

COPY

CHY HALL STOCKTON, CA 95202

OFFICE OF THE CITY ATTORNEY
(209) 944-8333

January 5, 1984

Frances Hong City Clerk City Hall Stockton CA 95202

## AGREEMENT FOR FIRE PROTECTION SERVICES

Attached is a fully executed Agreement, dated January 3, 1984, between the CITY OF STOCKTON and EASTSIDE RURAL COUNTY FIRE PROTECTION DISTRICT. Under said Agreement, CITY desires to enter into an agreement with DISTRICT to provide fire protection and life-saving services to the entire DISTRICT.

Execution of this Agreement was authorized by City Council Resolution No. 40,299, adopted on December 27, 1983.

Eastside Rural County Fire Protection District will receive a fully executed Agreement via copy of this letter.

This document may be retained for your files.

GERALD A. SPERRY CITY ATTORNEY

Serolda Joery

GAS:pa

Attachment

cc: Eastside Rural County Fire Protection District Director of Finance

Fire Department

RECEIVED

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CITY CLERK CITY OF STOCKTON

# FIRE PROTECTION SERVICES AGREEMENT EASTSIDE RURAL COUNTY FIRE PROTECTION DISTRICT

January , 19 84, by and between the CITY OF STOCKTON, a Municipal Corporation, hereinafter designated "CITY", and EASTSIDE RURAL COUNTY FIRE PROTECTION DISTRICT, a rural county fire protection district of the State of California, hereinafter designated "DISTRICT".

#### WITNESSETH:

WHEREAS, CITY desires to enter into an agreement with DISTRICT to provide fire protection and life-saving services to the entire DISTRICT.

NOW THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the parties hereto expressly agree as follows:

#### 1. SERVICES RENDERED BY THE CITY:

The CITY will provide fire protection and life-saving services to the entire DISTRICT. Such services shall be provided at an equivalent level to that provided for similar incidents and occupancies within the incorporated area of the CITY.

#### 2. PAYMENT FOR SERVICES:

a. The DISTRICT will pay the CITY for the abovementioned services in an amount determined by dividing the Fire
Department Budget including the additional costs of absorbing all
DISTRICT personnel by the combined assessed values of the CITY

and the DISTRICT, and then multiplying that rate by the assessed value of the DISTRICT. The Fire Department Budget shall be defined as the cost of providing services for fire protection and life-saving. See Exhibit "A", attached hereto, for mathematical explanation of cost determination.

- b. Such cost determination shall be made yearly, changing the rate and the amount charged the DISTRICT in accordance with changes in the variables of the formula utilized herein.
- make payment to the CITY in twelve (12) monthly installments, with the first payment due upon the day the CITY assumes responsibility under this Agreement. Each subsequent payment is due on the same day of the month, each month thereafter. The DISTRICT shall take credit against its first payment or payments for the value of the equipment acquired by the CITY. The DISTRICT will be considered delinquent in its payments if such payment has not been made within thirty (30) days after the due date.
  - 3. TERM OF AGREEMENT AND TERMINATION PROCEDURES:
- a. This Agreement shall remain in effect until terminated. This Agreement may be terminated by either party without cause upon the giving of five (5) years notice. This Agreement may be terminated without complying with the five (5) year notice requirement for the sole cause of nonperformance by the other party. However, if the CITY terminates this Agreement because the DISTRICT has insufficient funds to meet its obligation under this Agreement, the CITY shall continue service for a period of six (6) months. The DISTRICT agrees to

compensate the CITY for costs incurred during such six (6) month period.

b. In the event that the CITY terminates this Agreement without cause, the CITY agrees not to initiate or consider any annexation proposal for the DISTRICT area until the DISTRICT has operated its own department for a period of at least one year. This prohibition shall not extend to any uninhabited area or to any proposal which is initiated by a petition which shall contain the signatures of at least fifty per cent (50%) of the registered voters in the area proposed to be annexed.

#### 4. WITHHOLDING OF PAYMENT OR SERVICES:

- a. The DISTRICT may withhold payment for any period during which the CITY does not or cannot provide the service contracted for including labor strikes.
- b. The CITY may withhold service during any period that the DISTRICT is delinquent in making payments to the CITY.
  - 5. CITY SERVICE TO OTHER FIRE DISTRICTS:

As a result of this Agreement, the CITY is in no way prevented from offering its service to other fire districts. If the terms agreed upon with other fire districts are the same as those extended to the DISTRICT, the cost of serving such other areas as well as their assessed values shall be included in determining the DISTRICT's yearly cost. If the terms of such other agreements differ from those extended to the DISTRICT, they shall not have the effect of increasing the contract cost of the DISTRICT.

#### 6. ABSORPTION OF DISTRICT PERSONNEL:

- a. The CITY shall hire all paid firefighters of the DISTRICT, in accordance with the provisions of the City Charter and Ordinance No. 2429-C.S.
- b. Examinations: There will be no written entrance examination; there will be no physical agility examination.
- c. Classification: DISTRICT employees shall be employed only in the classification of firefighter, and only in a probationary status. No DISTRICT employee shall be employed in any promotional classification.
- d. Salaries: DISTRICT personnel shall enter CITY employment at the firefighter salary step next higher than the salary rate received from the DISTRICT at the time of transfer. Where the employee receives from the DISTRICT a salary in excess of the CITY's highest step for firefighter, special assignment and/or interim rates shall be utilized to meet the intent of Chapter 2, Part III, Section 2-102 of the Stockton Municipal Code.

#### e. Physical Requirements:

- 1. Height: DISTRICT personnel must meet the height requirements in effect for employment in the CITY Department as of the effective date of this Agreement.
- 2. Weight: DISTRICT personnel must meet the weight requirements in effect for employment in the CITY Department as of the effective date of this Agreement, except that the City Manager may waive compliance with the weight requirement, if he considers a waiver appropriate, taking into account the age, weight, experience and length of service of the employee.

- 3. Medical Examination: All DISTRICT personnel shall be examined by the CITY Physician, and no DISTRICT employee shall be employed unless the CITY physician certifies that the DISTRICT employee's physical condition is comparable to that of CITY Department employees of similar age.
- f. Age: All DISTRICT personnel shall be at least twenty-one (21) years of age and under the age of sixty (60) years at the time of employment.
- g. Residence: All DISTRICT personnel shall comply with the residence requirements applicable to CITY employees at the time of employment.
- h. Educational Requirements: All DISTRICT personnel shall comply with the educational requirements applicable to CITY Department employees at the time of employment.
- i. Probationary Period: There will be a six (6) month probationary period. Permanent status will then be obtained if the person successfully passes four (4) weeks in the training division, four (4) written examinations and performance evaluations by company officers. Every DISTRICT employee must successfully complete the CITY Department training program; failure to do so shall be good cause for dismissal.
- j. Retirement: At the time of their employment,
  DISTRICT personnel will become members of the CITY's retirement
  plan under Public Employees' Retirement System (PERS). Prior
  service rights and DISTRICT liabilities under the San Joaquin
  County Retirement System will be retained by the DISTRICT
  employee and the DISTRICT.

- k. Holiday and Regular Vacation Liabilities: The DISTRICT shall discharge all Holiday and Regular Vacation liabilities to its personnel before they are transferred to the CITY Department.
- l. Seniority Vacation Liabilities: Seniority
  Vacation, to be distinguished from Regular Vacation, is defined
  as that vacation which is awarded on the basis of seniority. The
  DISTRICT agrees to finance, as set forth in Exhibit "B", a
  program whereby the DISTRICT employees shall be permitted to
  carry over to CITY employment a maximum of fifteen (15) days
  seniority vacation. After transfer to the CITY, each DISTRICT
  employee shall have the option of taking such seniority vacation
  or its monetary equivalent. The DISTRICT employee's entrance
  salary into the CITY Department shall be used as the measure in
  determining the cost payable by the DISTRICT in discharging its
  seniority vacation liability.
- m. Sick Leave Liabilities: DISTRICT funds deposited with CITY for sick leave earned as a DISTRICT employee, shall be credited by CITY for each such employee as sick leave earned in an amount equivalent to the number of hours purchased by said funds at the entry firefighter salary rate. From the day of transfer to the CITY Department, DISTRICT employees shall earn sick leave as any other CITY firefighter.

For explanation of cost determination for sick leave and seniority vacation liabilities, see Exhibit "B" attached hereto.

n. Seniority: DISTRICT employees' seniority for choice of vacation shall date from the date of employment by the CITY. DISTRICT employees' seniority for length of vacation shall

date from the date of employment by DISTRICT. Seniority for all other benefits shall date from date of employment by CITY except as otherwise specified herein.

- o. Shift Trades: No shift trades shall be allowed to DISTRICT personnel during their initial three (3) months of service on the CITY Department. In the following three (3) months, limited shift trades shall be allowed. After six (6) months of service with the CITY Department, DISTRICT personnel shall be allowed the same shift trade privileges as all other CITY Department personnel.
- p. District Personnel Records: Entire DISTRICT personnel files shall be transferred to the CITY Fire Chief and shall become a permanent part of CITY Department personnel files.

#### 7. ASSIGNMENT OF DISTRICT PERSONNEL:

Assignment of DISTRICT personnel shall be solely the responsibility of the CITY Department Fire Chief. DISTRICT personnel which cannot be immediately absorbed to fill permanent positions will nonetheless be retained, subject to satisfactory performance, until the process of attrition reduces the Department work force to that which can be justified on a cost-effective basis.

#### 8. DISTRICT PROPERTY:

Purchase of Equipment. The City will offer to buy, at the fair market value, such DISTRICT equipment as it can use.

Upon termination of this Agreement, the CITY will give the DISTRICT an option to purchase equipment of the same quality and functional capacity as those purchased by the CITY from the

DISTRICT pursuant to this Agreement. The cost of exercising such option will be the then fair market value of the equipment, using the same valuation formula as used in the acquisition. See Exhibit "C" attached hereto.

Lease of Fire Station: DISTRICT hereby leases to CITY and CITY hereby leases from DISTRICT the real property and improvements located at 4010 East Main Street commonly known as Headquarters Fire Station for the term of this Agreement. CITY shall pay DISTRICT as and for full compensation the sum of ONE (\$1.00) DOLLAR per year. CITY shall maintain all improvements thereon; shall pay all utilities; shall bear the risk of loss; and shall hold the DISTRICT harmless from any and all liabilities occasioned by said lease of said fire station.

In the event CITY in its sole discretion determines to relocate said Fire Station, this lease provision shall terminate.

9. MAINTENANCE, REPLACEMENT AND INSTALLATION OF HYDRANTS:

The CITY will assume the responsibility for maintenance of all existing hydrants in the DISTRICT area. Installation of additional fire hydrants may be accomplished by recommendation of the CITY Fire Chief to the DISTRICT Board of Directors. If approved by the Directors, the entire cost of such installation shall be paid by the DISTRICT from a separate revolving fund of TEN THOUSAND (\$10,000.00) DOLLARS. The DISTRICT shall annually appropriate sufficient funds to maintain said revolving fund at TEN THOUSAND (\$10,000.00) DOLLARS.

#### 10. JOINT EXERCISE OF POWERS ACT:

In those respects in which CITY and DISTRICT agree herein to act jointly, this Agreement is entered into pursuant to

the Joint Exercise of Powers Act contained in Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code of the State of California.

#### 11. EFFECTIVE DATE OF AGREEMENT:

This Agreement shall be effective as of <u>January 1</u>, 1984.

IN WITNESS WHEREOF, this Agreement has been executed by the respective parties hereto through their respective authorized officers at Stockton, California, the day and year first above written.

ATTEST:

Trance Honf City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

County Counsel

Deputy County Counsel

CITY OF STOCKTON, a Municipal Corporation,

City Manager

EASTSIDE RURAL COUNTY FIRE FIRE PROTECTION DISTRICT, a rural county fire protection district of the State of California,

"DISTRICT"

FORMULA USED TO DETERMINE TAXATION EQUIVALENT APPLIED TO THE EASTSIDE RURAL COUNTY FIRE PROTECTION DISTRICT

## Cost of Service -- City of Stockton:

Fire Department Budget (Account No. 10-2600) Gross Taxable Property Value -- City and District Served

= Equivalent Property Tax Rate

### Charge to District for Service:

Equivalent

Property Tax Rate X Gross Taxable = Service Payment Property Value to City of District

EXHIBIT "A"

Included here is the total liability of the DISTRICT necessary to finance the sick leave and seniority vacation allotments that will be extended to the DISTRICT employees by the City of Stockton if this contractual Agreement is executed. This figure represents the total obligation if all DISTRICT members qualify for the transfer; if any members are unacceptable by the contract requirements, the reduction will be reflected in the total dollar amount.

An itemized list, dealing with the entitlements of each employee is on file in the Stockton Fire Department Office and the benefits will be accredited to each person when they officially become City of Stockton employees and the financial obligation is satisfied.

Seniority vacation total	\$ 19,155.00
Sick leave total	8,270.00
TOTAL	\$ 27,425.00

EXHIBIT "B"

The following is a description of the methods used to establish a current fair market value for assorted fire protection equipment of the DISTRICT. A more detailed, itemized report is in the files of both the Stockton Fire Department and the Fire District Office.

#### I. Apparatus Vehicles:

Minimum current value of 25% of original purchase price, with 75% balance depreciated at a 20 year replacement cycle for pumpers and a 5 year cycle for other vehicles.

#### II. Miscellaneous Equipment:

(Includes personal safety equipment, assorted fittings, hose, gas masks, radios.)

Values assigned after visual inspection of items and recommendation of vendors.

Grand Total: \$77,296.00

EXHIBIT "C"

# ORIGINAL

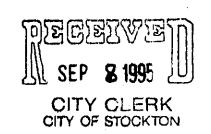
AMENDMENT TO FIRE PROTECTION SERVICE AGREEMENT
BETWEEN
CITY OF STOCKTON
AND
EASTSIDE RURAL COUNTY FIRE PROTECTION DISTRICT

This Amendment (hereinafter the "AMENDMENT") is entered into between the City of Stockton, a municipal corporation (hereinafter "CITY"), and the Eastside Rural County Fire Protection District, a rural County fire protection district of the State of California, (hereinafter "DISTRICT"), and amends that certain Fire Protection Service Agreement dated January 3, 1984 between CITY and DISTRICT (hereinafter the "AGREEMENT") to add a new Paragraph, 12, entitled "Indemnification", which reads as follows:

#### **Indemnification**

DISTRICT shall not be liable for any loss, damage, or injury to any person or property arising from or caused by any act or in conjunction with the omission of CITY duties or obligations of the CITY pursuant to the AGREEMENT and the CITY hereby waives on its behalf all claims and demands against DISTRICT for any such loss, damage, or injury of CITY. CITY hereby agrees to indemnify and hold DISTRICT free and harmless from all liability for any loss, damage, or injury to any persons or property arising from or caused by any act or omission of CITY in conjunction with the duties or obligations of the CITY pursuant to the AGREEMENT.

In all other respects the AGREEMENT is hereby ratified and confirmed.



IN WITNESS WHEREOF, this AMENDMENT has been executed by the respective parties hereto through their respective authorized officers at Stockton, California, the day and year set forth below.

	ATTEST:
Deput	APPROVED AS TO FORM:  R. THOMAS HARIS CITY ATTORNEY  By: DEPUTY CITY ATTORNEY
	DATED: 1/2 1995
	APPROVED AS TO FORM
	DISTRICT COUNSEL

DATED.

SEP 0 1 1995

CITY OF STOCKTON, a municipal corporation,

DWANE MILNES, City Manager "CITY"

EASTSIDE RURAL COUNTY FIRE PROTECTION DISTRICT, a rural county fire protection district of the State of California,

"DISTRICT"

# SECOND AMENDMENT TO FIRE PROTECTION SERVICES AGREEMENT BETWEEN CITY OF STOCKTON AND EASTSIDE RURAL COUNTY FIRE PROTECTION DISTRICT

WHEREAS, the City of Stockton (hereinafter "CITY") and the Eastside Rural County Fire Protection District, a rural County fire protection district of the State of California (hereinafter, "DISTRICT") entered into a Fire Protection Service Agreement dated January 3, 1984 (hereinafter "AGREEMENT") regarding the CITY providing fire protection services to the DISTRCT:

WHEREAS, the CITY and the DISTRICT in 1995 entered into an amendment (hereinafter "1<sup>ST</sup> AMENDMENT") to the AGREEMENT adding Paragraph 12 entitled "Indemnification;"

WHEREAS, Paragraph 2 of the AGREEMENT established a formula whereby the DISTRICT would pay the CITY for fire protection services that was based on the annual budget (hereinafter "BUDGET") adopted by the CITY and the gross taxable property value<sup>1</sup>;

WHEREAS, the CITY and DISTRICT recognize that the BUDGET approved by the CITY may not reflect the actual expenditures for fire protection services and that the annual audit (hereinafter "AUDIT") for each fiscal year of the CITY would reveal if there had been expenditures either above or below the amount BUDGETED;

WHEREAS, the CITY and DISTRICT desire to amend the AGREEMENT to include provisions amending the payment formula between the CITY and DISTRICT to include use of the AUDIT to ensure that the CITY is paid only for actual costs and that said amendment apply retroactively to the 2007-2008 fiscal year; and

WHEREAS, the CITY and DISTRICT have recently reviewed the AUDITS for the fiscal years 2007-2008 through and including 2009-2010 and agree that as of July 1, 2011, the DISTRICT has tendered all payments for said years after application of any credits.

THEREFORE, this Second Amendment (hereinafter, the "2<sup>nd</sup> AMENDMENT") is entered into between the CITY and the DISTRICT and amends AGREEMENT, as amended by the 1<sup>st</sup> AMENDMENT, to amend subsection Section 2, entitled "Payment for Services," adding subsection (d) which reads in full as follows:

"(d) At the end of each fiscal year, CITY shall provide DISTRICT with a final audited financial statement reflecting the actual costs of fire protection services and life-saving services provided by the CITY to the DISTRICT for that fiscal year. Should the total actual costs be less than the total amount paid to the CITY by the DISTRICT under paragraph 2.a., the DISTRICT shall receive a credit in the amount of the difference, applied to

<sup>&</sup>lt;sup>1</sup> The City and District agree that changes in allocation of revenue to the City from taxes (e.g., tax increment from redevelopment agencies) or changes in allocation of revenue to the fire department from City policy decisions do not affect the meaning of assessed value as used in the Agreement

the subsequent fiscal year. Should the actual costs be more than the total amount paid to the CITY by the DISTRICT, the DISTRICT shall make a supplemental payment to the CITY in the full amount of the difference, no later than the beginning of the second quarter of the subsequent fiscal year.

The CITY and DISTRICT further agree that this 2<sup>nd</sup> AMENDMENT shall apply retroactively to the 2007-2008 fiscal year and that the DISTRICT has made full payment for all fiscal years prior to and including 2009/2010.

In all other respects, the AGREEMENT is hereby ratified and confirmed.

IN WITNESS WHEREOF, this 2<sup>nd</sup> AMENDMENT has been executed by the respective parties hereto through their respective authorized officers at Stockton, California, the day and year set forth below.

DATE: 12-19-11	
ATTEST:	
Bonnie Jan	
BONNIE PAIGE	_
City Clerk	

CITY OF STOCKTON, a municipal corporation,

BOB DEIS, City Manager "CITY"

APPROVED AS TO FORM:

JOHN M. LUEBBERKE CITY ATTORNEY

CITY ATTORNEY

Title: ASSISTANT CITY Athrony

Dated: 13-/14/11

APPROVED AS TO FORM:

DISTRICT COUNSEL

DANIEL J. SCHROEDER DISTRICT COUSNEL EASTSIDE RURAL COUNTY FIRE PROTECTION DISTRICT, a rural county fire protection district of the State of California,

"DISTRICT"