the event that the County General Fund is unable to provide all the funds under this Agreement, then the amounts to be paid to each district shall be proportionately reduced. The County shall not be required to make any payments from any other source.

ARTICLE III

Use of Funds: In general, the funds received by the Districts shall be used exclusively for the purpose of providing fire protection including staffing and equipment. Consistent with the Fire Advisory Group’s September 24, 2013 presentation to the Board of Supervisors, individual Districts shall spend their specified allotments contained in Article I as follows:

| District | Eligible Expenses |
|--------------------------------------|--|
| Fallen Leaf Lake CSD Fire Department | <ul style="list-style-type: none"> • Fire Boat and/or • 4×4 Fire Engine. |
| Garden Valley FPD | <ul style="list-style-type: none"> • Fire Personnel. |
| Georgetown FPD | <ul style="list-style-type: none"> • Water Tender and/or • Fire Personnel. |
| Mosquito FPD | <ul style="list-style-type: none"> • Fire Personnel. |
| Pioneer FPD | <ul style="list-style-type: none"> • Water Tender and/or • Fire Personnel. |
| Rescue FPD | <ul style="list-style-type: none"> • Fire Personnel. |

It is the intent of the County that all funds expended on personnel will be for firefighting positions, not for management, administrative or clerical positions. It is the intent of the County that Districts should increase firefighting positions with County funds provided for staffing. The County understands that certain firefighter positions are temporarily funded through state or federal grants, and Districts may need to use County funds to maintain current staffing levels as grants from state or federal sources expire.

Within forty-five (45) days of execution of this Agreement, County shall advance to the District the sums outlined in this Article. Districts receiving funds expressly agree that any funds paid by County under this Agreement shall not be used, directly or indirectly for any other purpose.

The County and Districts agree that long term financial and operational success of the fire service in the County of El Dorado requires that the Districts study all options available for service delivery. These options must include, as noted in the Citygate Report, administrative, financial and operational reorganizations on a regional or sub-regional level where economies of scale can be realized. Analysis of reorganization options shall occur in partnership with the County, but should not limit exploration of additional fire district revenue opportunities.

Districts or their representative organizations shall provide status update reports to the County no less than twice yearly at regularly scheduled meetings of the Board of Supervisors. This does not preclude or prohibit additional communication, reports, or information sharing of any type outside of Board meetings from District or County personnel in executing the expectations described in this Agreement.

ARTICLE IV

Term: This Agreement shall become effective when fully executed by both parties (“Effective Date”). This Agreement provides for the payments for Fiscal Year 2013-14. All funds allocated in this round of funding should be expended or encumbered by June 30, 2015.

The County may enter into another similar Agreement during the next fiscal year, if at the determination of the Board of Supervisors continued progress in the area of reorganization of fire service has been made, and short-term funding will further this progress. The County will consider the Districts' progress and participation in any and all efforts at operational reorganizations as described in Article III when considering the second year of funding. Districts shall not have an expectation of additional funding of any sort from the County unless satisfactory efforts as determined by the County have been made toward reorganization efforts.

ARTICLE V

Reports Required: Within thirty (30) days of expenditure of funds for staffing or equipment, the District shall submit the following to the County:

1. A financial report, covering the term of this Agreement, that accurately and clearly shows the amounts received and expended in accordance with Article III.
2. A narrative report, including appropriate detailed information about the staffing and/or equipment that resulted from the District's acceptance of funds, which demonstrates the efficacy of the expenditures. These reports will be included in the evaluation of need for a second year of funding.

Any funds that have not been spent in accordance with the provisions of this Agreement, as determined by County, shall be returned to County within thirty (30) days of County's demand for same.

ARTICLE VI

Fire District Compliance with Applicable Law: Districts will comply with all Federal, State, and local laws and ordinances which are or may be applicable to the purchase of equipment.

ARTICLE VII

Audit: Districts will keep and maintain accurate financial accounts of all funds expended as provided under this Agreement. Said records will be kept in accordance with generally accepted accounting practices. Such accounting records shall be made available for inspection by County designee's during normal business hours at the office of each District or its financial consultant.

ARTICLE VIII

Cancellation: Any party may at any time, by majority vote of its governing Board, elect to cancel this Agreement by providing written notice of termination to all other parties. Cancellation by one District shall not affect the agreement between the County and remaining Districts.

ARTICLE IX

No Third Party Beneficiary: Nothing in this Agreement shall be construed to create any rights of any kind or nature in any other party not a named party to this Agreement.

ARTICLE X

Changes to Agreement: This Agreement may be amended by mutual consent of the parties hereto. Said amendments shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto.

ARTICLE XI

Notice to Parties: All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested. Notices to County shall be in duplicate and addressed as follows:

County: Chief Administrative Officer
County of El Dorado
330 Fair Lane
Placerville, CA 95667

With a copy to: County Counsel
County of El Dorado
330 Fair Lane
Placerville, CA 95667

or to such other location as the County directs.

Districts: See List of Districts attached as Exhibit A

or to such other location as the Districts direct.

ARTICLE XII

Indemnity: Each District shall defend, indemnify, and hold the County harmless against and from any and all claims, suits, losses, damages and liability for damages of every name, kind and description, including attorneys fees and costs incurred, brought for, or on account of, injuries to or death of any person, including but not limited to workers, County employees, and the public, or damage to property, or any economic or consequential losses, which are claimed to or in any way arise out of or are connected with a Districts expenditure of funds pursuant to this Agreement. This duty of each District to indemnify and save County harmless includes the duties to defend set forth in California Civil Code section 2778.

ARTICLE XIII

Administrator: The County Officer or employee with responsibility for administering this Agreement is Terri Daly, Chief Administrative Officer, or successor.

ARTICLE XIV

Warrant of Authority: The parties to this Agreement represent that the undersigned individuals executing this Agreement on behalf of the respective parties have been duly authorized to sign this Agreement and perform its terms.

ARTICLE XV

Entire Agreement: This Agreement contain the entire agreement between the parties hereto with respect to the subject matter hereof, and no addition to or modification of any term or provisions shall be effective unless set forth in writing by all parties hereto.

ARTICLE XVI

Severability: If any phrase, sentence, clause or provision of this agreement is held invalid, the balance of the agreement shall not be affected and the agreement shall be construed to the fullest extent of the law to effectuate the terms of this agreement.

ARTICLE XVII

California Law: This Agreement shall be governed by and construed in accordance with the laws of the State of California.

ARTICLE XVIII

Waivers: No waiver by any party of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by either party of the same or any other provision.

ARTICLE XIX

Counterparts: This Agreement shall be valid upon approval by the County as to each individual District that has approved the agreement. Failure of one or more individual Districts to approve this Agreement shall not affect the validity of this Agreement with respect to the Districts that have approved the Agreement.

This Agreement and any and all other agreements, documents or certificates to be entered into by the parties with respect to the subject matter hereof, may be executed in multiple counterparts. Each such executed counterpart shall be considered an original, and taken together, shall constitute one and the same document. Any signature, notice or other communication with respect to the subject matter hereof may be given by telex, telecopy or other facsimile transmission, the transmission of which shall be concurrently or immediately followed by delivery (personal or by express mail) of any original thereof, and the party receiving a facsimile transmission shall be entitled to rely upon such facsimile to the same extent as if it were an original.

ARTICLE XXX

Venue: Any dispute resolution action arising out of this Agreement, including but not limited to litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California. Districts waive any removal rights it might have under Code of Civil Procedure section 394.

ARTICLE XXI

Entire Agreement: This document and the documents referred to herein or exhibits hereto are the entire Agreement between the parties and they incorporate or supersede all prior written or oral Agreements or understandings.

ARTICLE XXII

Time is of the Essence: The Parties hereto acknowledge and agree that time is of the essence.

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DRAFT

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first below written.

-- COUNTY OF EL DORADO --

Date: _____

By: _____

**Norma Santiago, Chair
Board of Supervisors**

**ATTEST:
James S. Mitrisin,
Clerk of the Board of Supervisors**

By: _____
Deputy Clerk

Date: _____

-- DISTRICTS --

Date: _____

By: _____

**Fallen Leaf Lake Community
Services District**

Date: _____

By: _____

**Garden Valley Fire Protection
District**

Date: _____

By: _____

**Georgetown Fire Protection
District**

Date: _____

By: _____

Mosquito Fire Protection District

Date: _____

By: _____

Pioneer Fire Protection District

Date: _____

By: _____

Rescue Fire Protection District

EXHIBIT A

**AGREEMENT TO PROVIDE FUNDING FOR RURAL FIRE PROTECTION
AND EQUIPMENT**

List of Districts

Fallen Leaf Lake Community Services District
P.O. Box 9415
South Lake Tahoe, CA 96158

Garden Valley Fire Protection District
4860 Marshall Road
Garden Valley, CA 95633

Georgetown Fire Protection District
P.O. Box 420
Georgetown, CA 95634

Mosquito Fire Protection District
8801 Rock Creek Road
Placerville, CA 95667

Pioneer Fire Protection District
P.O. Box 128
Somerset, CA 95684

Rescue Fire Protection District
P.O. Box 102
5221 Deer Valley Road
Rescue, CA 95672